

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS  
GOVERNOR

RECEIVED  
AUG 05 1987  
OIL CON. DIV.  
DIST. 3

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

July 29, 1987

Administrative Order DHC-660

Caulkins Oil Company  
P.O. Box 780  
Farmington, NM 87401

Attention: Charles E. Verquer

RE: Downhole Commingling  
5 Wells, Blanco Mesaverde, Basin Dakota,  
Otero Chacra 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 5 wells as described on Exhibit "A" of this order to commingle the production from all three 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 dual completion and required separation of the two zones is hereby placed in abeyance.

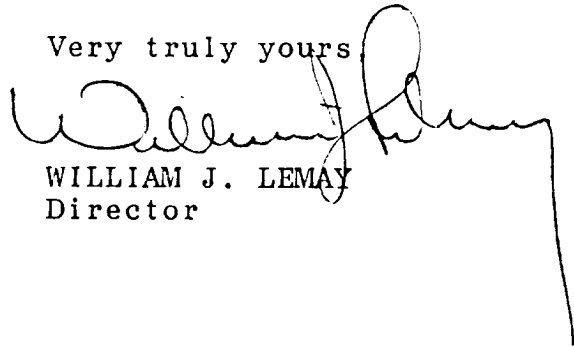
In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject wells shall not exceed 50 barrels per day, and total water production from the subject wells shall not exceed 100 barrels per day. the maximum amount of gas which may be produced daily from each of the 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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Pursuant to Rule 303-C.5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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 dark ink, appearing to read 'William J. Lemay', with a long, sweeping vertical line extending downwards from the end of the signature.

WILLIAM J. LEMAY  
Director

WJL/DRC/ag

cc: OCD District Office - Aztec  
Case Files - 6438, 6800

# EXHIBIT "A"

<u>WELL NAME &amp; LOCATION</u>		<u>ALLOCATION</u>	
		Oil %	Gas%
State "A" Well No. 268-E	Chacra	0	13
Unit P, Section 16,	Mesaverde	81	19
T-26 North, Range 6 West	Dakota	19	68
Breech "D" Well No. 346	Chacra	0	14
Unit A, Section 22,	Mesaverde	77	19
T-26 North, Range 6 West	Dakota	23	67
Breech Well No. 224-A	Chacra	0	17
Unit D, Section 13,	Mesaverde	80	45
T-26 North, Range 7 West	Dakota	20	38
Breech "E" Well No. 54-E	Chacra	0	3
Unit P, Section 4,	Mesaverde	15	5
T-26 North, Range 6 West	Dakota	85	92
Breech Well No. 812	Chacra	0	14
Unit N, Section 18,	Mesaverde	55	22
T-26 North, Range 6 West	Dakota	45	64

REMARKS: Well Nos. 268-E, 346, and 54-E, were previously downhole commingled in the Mesaverde and Chacra zones authorized by Division Order No. R-6266.

Well Nos. 224-A and 812 were previously downhole commingled in the Mesaverde and Chacra zones authorized by Division Order No. R-5922.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on reverse side)

Budget Bureau No. 1001-0135  
Expires August 31, 1985  
5. LEASE DESIGNATION AND ACCT. NO.

SUNDRY NOTICES AND REPORTS ON WELLS

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

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

990' F/S and 903' F/E

16. PERMIT NO.

18. ELEVATIONS (Show whether OF, AT, OR, ETC.)

6461 GR

NM-03551

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Breech "E"

9. WELL NO.

54-E

10. FIELD AND POOL, OR WILDCAT

Blanco Mesa Verde - Basin Dakota

11. SEC., T., R., W., OR BLK. AND SURVEY OR AREA

Section 4, 26N - 6W

12. COUNTY OR PARISH 13. STATE

Rio Arriba New Mexico

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

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  
FRACTURE TREAT  
SHOOT OR ACIDIZE  
REPAIR WELL  
(Other)

PULL 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\*

Commingling

X

(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 conn. wells. Sent to this work.)

9-18-87

Pulled 1 1/4" tubing from Mesa Verde Zone and salvaged same.

Pulled 2 3/8" tubing with packer from Dakota Zone, redressed packer then rerun 2 3/8" OD EUE 4.7# 8rd thd tubing to 7285' for commingled Chacra - Mesa Verde - Dakota production.

New site security drawing on reverse side.

