

CASE 5122: CAULKINS OIL COMPANY FOR
DOWNHOLE COMMINGLING, RIO ARriba COUNTY,
NEW MEXICO

Cont. to
Jan 13

Case Number

6122

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 18, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Caulkins Oil Company for
downhole commingling, Rio Arriba County,
New Mexico.

CASE
6122

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Lynn Teschendorf, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Jason W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

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I N D E XPageCHARLES VERQUER

Direct Examination by Mr. Kellahin

3

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1 MR. STAMETS: We will call next Case 6122, being
2 the application of Caulkins Oil Company for downhole com-
3 mingling, Rio Arriba County, New Mexico.

4 MR. KELLAHIN: If the Examiner please, may the
5 record show the same appearances and that the witness has been
6 sworn.

7 MR. STAMETS: The record will so show.

8
9 CHARLES VERQUER

10 called as a witness, having been previously sworn, was
11 examined and testified as follows:

12 DIRECT EXAMINATION

13 BY MR. KELLAHIN:

14 Q Mr. Verquer, what does the applicant propose in
15 Case 6122.

16 A We propose to commingle the Mesaverde and the
17 Dakota in the wellbore in these dually completed wells. They
18 are all marginal wells. The Mesaverde is exceptionally
19 marginal and what I mean, a million a month for three of these
20 wells, that's about all they will produce is about a million
21 a month but they are all capable of producing a little bit
22 of oil and it is a paraffin base oil and with no more gas
23 than they do produce, they just sit there and log off and
24 die, that's the size of it. With commingling in the Mesaverde
25 and Dakota, using the extra gas and butane contained in that

1 Dakota gas, it keeps the paraffin clean and the Mesaverde will
2 flow even better.

3 Q Now as I understand it, both zones would be classed
4 as marginal?

5 A They are all marginal now, yes, sir.

6 Q All of these wells are dually completed in both
7 zones?

8 A Yes.

9 Q Have they been for some length of time?

10 A Yes, since their initial completion.

11 Q Is the ownership common throughout as to each one?

12 A They are.

13 Q Now referring to what has been marked as your Exhibit
14 Number One, would you identify that exhibit, please?

15 A It is a map of our Caulkins' property with the wells
16 identified with a red arrow, each well.

17 Q Those are the subject wells?

18 A Those are the subject wells.

19 Q On the extreme left-hand side there is a well circled
20 in red, what is that?

21 A That well was commingled in 1977 in the Mesaverde
22 and the Dakota.

23 Q You will have another exhibit relating to that
24 well, will you?

25 A Yes, I will have.

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1 Q Now referring to Exhibit Number Two, would you
2 identify that Exhibit, please?

3 A This is a well record for each well showing yearly
4 production and pressures, gas and oil production for each
5 zone and using those figures we came up with a break down for
6 the gas production and the oil production for each zone.

7 Q Now as I look at your exhibits here, you are making
8 a different allocation in each individual well, is that right?

9 A Yes, I'm using each individual well's record for it
10 and instead of asking for an average.

11 Q And it is based on its productive history for that
12 well as to both zones?

13 A That's right.

14 Q And you are allocating both fluids and gas, is that
15 right?

16 A Yes.

17 Q So it will be different in each case?

18 A Yes.

19 Q Now referring to Exhibit Number Three, would you
20 identify that exhibit, please?

21 A That is the pressure and production decline curves
22 for each well. I have a decline curve for the Mesaverde and
23 one for the Dakota on each well.

24 Q That would be Three and Three-A, Four and Four-A,
25 Five and Five-A through Six and Six-A?

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1 A And through E.

