

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR **Caulkins Oil Company**

3. ADDRESS OF OPERATOR **P.O. Box 780 Farmington, New Mexico**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
 At surface **1733' F/N and 1795' F/W**

14. PERMIT NO. _____

15. ELEVATIONS (Show whether DT, AT, CR, etc.)
6463 GR

5. LEASE DESIGNATION AND AERIAL NO. **NM 03553**
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____
 7. UNIT AGREEMENT NAME _____
 8. FARM OR LEASE NAME **Breech "D"**
 9. WELL NO. **240-E**
 10. FIELD AND POOL, OR WILDCAT **Blanco Mesa Verde - Basin Dakota**
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA **Section 15, 26N 6W**
 12. COUNTY OR PARISH **Rio Arriba**
 13. STATE **New Mexico**

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF
 FRACTURE TREAT
 SHOOT OR ACIDISE
 REPAIR WELL
 (Other) **Commingling Zones**

FILL OR ALTER CASING
 MULTIPLE COMPLETE
 ABANDON*
 CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF
 FRACTURE TREATMENT
 SHOOTING OR ACIDIZING
 (Other) _____

REPAIRING WELL
 ALTERING CASING
 ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and cone pertinent to this work.)

Approval to commingle Mesa Verde and Dakota Zones recived from Oil Conservation Division. Administrative Order DHC - 659 attached.

Estimated starting date August 17, 1987.

A small pit may be built on existing location to confine water or oil produced. All area will be cleaned up and pits covered when commingling completed.

Permission is requested to vent gas while commingling operations are underway. Estimate less than 3 MCF total will be vented.

RECEIVED
 AUG 07 1987
 OIL CON. DIV
 DIST. 3

18. I hereby certify that the foregoing is true and correct

SIGNED Charles E. Vesque TITLE Superintendent

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____
 CONDITIONS OF APPROVAL, IF ANY:

APPROVED
 DATE 8-6-87
Frank Skellern
 SUPERVISOR
 FARMINGTON RESOURCE AREA

*See Instructions on Reverse Side
NMOCC

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

July 27, 1987

Administrative Order DHC-659

Caulkins Oil Company
P.O. Box 780
Farmington, New Mexico 87401

Attention: Charles E. Verquer

RE: Downhole Commingling
18 Wells, Blanco Mesaverde, Basin Dakota Pools
Rio Arriba County, New Mexico.

Gentlemen:

Reference is made to your recent request for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject 18 wells as described on Exhibit "A" of this order to commingle the production from both pools in the wellbores.

It appearing that the subject wells qualify for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

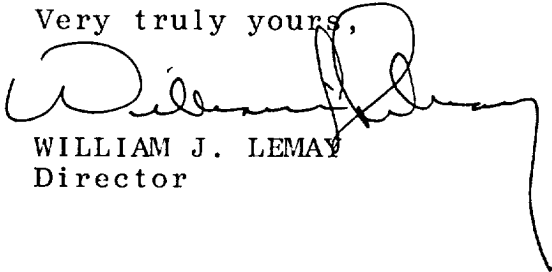
In accordance with the provisions of Rule 303.C.4, total commingled oil production from the subject wells shall not exceed 50 barrels per day, and total water production shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from each of the subject wells shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

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Administrative Order DHC-659

Pursuant to Rule 303-C.5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

A handwritten signature in black ink, appearing to read 'William J. Lemay', written over the typed name and title.

WILLIAM J. LEMAY
Director

WJL/DRC/ag

cc: OCD District Office - Aztec

EXHIBIT "A"

<u>WELL NAME & LOCATION</u>	<u>ALLOCATION</u>	
	OIL%	GAS%
Reuter Well No. 321-E Unit P, Section 15, T-26 North, Range 6 West	Mesaverde 60 Dakota 40	26 74
Breech Well No. 854 Unit H, Section 24, T-26 North, Range 7 West	Mesaverde 15 Dakota 85	1 99
Breech "B" Well No. 220-M Unit E, Section 24, T-26 North, Range 7 West	Mesaverde 46 Dakota 54	48 52
Breech "A" Well No. 132-E Unit D, Section 9, T-26 North, Range 6 West	Allocation to be determined after completion	
Breech "F" Well No. 45-M Unit D, Section 35, T-27 North, Range 6 West	Allocation to be determined after completion	
State "A" Well No. 62-M Unit D, Section 2, T-26 North, Range 6 West	Mesaverde 24 Dakota 76	12 88
Breech "D" Well No. 346-M Unit I, Section 22, T-26 North, Range 6 West	Allocation to be determined after completion	
Breech "D" Well No. 140-M Unit D, Section 11, T-26 North, Range 6 West	Mesaverde 22 Dakota 78	11 89
Breech "D" Well No. 140 Unit A, Section 11, T-26 North, Range 6 West	Mesaverde 6 Dakota 94	8 92
Breech "E" Well No. 58-M Unit O, Section 3, T-26 North, Range 6 West	Mesaverde 39 Dakota 61	22 78
Breech "F" Well No. 11-M Unit P, Section 35, T-27 North, Range 6 West	Mesaverde 13 Dakota 87	7 93
Breech "F" Well No. 4-M Unit I, Section 33, T-27 North, Range 6 West	Mesaverde 50 Dakota 50	20 80

WELL NAME & LOCATIONALLOCATION

OIL% GAS%

Breech "B" Well No. 123-E
Unit D, Section 7,
T-26 North, Range 6 West

Mesaverde 18 7
Dakota 82 93

Breech "D" Well No. 240-E
Unit F, Section 15,
T-26 North, Range 6 West

Mesaverde 30 16
Dakota 70 84 ✓

Breech "C" Well No. 244-E
Unit E, Section 14,
T-26 North, Range 6 West

Mesaverde 20 14
Dakota 80 86

Breech "C" Well No. 323-E
Unit P, Section 14,
T-26 North, Range 6 West

Mesaverde 23 12
Dakota 77 88

Breech "E" Well No. 64-M
Unit J, Section 1,
T-26 North, Range 6 West

Mesaverde 78 49
Dakota 22 51

Breech "C" Well No. 389-E
Unit P, Section 13,
T-26 North, Range 6 West

Mesaverde 13 8
Dakota 87 92