

CAULKINS OIL COMPANY

BOX 780

FARMINGTON, NEW MEXICO

RECEIVED

JUN 29 AM 7 35

June 10, 1966

Mr. A. L. Porter, Jr., Secretary - Director
New Mexico Oil Conservation Commission
Post Office Box 2088
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 2060, to permit commingling of liquid production from our Breech A Well Number 229 (MD), Unit D of Section 17-26N-6W, Rio Arriba County.

This well is a dual completion producing gas and distillate from the Mesa Verde Zone (Blanco Mesa Verde Pool) and gas and distillate from the Dakota Zone (Basin Dakota Pool). The working interests and royalty are the same for both zones.

Administrative approval to commingle the liquid production is requested so that the operation of the well may be simplified. The gas production will not be commingled.

Following is the record of liquid production from this well to June 1, 1966:

Month	Mesa Verde Zone		Dakota Zone	
	Days on line	Barrels	Days on line	Barrels
December, 1965	18	0	19	767
January, 1966	0	0	8	224
February	21	0	10	175
March	21	0	4	80
April	19	50	0	0
May	31	139	0	0

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:

	Mesa Verde	Dakota
Gravity	58.6	62.9
Reid Vapor Pressure	8.2	13.0
Price	\$2.35	\$2.21

Mr. A. L. Porter, Jr.

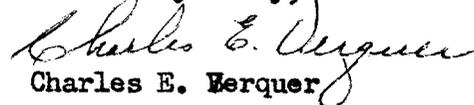
-2-

June 10, 1966

Due to the difference in flowing time of the two zones it is difficult to calculate how much the mixing of the liquids would affect their value but due to the small volume involved, the commingling probably would have little effect on income from the sale of liquids.

This well is located on Federal Lease SF 079035-A and a copy of a letter from the United States Department of the Interior, Geological Survey, Roswell, New Mexico, 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 40066 or 40067 on the Shell Oil Company gathering line in Section 9-26N-6W. The liquid production (distillate) would be sold to them from those tanks.

Yours very truly,


Charles E. Berquer

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

Mr. A. F. Holland

CAULKINS OIL COMPANY

BOX 780
FARMINGTON, NEW MEXICO

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2 MAY 62 JUN 29 1966

June 10, 1966

Mr. A. L. Porter, Jr., Secretary - Director
New Mexico Oil Conservation Commission
Post Office Box 2088
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 2060, to permit commingling of liquid production from our Breech Well Number 307 (MD), Unit M of Section 13-26N-7W, Rio Arriba County.

This well is a dual completion producing gas and distillate from the Mesa Ver de Zone (Blanco Mesa Verde Pool) and gas and distillate from the Dakota Zone (Basin Dakota Pool). The working interests and royalty are the same for both zones.

Administrative approval to commingle the liquid production is requested so that the operation of the well may be simplified. The gas production will not be commingled.

Following is the record of liquid production from this well to June 1, 1966:

Month	Mesa Verde Zone		Dakota Zone	
	Days on line	Barrels	Days on line	Barrels
February, 1966	22	0	22	404
March	0	0	0	0
April	18	74	0	0
May	31	57	0	0

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:

	Mesa Verde	Dakota
Gravity	54.1	55.5
Reid Vapor Pressure	6.8	4.5
Price	\$2.42	\$2.39

Due to the difference in flowing time of the two zones it is difficult to calculate

Mr. A. L. Porter, Jr.

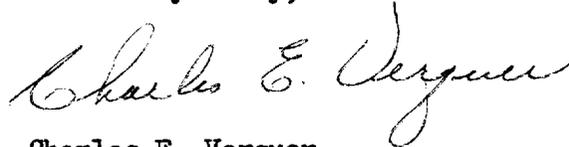
-2-

June 10, 1966

how much the mixing of the liquids would affect their value but due to the small volume involved, the commingling probably would have little effect on income from the sale of liquids.

This well is located on Federal Lease SF03733 and a copy of a letter from the United States Department of the Interior, Geological Survey, Roswell, New Mexico, 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 40047 on the Shell Oil Company gathering line in Section 9-26N-6W. The liquid production (distillate) would be sold to them from that tank.

Yours very truly,



Charles E. Verquer

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

Mr. A. F. Holland

CAULKINS OIL COMPANY

BOX 780
FARMINGTON, NEW MEXICO

MAIL OFFICE

7 AM 29 JUN 1966

June 10, 1966

Mr. A. L. Porter, Jr., Secretary - Director
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Dear Sir:

This is to request on exception to Rule 303 as provided in Section 2, Subsection (b) of Commission Order Number 2060, to permit the commingling of liquid production from our Breech D Well Number 341 (MD), Unit B of Section 21-26N-6W, Rio Arriba County.

