| CONDITIONS OF APPROVAL, IF ANT: | *See Instructions on Revene Side | NOV 2 8 1988 FARMINGTON RESOURCE AREA |
|--|---|---|
| (This space for Federal or State office Dick) APPROTED BY | TITLE | □⁄ A™CCEPTED FOR REC ORD |
| BIGHED Coharles & Oug. | Superintendent | DATE 11-22-88 |
| 11. I hereby ciriliantly the spretologila tive and co | orrect | |
| ··.·· : | production split for all 2 DHC-7.08. | Jones do Shown ou decaries serve |
| 25 PAR 20 27 PAR 20 20 PAR 20 | commingled in well bore be Chacra zones commingled ab | lesa Verde and Dakota zones elow packer and Pictured Cliffs bove packer. cones as shown on attached Order |
| 00 23 HW610414 | 1 1/4" NU 10rd V-55 Smls T commingled Pictured Cliffs | ubing set at 3234' for and Chacra production. |
| IVED II. ROOM AN III. LO SUCCESSESSESSESSESSESSESSESSESSESSESSESSES | 1 1/2" EUE 3.9# J-55 Smls | |
| 11-8-88 | Received approval to chance attached approval Order DH Commingle completion as fo | • • |
| • | ariy state all pertinent details, and give pertinent de give subsurface locations and measured and trut ver | |
| A MEANIN ASSA | (Norz: Report rest | ilte of multiple completion na Well |
| EHOOT OR ACIDIES ABANDON* | BUOOTING ON ACIDIEING COMMIT | ngle Zones X |
| TEST WATER SEST-OFF PCLL OR ALTER | \ <u></u> | ALTERING WELL |
| Check Appropriate B | lox To Indicate Nature of Notice, Report, or | r Other Data |
| | 6384 GR | Rio Arriba New Mexico |
| 830' F/N and | OMS (Show whether Dr. AT, CA, etc.) | Section 18, 26N 6W |
| Bee also space 17 below.) At obstace | accordance with any State requirement. | S. Blanco PC - Otero Chacr Blanco MV - Basin Dakota |
| P.O. Box 340 | Bloomfield, New Mexico | 228 |
| Caulkins Oil | Company | Breech DIST. 3 |
| WELL CONTE | | NUV 3 0 1988 |
| SUNDRY NOTICES AND THE NOTICES AND THE PROPERTY OF THE PROPERT | D REPORTS ON WELLS to deepen or plug back to a different reservoir. ERIMIT—" for such proposals.) | RECEIVE |
| BUREAU OF LAND | THE INTERIOR (************************************ | |

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictilious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



STATE LAND OFFICE BUILDING

SANTA FE, NEW MEXICO 87504 (505) 827-5800

GARREY CARRUTHERS
GOVERNOR

ADMINISTRATIVE ORDER DHC-703

Caulkins Oil Company P.O. Box 340 Bloomfield, NM 87413

Attention: Charles E. Verquer

Breech No. 228
Unit A, Section 18, Township 26 North, Range 6
West, NMPM, Rio Arriba County, New Mexico.
South Blanco Pictured Cliffs, Otero Chacra, Blanco
Mesaverde and Basin Dakota Pools

Dear Mr. Verquer:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations and an amendment to Division Order No. R-5634 to permit the subject well to commingle Chacra and Pictured Cliffs production above a packer and to commingle Mesaverde and Dakota production below a packer.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that 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 required separation of the zones is hereby placed in abeyance.

303-C-4, accordance with the provisions Rule of In commingled oil production from the Chacra and Pictured Cliffs and total water zones shall not exceed 20 barrels per day, production shall not exceed 40 barrels per day. Total commingled oil production from the Mesaverde and Dakota zones exceed 50 barrels per day, and total water production shall not exceed 100 barrels per day. The maximum about of gas which may be produced from the commingled zones as described above shall be Division Rules and Regulations or by the gas determined by each for each respective prorated pool as printed allowable for in the Division's San Juan Basin Gas Proration Schedule.

Order No. DHC-708 Page 2

Assignment of allowable and allocation of production from the commingled Chacra and Pictured Cliffs zones shall be on the following basis:

Chacra Pool: Oil: 30% Gas: 30% Pictured Cliffs Pool Oil: 70% Gas: 70%

Assignment of allowable and allocation of production from the commingled Mesaverde and Dakota zones shall be on the following basis:

Mesaverde Pool: Oil: 74% Gas: 11% Dakota Pool: Oil: 26% Gas: 89%

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

Approved at Santa Fe, New Mexico on this 8th day of November, 1988.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAK

Director

SEAL