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BUREAU OF LAND MANAGEMENT  
FARMINGTON, NEW MEXICO

RECEIVED  
OIL CON. DIV.  
1987-8

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

SIGNED Charles E. Wyman

TITLE Superintendent

DATE 9-22-87

(This space for Federal or State office use)

APPROVED BY

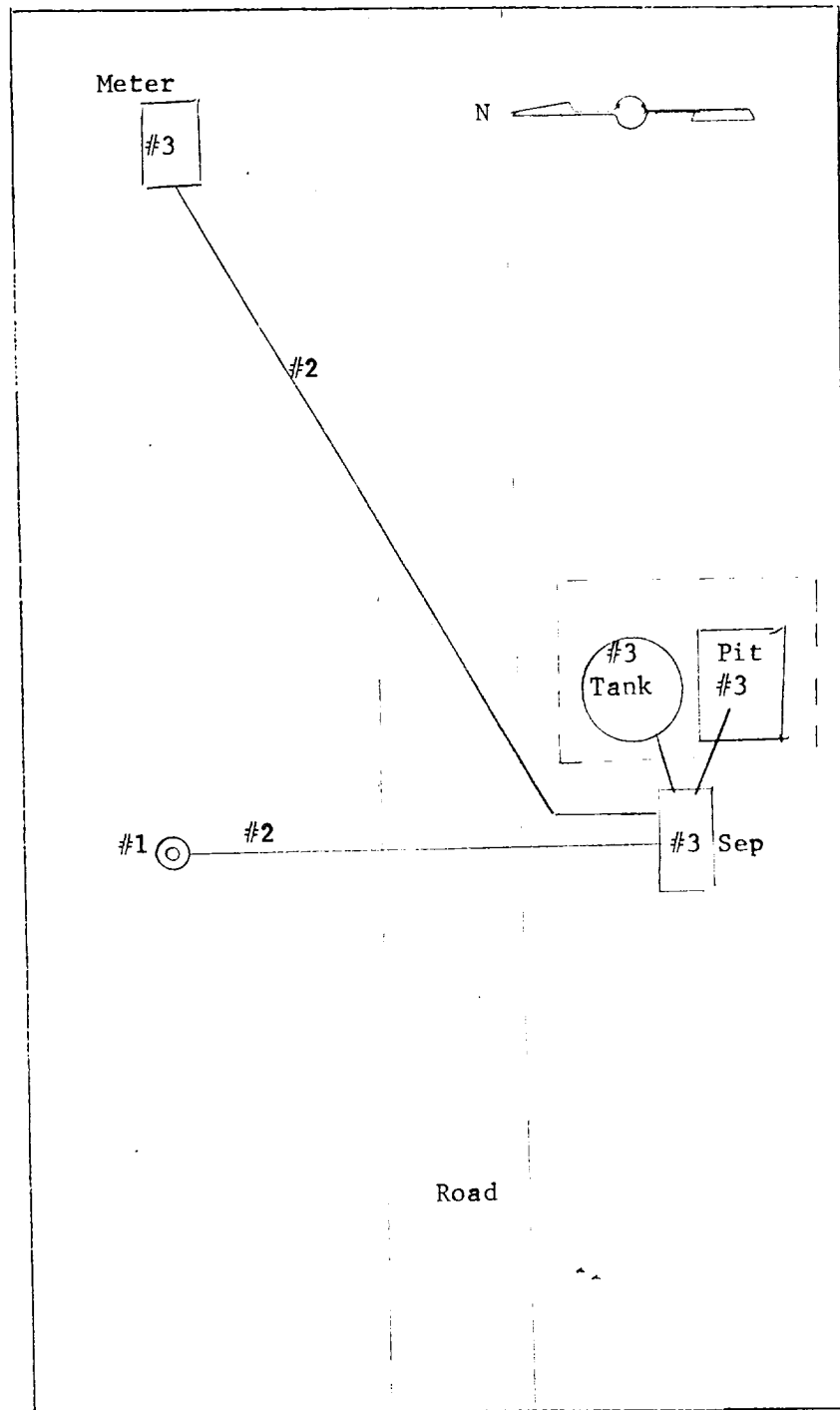
TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

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, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



#1 Wellhead

#2 Buried flow line well to Sep. and Sep. to Gas Company of New Mexico drip.

#3 Sep., tanks, water pit and purchase meter for Mesa Verde - Dakota commingled production.