

District I  
1625 N. French Drive, Hobbs, NM 88240

District II  
1301 W. Grand Avenue, Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised May 15, 2000

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
Single Well  
Establish Pre-Approved Pools  
EXISTING WELLBORE  
X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

DHC-3692

Caulkins Oil Company 1409 W. Aztec, Blvd., Suite B7, Aztec, NM 87410  
Operator Address

BREECH "F" 1-F UNIT K - SEC. 33-27N-6W Rio Arriba  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 003824 Property Code 2460 API No. 30-039-25876 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	South Blanco Tocito 01L		Basin Dakota Pro 62
Pool Code	06460		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6860' - 6871'		7338' - 7557'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1286		1103
Producing, Shut-In or New Zone			
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 12 Month Avg. Rate: Gas Oil Water 142 2.982 .033 MCF/D Bbl Bbl	Date: Rate: Gas Oil Water MCF/D Bbl Bbl	Date: 12 Month Avg. Rate: Gas Oil Water 144 328 .05 MCF/D Bbl Bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Gas Oil 49 % 90 %	Gas Oil % %	Gas Oil 51 % 10 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No  
Are all produced fluids from all commingled zones compatible with each other? Yes X No  
Will commingling decrease the value of production? Yes No X  
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes X No

NMOCD Reference Case No. applicable to this well: DHC-3334, DHC-3546, DHC-3118, DHC-3333

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Robert L. Verquer TITLE Superintendent DATE March 27, 2006

TYPE OR PRINT NAME Robert L. Verquer TELEPHONE NO. (505)-334-4323

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_

- [2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name \_\_\_\_\_ Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_ e-mail Address \_\_\_\_\_

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals)

5. Lease  
NMNM-03547

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

1. Oil Well  Gas Well  Other   
GAS WELL

8. Well Name and No.  
BREECH "F" 1-F

2. Name of Operator:  
Caulkins Oil Company

9. API Well No.  
30-039-25876-00D1

3. Address of Operator: (505) 334-4323  
1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410

10. Field and Pool, Exploratory Area  
DAKOTA, TOCITO

4. Location of Well (Footage, Sec., Twp., Rge.)  
1654' F/S 1526' F/W SEC. 33-27N-6W

11. Country or Parish, State  
Rio Arriba Co., New Mexico

**12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Downhole Commingle</u>	<input type="checkbox"/> Dispose Water

17. Describe Proposed or Completed Operations:  
3-27-06 We request approval to downhole commingle this well by the following procedure.  
T. O. H. laying down 2 3/8' tubing from 6860'.  
T. O. H. standing back 2 3/8" tubing with packer from 7544'.  
T. I. H. with 2 3/8" production tubing.  
Clean out to PBTD with air foam unit.  
Land tubing on doughnut at approximately 7500'.  
Rig down and move.  
Estimated starting date, April 24, 2006.

NOTE: The format is issued in lieu of U.S. BLM Form 3160-5

18. I HEREBY CERTIFY THE FOREGOING IS TRUE AND CORRECT

SIGNED: Robert L. Verquer TITLE: Superintendent DATE: March 27, 2006  
ROBERT L. VERQUER

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY

**LAST 12-MONTHS PRODUCTION  
FOR  
BREECH F 1-F**

**DAKOTA**

<b>MONTH</b>	<b>GAS</b>	<b>OIL</b>	<b>WATER</b>	<b>DAYS</b>	<b>GAS DPA</b>	<b>OIL DPA</b>
02/05	4,055	7	1	28	145	0.250
03/05	4,138	7	1	31	133	0.226
05/05	4,821	7	1	31	156	0.226
06/05	4,689	7	1	30	156	0.233
07/05	4,578	12	2	31	148	0.387
08/05	4,409	10	2	31	142	0.323
09/05	4,339	10	2	30	145	0.333
10/05	3,753	9	1	25	150	0.360
11/05	4,133	7	1	30	138	0.233
12/05	4,218	13	2	29	145	0.448
01/06	4,251	15	2	31	137	0.484
02/06	3,631	12	2	28	130	0.429
	<b>51,015</b>	<b>116</b>	<b>18</b>		<b>144</b>	<b>0.328</b>

**TOCITO**

<b>MONTH</b>	<b>GAS</b>	<b>OIL</b>	<b>WATER</b>	<b>DAYS</b>	<b>GAS DPA</b>	<b>OIL DPA</b>
03/05	4,116	77	1	31	133	2.484
04/05	4,142	97	1	30	138	3.233
05/05	4,122	123	1	31	133	3.968
06/05	4,154	74	1	30	138	2.467
07/05	4,414	89	1	31	142	2.871
08/05	4,436	111	1	31	143	3.581
09/05	4,502	95	1	30	150	3.167
10/05	3,942	75	1	28	141	2.679
11/05	4,451	86	1	30	148	2.867
12/05	4,389	75	1	29	151	2.586
01/06	4,504	86	1	31	145	2.774
02/06	4,077	87	1	28	146	3.107
	<b>51,249</b>	<b>1,075</b>	<b>12</b>		<b>142</b>	<b>2.982</b>

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, N.M. 88211-0719

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RECEIVED  
BLM

38 MAR -3 PM 1:10

AMENDED REPORT

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 71599	*Pool Name Basin Dakota
*Property Code 2460	*Property Name BREECH "F"		*Well Number 1F
*OGRID No. 003824	*Operator Name C. ULKINS OIL COMPANY		*Elevation 6612

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	33	27N	6W		1654	SOUTH	1526	WEST	RIO ARRIBA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

**<sup>17</sup> OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Robert L. Verquer*  
Signature

Robert L. Verquer  
Printed Name

Superintendent  
Title

February 27, 1998  
Date

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**<sup>18</sup> SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APR 10 1998  
Date of Survey

Signature and Seal of Professional Surveyor:  
*[Signature]*

Cor. Scale Number

RECEIVED  
DEC - 8 1998  
OIL CON. DIV.  
DIST. 3

C. B.C.  
L.M.  
955

D. B.C.  
L.M.

DISTRICT I  
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico  
Geology, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, N.M. 88211-0719

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87504-2088

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BLM  
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AMENDED REPORT

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 06460	*Pool Name South Blanco Tocito
*Property Code 2460	*Property Name BREECH "F"		*Well Number 1F
*OGRID No. 003824	*Operator Name CAULFINS OIL COMPANY		*Elevation 6612

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	33	27N	6W		1654	SOUTH	1526	WEST	RIO ARRIBA

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<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Robert L. Verquer</i> Signature</p> <p>Robert L. Verquer Printed Name</p> <p>Superintendent Title</p> <p>February 27, 1998 Date</p>
	<p><b>16 SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>APR 10 1998 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor</p> <p>REGISTERED PROFESSIONAL LAND SURVEYOR NEW MEXICO 8894</p> <p>Certificate Number</p>

RECEIVED  
IN DEC - 9 1998  
OIL CON. DIV.  
DIST. 3

B.C.  
L.M.  
155

B.C.  
L.M.

