

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. Lease

NMSF-079304

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)

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

1. Oil Well ☐ Gas Well ☐ Other ☐
GAS WELL

8. Well Name and No.

SANCHEZ 1-E

2. Name of Operator:

Caulkins Oil Company

9. API Well No.

30-039-22604-00D1

3. Address of Operator:

(505) 632-1544

P.O. Box 340, Bloomfield, NM 87413

10. Field and Pool, Exploratory Area

DAKOTA, MESA VERDE, CHACRA

4. Location of Well (Footage, Sec., Twp., Rge.)

1715' F/S 1825' F/W

SEC. 24-26N-6W

11. Country or Parish, State

Rio Arriba Co., New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Abandonment

☐ Change of Plans

☐ Subsequent Report

☐ Recompletion

☐ New Construction

☐ Final Abandonment Notice

☐ Plugging Back

☐ Non-Routine Fracturing

☐ Casing Repair

☐ Water Shut-Off

☐ Altering Casing

☐ Conversion to Injection

☐ Other Commingle

☐ Dispose Water

17. Describe Proposed or Completed Operations:

6/21/02

Approval to downhole commingle this well has been submitted to the NMOCD.

Commingle documents attached.

Pending approval, commingling will be done by the following procedure:

Rig up.

T. O. H. laying down 1 1/4" Mesa Verde - Chacra production tubing from 5427'.

T. O. H. laying down 2 1/16" Dakota production tubing from 7433' and packer set at 5640'.

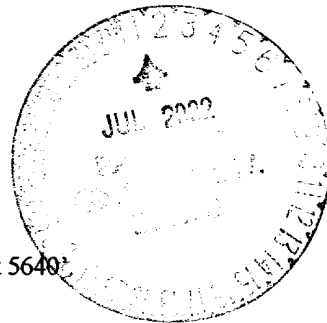
T. I. H. with new 2 3/8" production tubing, clean out to PBTD with air package.

Land tubing on doughnut at approximately 7400'.

Rig down and move.

No new surface will be disturbed and location area will be cleaned up following operations.

Estimated starting date, August 1, 2002



NOTE: The format is issued in lieu of U.S. BLM Form 3160-5

18. I HEREBY CERTIFY THE FOREGOING IS TRUE AND CORRECT

SIGNED: Robert L. Verquer TITLE: Superintendent DATE: June 21, 2002
ROBERT L. VERQUER

APPROVED BY: Jim Lovato TITLE: Per Engr. DATE: 6/27/02 JUN 28 2002
CONDITIONS OF APPROVAL, IF ANY

NMOCD

CAULKINS OIL COMPANY

P. O. BOX 340

BLOOMFIELD, NEW MEXICO 87413

PHONE: 505-632-1544

FAX 505-632-1471

2002 JUN 28 PM 2:00
SANTA FE, NM 87504

June 21, 2002

State of New Mexico
Oil Conservation Division
ATTN: Mr. David Catanach
1220 S. St. Francis Dr.
Santa Fe, NM 87504

Re: Approval to Downhole Commingle
Sanchez 1-E, Sec. 24-T26N-R6W, Unit Letter K
API # 30-039-22604
Basin Dakota, Mesa Verde, and Otero Chacra Formations
Rio Arriba County, New Mexico

Dear Mr. Catanach:

Caulkins Oil Company requests approval to downhole commingle this well in the Basin Dakota, Mesa Verde and Otero Chacra formations.

Allocations are calculated using 31 day data from May 2002 volume statement.

Please find enclosed:
NMOCD form C-107-A
NMOCD form C-102 for each zone
BLM sundry notice of intent
One year production history

If you have any questions please call me at (505) 632-1544.

Sincerely,



Robert L. Verquer
Superintendent

JUN 28 2002

BY



District I
1623 N. French Drive, Hobbs, NM 88240

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

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator CAULKINS OIL COMPANY Address P. O. BOX 340, BLOOMFIELD, NM 87413
Lease SANCHEZ Well No. 1-E Unit Letter-Section-Township-Range K 24-26N-6W County RIO ARriba
OGRID No. 003824 Property Code 2463 API No. 30-039-22604 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Otero Chacra	Mesa Verde	Basin Dakota
Pool Code	82329	72319	71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	3940' - 3962'	5286' - 5466'	7282' - 7496
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1256 BTU	1256 BTU / 58.2 Gravity	1240 BTU / 58.2 Gravity
Producing, Shut-In or New Zone	Producing	Producing	Producing
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: May 2002 Rates: Oil 0 Gas 20 Water 0 Bbl MCF/D Bbl	Date: May 2002 Rates: Oil 1.13 Gas 24 Water .16 Bbl MCF/D Bbl	Date: May 2002 Rates: Oil .74 Gas 156 Water .10 Bbl MCF/D Bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 0 % Gas 10 %	Oil 60 % Gas 12 %	Oil 40 % Gas 78 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ 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 ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
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 ☒ No ☐

NMOCD Reference Case No. applicable to this well: DHC - 1781, DHC - 660

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 June 21, 2002
TYPE OR PRINT NAME ROBERT L. VERQUER TELEPHONE NO. (505) 632-1544

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Drive

Santa Fe, NM 87504

Form C-102

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies



AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22604		² Pool Code 82329		³ Pool Name OTERO CHACRA	
⁴ Property Code 2463		⁵ Property Name SANCHEZ			⁶ Well Number 1-E
⁷ OGRID No. 003824		⁸ Operator Name Caulkins Oil Company			⁹ Elevation 6676 GR


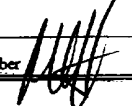
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	24	26N	6W		1715'	South	1825'	West	Rio Arriba

¹¹ 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
¹² Dedicated Acres 160		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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					¹⁷ 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 June 21, 2002
	1825'				¹⁸ 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: JUN 28 2002 Certificate Number 
		1715'			

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22604		² Pool Code 71599		³ Pool Name BASIN DAKOTA	
⁴ Property Code 2463		⁵ Property Name SANCHEZ			⁶ Well Number 1-E
⁷ OGRID No. 003824		⁸ Operator Name Caulkins Oil Company			⁹ Elevation 6676 GR

¹⁰ Surface Location

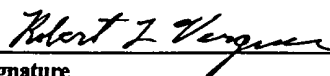
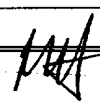
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	24	26N	6W		1715'	South	1825'	West	Rio Arriba

¹¹ 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

¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

<div style="position: relative; height: 400px;"> <div style="position: absolute; top: 100px; left: 100px;">1825'</div> <div style="position: absolute; top: 250px; left: 100px;">1715'</div> </div>	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <div style="text-align: right;">  Signature Printed Name Robert L. Verquer Title Superintendent Date June 21, 2002 </div>	
	¹⁸ 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:	
	JUN 28 2002	
	Certificate Number 	

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22604		² Pool Code 72319	³ Pool Name MESA VERDE
⁴ Property Code 2463	⁵ Property Name SANCHEZ		⁶ Well Number 1-E
⁷ OGRID No. 003824	⁸ Operator Name Caulkins Oil Company		⁹ Elevation 6676 GR

¹⁰ Surface Location

UL or lot no. K	Section 24	Township 26N	Range 6W	Lot Idn	Feet from the 1715'	North/South line South	Feet from the 1825'	East/West line West	County Rio Arriba
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¹¹ 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
¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

⁶ 	¹⁷ 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 June 21, 2002			
¹⁸ 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:			
	JUN 28 2002 Certificate Number			

**LAST 12-MONTHS PRODUCTION
FOR
SANCHEZ 1-E**

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
06/01	4,543	18	3	24	189	0.750
07/01	5,106	18	3	31	165	0.581
08/01	4,968	22	3	31	160	0.710
09/01	4,635	17	3	30	155	0.567
10/01	4,936	19	3	31	159	0.613
11/01	4,773	24	4	30	159	0.800
12/01	4,665	25	4	29	161	0.862
01/02	4,083	21	3	31	132	0.677
02/02	4,359	19	3	27	161	0.704
03/02	206	23	3	31	7	0.742
04/02	4,389	22	3	30	146	0.733
05/02	4,830	23	3	31	156	0.742
	51,493	251	38		146	0.707

MESA VERDE

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
06/01	620	26	4	27	23	0.963
07/01	784	27	4	31	25	0.871
08/01	789	34	5	31	25	1.097
09/01	742	25	4	30	25	0.833
10/01	821	29	4	31	26	0.935
11/01	810	36	5	30	27	1.200
12/01	765	36	5	29	26	1.241
01/02	704	32	5	31	23	1.032
02/02	674	29	4	27	25	1.074
03/02	165	35	5	31	5	1.129
04/02	782	32	5	30	26	1.067
05/02	825	35	5	31	27	1.129
	8,481	376	55		24	1.048

OTERO CHACRA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
06/01	458	0	0	27	17	0.000
07/01	590	0	0	31	19	0.000
08/01	595	0	0	31	19	0.000
09/01	556	0	0	30	19	0.000
10/01	623	0	0	31	20	0.000
11/01	616	0	0	30	21	0.000
12/01	580	0	0	29	20	0.000
01/02	519	0	0	31	17	0.000
02/02	506	0	0	27	19	0.000
03/02	41	0	0	31	1	0.000
04/02	591	0	0	30	20	0.000
05/02	626	0	0	31	20	0.000
	6,301	0	0		18	0.000

JUN 8 2002

[Handwritten signature]