



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

AMENDED ADMINISTRATIVE ORDER DHC-2069-A

Caulkins Oil Company
1409 W. Aztec Blvd, Suite B7
Aztec, New Mexico 87410
Attention: Robert L. Verquer

Breach "E" No. 50E
API No. 30-039-22908
Unit D, Section 5, Township 26 North, Range 6 West, NMPM,
Rio Arriba County, New Mexico
South Blanco-Tocito (Oil 06460),
Basin-Dakota (Prorated Gas 71599), and
Blanco-Mesaverde (Prorated Gas 72319) Pools

Dear Mr. Verquer:

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 well bore.

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 daily gas and oil produced from each pool in this well shall be determined using Division Rules and Regulations.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis **unless changed by permission of the Aztec district office of the Division and copied to this office.**

South Blanco-Tocito Oil Pool	Oil 78%	Gas 55%
Blanco-Mesaverde Prorated Gas Pool	Oil 9%	Gas 8%
Basin-Dakota Prorated Gas Pool	Oil 13%	Gas 37%

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

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

This amended application to down hole commingle is hereby approved at Santa Fe, New Mexico on this 23rd day of February 2004.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery (wvj)", is written over the printed name.

LORI WROTENBERY
Director

LW/wvj

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