



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor
Betty Rivera
Cabinet Secretary

Lori Wrotenbery

Director
Oil Conservation Division

AMENDED ADMINISTRATIVE ORDER DHC-1868-A

Caulkins Oil Company
PO Box 340
Bloomfield, New Mexico 87413

Attention: Robert L. Verquer

*Breech "F" Well No.8-M
API No. 30-039-25688
Unit O, Section 34, Township 27 North, Range 6 West, NMPM,
Rio Arriba County, New Mexico
Basin-Dakota (Prorated Gas 71599),
Undesignated South Blanco-Tocito (Oil 06460), and
Blanco-Mesaverde (Prorated Gas 72319) Pools*

Dear Mr. Verquer:

Existing Administrative Division Order DHC-1868 is hereby amended and shall read as follows.

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies 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 zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well 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.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis.

Pool	Oil	Gas
Blanco-Mesaverde Prorated Gas Pool	6%	10%
Undesignated South Blanco-Tocito Oil Pool	75%	56%
Basin-Dakota Prorated Gas Pool	19%	34%

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 8th day of November 2002.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery (wvj)

LORI WROTENBERY
Director

LW/wvj

cc: Oil Conservation Division – Aztec
Bureau of Land Management – Farmington