STATE OF NEW MEXICO



ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 2098 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 97501 (505) 827-5800

July 27, 1987

Administrative Order DHC-659

Caulkins Oil Company P.O. Box 780 Farmington, New Mexico 87401

Attention: Charles E. Verquer

RE: Downhole Commingling

18 Wells, Blanco Mesaverde, Basin Dakota Pools

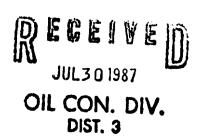
Rio Arriba County, New Mexico.

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 18 wells as described on Exhibit "A" of this order to commingle the production from both 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 the dual completion and required separation of the two zones is hereby place 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 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.



Page 2 Administrative Order DHC-659

Pursuant to Rule 303-C.5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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

WILLIAM J. LEMAY

Director

WJL/DRC/ag

cc: OCD District Office - Aztec

EXHIBIT "A"

WELL NAME & LOCATION	ALLOCAT		
		OIL%	GAS%
Reuter Well No. 321-E	Mesaverde	60	26
Unit P, Section 15,	Dakota	40	74
T-26 North, Range 6 West			
Breech Well No. 854	Mesaverde		1
<pre>\Unit H, Section 24, T-26 North, Range 7 West</pre>	Dakota	85	99
· -	_		
Breech "B" Well No. 220-M Unit E, Section #4.	Mesaverde Dakota	46 54	48 . 52
T-26 North, Range 7 West	Danoca	3.	<i>32</i>
Breech "A" Well No. 132-E	Allocation	to he	
Unit D, Section 9,	determined		
T-26 North, Range 6 West	completion		
Breech "F" Well No. 45-M	Allocation	to be	
Unit D, Section 35,	determined		
T-27 North, Range 6 West	completion		
State "A" Well No. 62-M	Mesaverde		12
Unit D, Section 2, T-26 North, Range 6 West	Dakota	76	88
Breech "D" Well No. 346-M Unit I, Section 22,	Allocation determined		
T-26 North, Range 6 West	completion	u _ •••	
Breech "D" Well No. 140-M	Mesaverde	22	11
Unit D, Section 11,	Dakota	78	
T-26 North, Range 6 West			
Breech "D" Well No. 140	Mesaverde		8
Unit A, Section 11, T-26 North, Range 6 West	Dakota	94	92
1-26 North, Range 6 West			
Breech "E" Well No. 58-M	Mesaverde	39 61	22 78
UnitPØ, Section 3, T-26 North, Range 6 West	Dakota	91	70
	Mesaverde	13	7
Breech "F" Well No. 11-M Unit P, Section 35,	Dakota	87	93
T-27 North, Range 6 West			
/Breech "F" Well No. 4-M	Mesaverde	50	20
Unit I, Section 33,	Dakota	50	80
T-27 North, Range 6 West			

WELL NAME & LOCATION	ALLOCAT		GAS%
Breech "B" Well No. 123-E Unit D, Section 7, T-26 North, Range 6 West	Mesaverde Dakota	18 82	7 93
Breech "D" Well No. 240-E Unit F, Section 15, T-26 North, Range 6 West	Mesaverde Dakota		16 84
Breech "C" Well No. 244-E Unit E, Section 14, T-26 North, Range 6 West	Mesaverde Dakota	20 80	14 86
Breech "C" Well No. 323-E Unit P, Section 14, T-26 North, Range 6 West	Mesaverde Dakota		12 88
Breech "E" Well No. 64-M Unit J, Section 1, T-26 North, Range 6 West	Mesaverde Dakota	78 22	49 51
Breech "C" Well No. 389-E Unit P, Section 13, T-26 North, Range 6 West	Mesaverde Dakota	13 87	8 92

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form 3160-5 lovemost 1983) formerly 5-331)	UNITED DEPARTMENT OF BUREAU OF LAN	THE INTER		SATE SARAGOGUAN	can No. 1001-0135 guid 31, 1985 rios and assistance.	
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LOCATION OF WELL () Beg also space 31 bel At sortace	leport location clearly and la	accordance with any	State requiremente."	10, FIELD AND PO	•	Dokos
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	Reference to you	r letter of	June 28, 1991:			
	We hereby ask th	nat approval	to commingle zone	es		
	in this well be	canceled.	_		•	
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		See Instructions	on Revene Side	1		

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.