2 Q And through E?

3 A Yes.

4 Q And that is the decline curve on each individual
5 well?

6 A Right.

7 Q And that's based on your tabulation of production
8 shown on the other exhibits?

9 A Right.

10 Q Now referring to what has been marked as Exhibit
11 Number Nine, would you identify that exhibit, please?

12 A I just made one sheet with the proposed production
13 slip for each well for all future production.

14 Q That just tabulates there your recommended alloca-
15 tions as shown on the previous exhibit?

16 A Right, it's just on one sheet.

17 Q And Exhibit Number Ten, would you identify that
18 exhibit, please?

19 A Number Ten is the production records for the com-
20 mingled Mesaverde-Dakota Well in Section 13, 26 North, 7 West,
21 No. 307. It shows the Dakota production six months prior to
22 commingling the oil production and then the production after
23 the commingling. We had a fishing job that involved a lot of
24 time in working this well over so it is actually just getting
25 cleaned up now. After the workover it was necessary to kill

1 the well but it looks like it is going to be an economical
2 situation now. It is paying off, it is producing more oil
3 than it did before.

4 Q Is it producing more gas than it did before?

5 A Yes, sir. The indications are, the total figure, as
6 you noticed we had some up there of four million, we haven't
7 quite reached the four million yet on our November and now
8 the pressure changes will affect that well some so we will
9 just have to wait for further records on it but it does look
10 like it's going to be a good well.

11 Q Does this indicate to you that you will, if permitted
12 to commingle the other wells, produce oil and gas that would
13 not otherwise be recovered?

14 A Yes, sir.

15 Q And prolong the life of the wells?

16 A Yes, sir.

17 Q In your opinion will the commingling of production
18 cause any damage to either one of the zones?

19 A No, sir, not as long as the well is not shut in over
20 an extended length of time.

21 Q And do you have any reason to believe that they
22 would be shut in for any length of time?

23 A Nothing other than an annual test or semi-annual
24 test.

25 Q Now you do have a problem with the line pressures

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1 at the present time to get an adequate test on this well, is
2 that correct?

3 A Right. It doesn't affect the Mesaverde and Dakota
4 as much, a little but not as much as it would on the Pictured
5 Cliffs.

6 Q Your pressures are somewhat higher?

7 A Yes, sir, they are somewhat higher.

8 Q But they still have to buck a two hundred and fifty
9 pound line pressure?

10 A Yes. They do say in six months they will have it
11 running again, or next winter possibly.

12 Q Now referring to Exhibit Number Eleven, would you
13 identify that exhibit?

14 A That just shows the mechanics. It shows that I have
15 two strings of tubing with a packer in each well and I pro-
16 pose to salvage the one string of tubing and the seals and
17 then run a small string of inch and a quarter tubing to the
18 Dakota perforations and produce all of the Mesaverde and
19 Dakota through the inch and a quarter.

20 Q Will you have any problem handling the fluids in
21 those wells?

22 A No, sir. The water production off of the Dakota
23 zone is less than a barrel a day and the Mesaverde zone is
24 just one percent of the fluid and it is producing only a
25 barrel a day maybe.

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1 Q Were Exhibits One through Eleven prepared by you or
2 under your supervision?

3 A They were.

4 MR. KELLAHIN: At this time we offer into evidence
5 Exhibits One through Eleven.

6 MR. STAMETS: These exhibits will be admitted.

7 (THEREUPON, Exhibits One through Eleven
8 were admitted into evidence.)

9 MR. KELLAHIN: That's all we have, Mr. Stamets.

10 MR. STAMETS: Any questions of the witness? He
11 may be excused.

12 (THEREUPON, the witness was excused.)

13 MR. STAMETS: If there is nothing further the case
14 will be taken under advisement.

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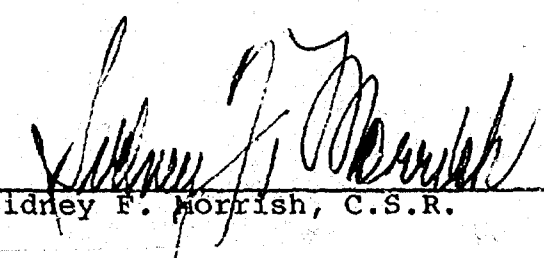
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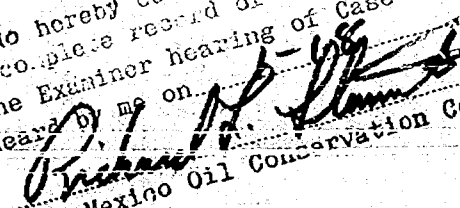
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6122,
heard by me on 5-18-78, 1978.

New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

LAND COMMISSIONER
PHIL R. LUCERO
February 27, 1978



STATE GEOLOGIST
EMERY C. ARNOLD

DIRECTOR
JOE D. RAMEY

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 6122
ORDER NO. R 5649

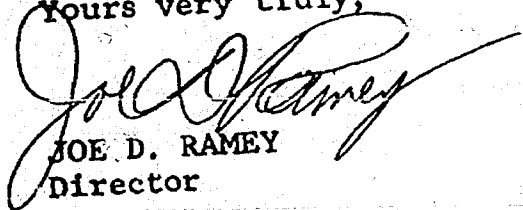
Applicant:

Caulkins Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

MR/fd

Copy of order also sent to:

Hobbs OCC	<u>X</u>
Artesia OCC	<u>X</u>
Aztec OCC	<u>X</u>

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 6122
Order No. R-5649

APPLICATION OF CAULKINS OIL COMPANY
FOR DOWNHOLE COMMINGLING, RIO ARRIBA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 18, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of February, 1978, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Caulkins Oil Company, is the owner and operator of the Breech E Wells Nos. 64 and 58 located in Unit A of Section 1 and Section 3, respectively, the State A Well No. 62 in Unit A of Section 2, and the Breech D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breech F Wells Nos. 4 and 45 located in Unit A of Section 33 and Unit M of Section 35, respectively, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

(3) That the applicant seeks authority to commingle Mesaverde and Dakota production within the wellbores of the above-described wells.

(4) That from the Mesaverde zone, the subject wells are capable of low rates of production only.

(5) That from the Dakota zone, the subject wells are capable of low rates of production only.

(6) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

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Case No. 6122
Order No. R-5649

(7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the wells are not shut-in for an extended period.

(8) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Aztec district office of the Commission any time any of the subject wells is shut-in for 7 consecutive days.

(9) That commingled production from each of said wells should be allocated to each of the commingled zones based upon the production history for such well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, is hereby authorized to commingle Mesaverde and Dakota production within the wellbore of its Breech E Wells Nos. 64 and 58 located in Unit A of Section 1 and Section 3, respectively, its State A Well No. 62 in Unit A of Section 2, and its Breech D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breech F Wells Nos. 4 and 45 located in Unit A of Section 33 and Unit M of Section 35, respectively, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

(2) That the commingled production shall be allocated to each of the zones in said wells as set forth below:

Well	Mesaverde		Dakota	
	Oil	Gas	Oil	Gas
Breech D No. 341	22	15	78	85
Breech E No. 58	18	37	82	63
Breech E No. 64	24	25	76	75
Breech F No. 4	7	7	93	93
Breech F No. 45	2	34	98	66
State A No. 62	18	30	82	70

(3) That the operator of the subject wells shall immediately notify the Commission's Aztec district office any time any of the wells has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

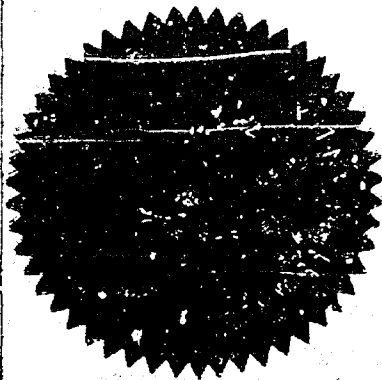
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-

Case No. 6122
Order No. R-5649

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

jr/

CAULKINS OIL COMPANY

Case No. 6122

Proposal

Commingle Mesa Verde and Dakota Zones on following wells:

Breech D	341 ✓	Unit B	Sec. 21 26N 6W
Breech E	58 ✓	Unit A	Sec. 3 26N 6W
Breech E	64 ✓	Unit A	Sec. 1 26N 6W
Breech F	4	Unit A	Sec. 33 27N 6W
Breech F	45	Unit M	Sec. 35 27N 6W
State A	62 ✓	Unit A	Sec. 2 26N 6W

Both zones are classed marginal in each well.