This well is a dual completion producing gas and distillate from the Mesa Verde Zone (Blanco Mesa Verde Pool) and gas and distillate from the Dakota Zone (Basin Dakota Pool). The working interests and royalty are the same for both zones.

Administrative approval to commingle the liquid production is requested so that the operation of the well may be simplified. The gas production will not be commingled.

Following is the record of liquid production from this well to June 1, 1966:

Month	Mesa Verde Zone		Dakota Zone	
	Days on line	Barrels	Days on line	Barrels
January, 1966	21	0	21	1096
February	19	0	8	360
March	21	0	4	15
April	14	86	0	0
May	30	192	0	0

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:

	Mesa Verde	Dakota
Gravity	55.1	59.2
Reid Vapor Pressure	6.8	13.2
Price	\$2.40	\$2.28

Due to the difference in flowing time of the two zones it is difficult to calculate how much the mixing of the liquids would affect their value but due to the small

Mr. A. L. Porter, Jr.

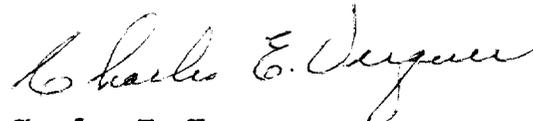
-2-

June 10, 1966

volume involved, the commingling probably would have little effect on income from the sale of liquids.

This well is located on Federal Lease SF 03553 and a copy of a letter from the United States Department of the Interior, Geological Survey, Roswell, New Mexico, 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 40064 or 40065 on the Shell Oil Company gathering line in Section 9-26N-6W. The liquid production (distillate) would be sold to them from those tanks.

Yours very truly,



Charles E. Verquer

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

Mr. A. F. Holland



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

June 21, 1966

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

Attention: Mr. Charles Verquer

Gentlemen:

Your letter of June 3, addressed to Mr. P. T. McGrath requests approval to commingle distillate production from the following dually completed Mesaverde-Dakota wells:

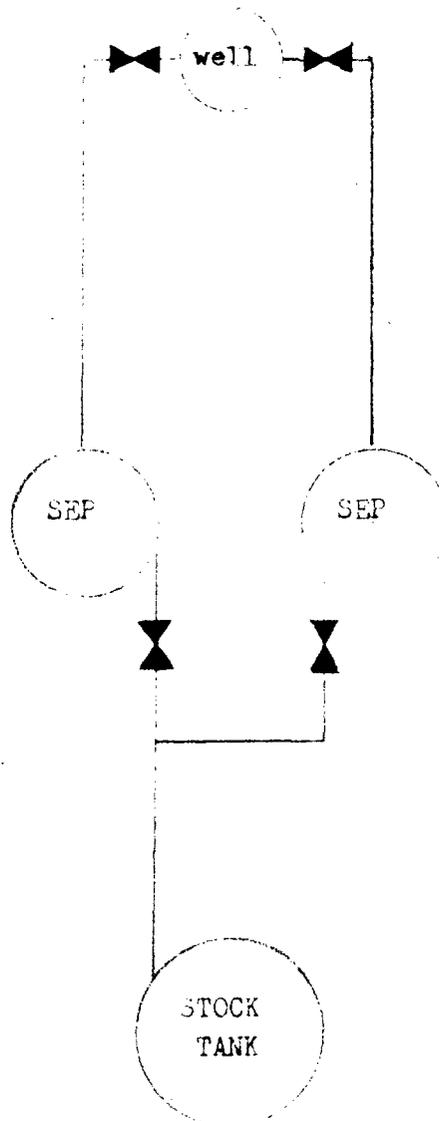
Breech A 229, NW $\frac{1}{4}$ 17, T. 26 N., R. 6 W., lease SF 079035-A
Breech A 307, SW $\frac{1}{4}$ 13, T. 26 N., R. 7 W., " NM 03733
Breech D 341, NE $\frac{1}{4}$ 21, T. 26 N., R. 6 W., " NM 03553

The method you propose to produce distillate production into a common tank and measure production from each zone is satisfactory to this office. Form 9-361, Lessee's Monthly Report of Sales and Royalty, must show all computations used in the calculations of distillate from each formation.

This approval is subject to like approval of the New Mexico Oil Conservation Commission.

Sincerely yours,

CARL C. TRAYWICK
Acting Oil and Gas Supervisor



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

**CAULKINS OIL COMPANY
BREECH WELL NO. 307 (MD)
UNIT M OF SECTION 13-26N-7W**

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE