

DATE IN 11/4/02	SUSPENSE NA	ENGINEER	LOGGED IN KN	TYPE DHC #1868	APP NO. 230941198
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AMEND

ABOVE THIS LINE FOR DIVISION USE ONLY

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



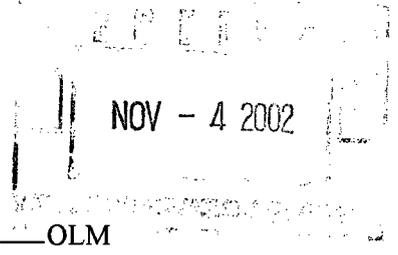
**ADMINISTRATIVE APPLICATION CHECKLIST**

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.**

Robert L. Verquer Print or Type Name	<i>Robert L. Verquer</i> Signature	Superintendent Title	October 23, 2002 Date
		caulkins@cyberport.com e-mail Address	

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised May 15, 2000

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

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

District III  
1000 Rio Brazos Road, Aztec, NM 87410

APPLICATION FOR DOWNHOLE COMMINGLING

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

Operator Caulkins Oil Company Address P. O. Box 340, Bloomfield, NM 87413  
Lease BREECH "F" Well No. 8-M Unit Letter-Section-Township-Range UNIT O - SEC. 34-27N-6W County Rio Arriba  
OGRID No. 003824 Property Code 2460 API No. 30-039-25688 Lease Type: X Federal      State      Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Mesa Verde ✓	<sup>00765</sup> South Blanco Tocito 61 ✓	Basin Dakota ✓
Pool Code	72319	06460	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4809' - 5656'	6792' - 6885'	7363' - 7556'
Method of Production (Flowing or Artificial Lift)	Flowing	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)	N/A	N/A	N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1220 BTU	1283 BTU	1220 BTU
Producing, Shut-In or New Zone	Shut-in	New Zone	Shut-in
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: August, 2002 - Avg. Rate: Gas 39 Oil .22 Water .03 MCF/D Bbl Bbl	Date: October 7, 2002 Rate: Gas 230 Oil 3.0 Water .50 MCF/D Bbl Bbl	Date: August, 2002 - Avg. Rate: Gas 141 Oil .75 Water .11 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 10 % Oil 6 %	Gas 56 % Oil 75 %	Gas 34 % Oil 19 %

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-2248, DHC-2102, DHC-1780, DHC-3029

- 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 October 29, 2002  
TYPE OR PRINT NAME Robert L. Verquer TELEPHONE NO. (505) 632-1544

District I

State of New Mexico

Form C-102

PO Box 1980, Hobbs, NM 88241-1980

Energy, Minerals & Natural Resources Department

Revised October 18, 1994

District II

811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

Instructions on back

Submit to Appropriate District Office

District III

1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Drive

Santa Fe, NM 87504

State Lease - 4 Copies

Fee Lease - 3 Copies

District IV

2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-039-25688</b>		<sup>2</sup> Pool Code <b>71599</b>		<sup>3</sup> Pool Name <b>BASIN DAKOTA</b>	
<sup>4</sup> Property Code <b>2460</b>		<sup>5</sup> Property Name <b>BREECH "F"</b>			<sup>6</sup> Well Number <b>8-M</b>
<sup>7</sup> OGRID No. <b>003824</b>		<sup>8</sup> Operator Name <b>Caulkins Oil Company</b>			<sup>9</sup> Elevation <b>6610 GR</b>

<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
O	34	27N	6W		896'	South	1604'	East	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>15</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

16				<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p><i>Robert L Verquer</i> Signature</p> <p>Printed Name <b>Robert L. Verquer</b></p> <p>Title <b>Superintendent</b></p> <p>Date <b>October 21, 2002</b></p>
				<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p><i>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 knowledge and belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
				Certificate Number

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-039-25688</b>		<sup>2</sup> Pool Code <b>72319</b>		<sup>3</sup> Pool Name <b>MESA VERDE</b>	
<sup>4</sup> Property Code <b>2460</b>		<sup>5</sup> Property Name <b>BREECH "F"</b>			<sup>6</sup> Well Number <b>8-M</b>
<sup>7</sup> OGRID No. <b>003824</b>		<sup>8</sup> Operator Name <b>Caulkins Oil Company</b>			<sup>9</sup> Elevation <b>6610 GR</b>

<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
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16			<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p style="text-align: right;"><i>Robert L. Verquer</i></p> <p>Signature</p> <p>Printed Name <b>Robert L. Verquer</b></p> <p>Title <b>Superintendent</b></p> <p>Date <b>October 21, 2002</b></p>
			<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p><i>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 knowledge and belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
Certificate Number			

District I

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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Santa Fe, NM 87504

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Revised October 18, 1994

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-039-25688		<sup>2</sup> Pool Code 06460		<sup>3</sup> Pool Name SOUTH BLANCO TOCITO	
<sup>4</sup> Property Code 2460		<sup>5</sup> Property Name BREECH "F"			<sup>6</sup> Well Number 8-M
<sup>7</sup> OGRID No. 003824		<sup>8</sup> Operator Name Caulkins Oil Company			<sup>9</sup> Elevation 6610 GR

<sup>10</sup> Surface Location

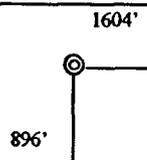
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	34	27N	6W		896'	South	1604'	East	Rio Arriba

<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 80		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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

16					<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	
					 Signature Printed Name Robert L. Verquer Title Superintendent Date July 31, 2002	
16					<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 knowledge and belief.	
					Date of Survey	
				Signature and Seal of Professional Surveyor:		
				Certificate Number		



**LAST 12-MONTHS PRODUCTION  
FOR  
BREECH F 8-M**

**DAKOTA**

<b>MONTH</b>	<b>GAS</b>	<b>OIL</b>	<b>WATER</b>	<b>DAYS</b>	<b>GAS DPA</b>	<b>OIL DPA</b>
09/01	4,684	29	4	30	156	0.967
10/01	4,297	23	3	31	139	0.742
11/01	3,759	27	4	30	125	0.900
12/01	3,863	25	4	31	125	0.806
01/02	4,422	27	4	31	143	0.871
02/02	4,794	25	4	28	171	0.893
03/02	5,545	21	3	31	179	0.677
04/02	4,440	26	4	30	148	0.867
05/02	3,819	19	3	30	127	0.633
06/02	3,594	20	3	30	120	0.667
07/02	4,060	19	3	31	131	0.613
08/02	4,030	14	2	31	130	0.452
	<b>51,307</b>	<b>275</b>	<b>41</b>		<b>141</b>	<b>0.757</b>

**MESA VERDE**

<b>MONTH</b>	<b>GAS</b>	<b>OIL</b>	<b>WATER</b>	<b>DAYS</b>	<b>GAS DPA</b>	<b>OIL DPA</b>
09/01	1,283	8	1	30	43	0.267
10/01	1,181	7	1	31	38	0.226
11/01	1,037	8	1	30	35	0.267
12/01	1,066	7	1	31	34	0.226
01/02	1,214	9	1	31	39	0.290
02/02	1,309	7	1	28	47	0.250
03/02	1,513	6	1	31	49	0.194
04/02	1,218	8	1	30	41	0.267
05/02	1,053	5	1	30	35	0.167
06/02	993	6	1	30	33	0.200
07/02	1,118	6	1	31	36	0.194
08/02	1,110	4	1	31	36	0.129
	<b>14,095</b>	<b>81</b>	<b>12</b>		<b>39</b>	<b>0.223</b>

# **CAULKINS OIL COMPANY**

**P. O. BOX 340**

**BLOOMFIELD, NEW MEXICO 87413**

**PHONE: 505-632-1544**

**FAX 505-632-1471**

October 29, 2002

The following list is all the offset operators to Caulkins Oil Company well Breech "F" 8-M, section 34, township 27N, range 6W.

Burlington Resources  
P. O. Box 4289  
Farmington, NM 87499

Pure Resources  
P. O. Box 850  
Bloomfield, NM 87413