

CAULKINS OIL COMPANY

BOX 780

FARMINGTON, NEW MEXICO

February 8, 1963

Mr. A. L. Porter, Jr., Secretary - Director
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Dear Sir:

This is to request an exception to Rule 303 as provided in Section 2, Subsection (b) of Commission Order Number R-2060, to permit the commingling of liquid production from our Breech Well Number PMD-224, Unit A of Section 13-26N-7W, Rio Arriba County, New Mexico.

This well is a triple completion producing gas from the Pictured Cliffs Zone (South Blanco Pictured Cliffs Pool), gas and distillate from the Mesa Verde Zone (Blanco Mesa Verde Pool), and gas and distillate from the Greenhorn Zone (Undesignated). The working interests and royalty interests are the same for all three zones.

Administrative approval to commingle the liquid production from the Mesa Verde and Dakota Zones is requested so that the operation of the well may be simplified and to permit the salvage of part of the equipment now in use at the well. The gas production from the two zones will not be commingled.

Following is the record of liquid production for the year 1962:

Month	<u>Mesa Verde Zone</u>		<u>Dakota Zone</u>	
	<u>Days on line</u>	<u>Barrels</u>	<u>Days on line</u>	<u>Barrels</u>
January	28	7	29	22
February	26	36	28	47
March	26	5	25	16
April	0	0	0	0
May	15	22	22	53
June	8	20	16	25
July	8	20	23	44
August	0	0	24	27
September	24	0	26	68
October	31	16	31	19
November	14	7	14	15
December	12	10	22	17
Total	192	143	260	353

Mr. A. L. Porter, Jr.

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From the above report it is apparent that there is a great difference in operating time of the two zones. It will therefore be possible to test each zone frequently enough to accurately estimate the liquid production from each zone monthly.

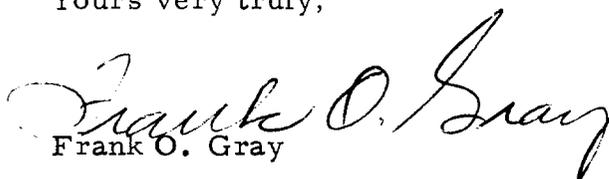
Recent tests of the distillate from the well showed the following:

	<u>Mesa Verde</u>	<u>Dakota</u>
Gravity	59.5	59.4
Reid Vapor Pressure	6.6	8.3
Price	2.30	2.30

The gravity and vapor pressure of the distillate from the two zones is so close that mixing it would have no effect on price.

This well is located on Federal Lease SF 03733 and a copy of a letter from the Roswell, New Mexico office of the United States Department of the Interior, Geological Survey, approving the commingling plan is sent herewith; also sent herewith are a plat showing all wells on the lease and a schematic diagram showing the proposed commingling equipment installation. Liquid production would be trucked from the tank shown on the diagram to tank number 1055 on the El Paso Natural Gas Products Company gathering line in Section 4-26N-6W. The liquid production (distillate) would be sold to them from that tank.

Yours very truly,


Frank O. Gray

cc New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico

October 1, 1962

Caulkins Oil Company
P. O. Box 780
Farmington, New Mexico

Attention: Mr. Frank Grey

Gentlemen:

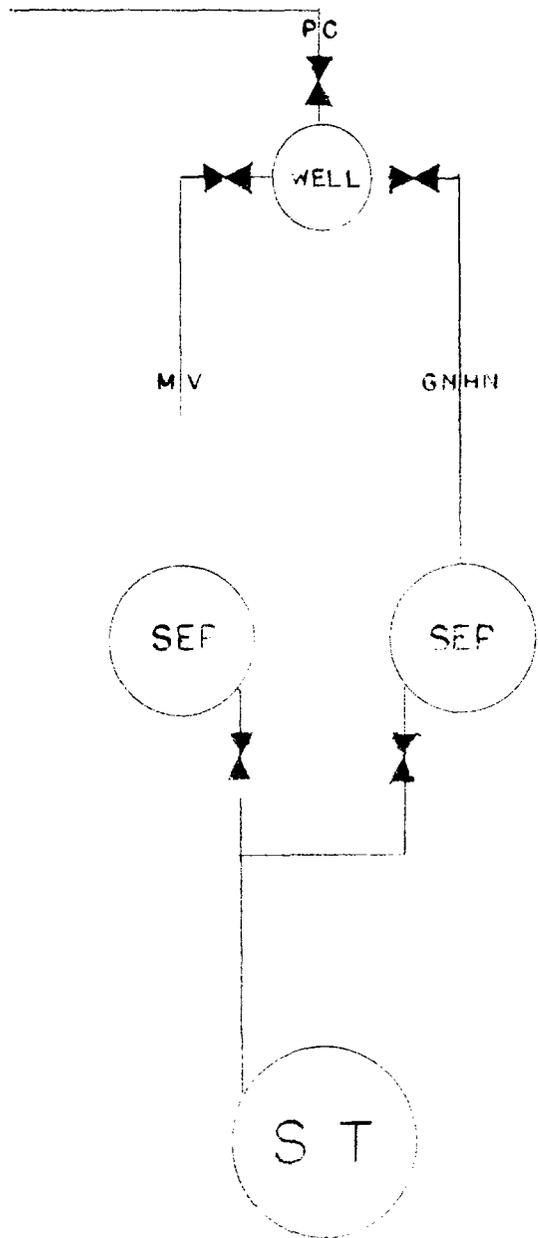
Your letter of September 18 requests approval to commingle Mesaverde, Dakota, and Greenhorn condensate production from wells 4 and 8 on Federal lease NM 03547, well 58 on lease NM 03551, and well 224 on lease NM 03733 in common tankage at each well.

The method of commingling described by your letter is hereby approved with the understanding that the condensate production will be commingled in common storage on each individual leasehold and there will be no commingling of production between the different leases.

You are requested to notify our Farmington office when the installation is completed so that a field inspection of the system can be made.

Very truly yours,

JOHN A. ANDERSON
Regional Oil and Gas Supervisor



SCHEMATIC DIAGRAM OF PROPOSED
 INSTALLATION FOR COMMINGLING
 LIQUID PRODUCTION FROM MESA
 VERDE AND GREENHORN ZONES

CAULKINS OIL COMPANY
 BREECH WELL NO. PMD-224
 UNIT A OF SECTION 13-26N-6W