Ownership and all working interests are common for each well.

Exhibit # 1

Section map showing all Caulkins wells and offset wells.

Exhibit # 2

Tabulation of all shut in pressures, initial thru 1977, cumulative yearly gas and oil production, initial thru 1976, and percentage breakdown for each zone for well No. 341.

2A Same as above for well No. 58
 2B Same as above for well No. 64
 2C Same as above for well No. 4
 2D Same as above for well No. 45
 2E Same as above for well No. 62

Exhibit # 3

Pressure and production curves for Mesa Verde Zone from tabulation exhibit No. 2.

Exhibit # 3A

Pressure and production curves for Dakota zone from tabulation exhibit No. 2.

Exhibit # 4

Pressure and production curves for Mesa Verde Zone from tabulation exhibit # 2A.

Exhibit # 4A

Pressure and production curves for Dakota zone from tabulation exhibit No. 2A.

Exhibit # 5

Pressure and production curves for Mesa Verde zone from tabulation exhibit No. 2B.

Exhibit # 5A

Pressure and production curves for Dakota zone from tabulation exhibit No. 2B.

Exhibit # 6

Pressure and production curves for Mesa Verde zone from tabulation exhibit No. 2C.

Exhibit # 6A

Pressure and production curves for Dakota Zone from tabulation exhibit No. 2C.

Exhibit # 7

Pressure and production curves for Mesa Verde zone from tabulation exhibit No. 2D.

Exhibit # 7A

Pressure and production curves for Dakota zone from tabulation exhibit No. 2D.

Exhibit # 8

Pressure and production curves for Mesa Verde zone from tabulation exhibit # 2E.

Exhibit # 8A

Pressure and production curves for Dakota zone from tabulation exhibit No. 2E.

Exhibit # 9

Proposed production split from tabulations exhibits No. 2 thru 2E.

Exhibit # 10

Production records for well No. 307, Unit M Sec 13 26N 7W, commingled in 1977. Order No. R-5403.

Exhibit # 11

Mechanic's

BREECH D 341

Unit A Section 21 26N 6W

Yearly Production and Pressures

Case No. 6122

Mesa Verde Zone				Dakota Zone		
Date	Pressure	Gas Prod.	Oil Prod.	Pressure	Gas Prod.	Oil Prod.
Initial	1085					
1966	1078	32,238	675	2405		
1967	757	30,324	1125	2132	13,699	3983
1968	802	18,749	704	1482	150,205	2847
1969	782	12,729	563	1332	137,261	1787
1970	808	21,901	421	1184	178,170	1861
1971	710	25,922	432	1013	165,273	1684
1972	722	28,646	479	863	175,568	1380
1973	767	20,523	268	805	183,663	1313
1974	459	25,261	115	759	138,483	1250
1975	—	24,561	161	—	128,581	664
1976	720	24,396	148	648	116,195	756
1977	—			526	108,570	815
Cum. Total		265,265	5091		1,495,668	18,340

Gas production 15% Mesa Verde and 85% Dakota

Oil production 22% Mesa Verde and 78% Dakota

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

Caulkins EXHIBIT NO. 2

CASE NO. 6122

Submitted by Vargner

Hearing Date 1-18-78

BREECH E 58
Unit A Section 3 26N 6W
Yearly Production and Pressures

Case No. 6122

Mesa Verde Zone				Dakota Zone		
Date	Pressure	Gas Prod	Oil Prod	Pressure	Gas Prod.	Oil Prod.
Initial	1039			2195		
1960	952	67,178	290	1476	160,774	1552
1961	858	84,431	274	975	112,662	907
1962	807	30,711	13	1117	57,026	433
1963	804	65,966	186	1202	94,472	551
1964	801	65,796	148	1255	91,387	352
1965	794	45,291	91	915	118,586	723
1966	749	66,919	108	1107	80,553	468
1967	—	53,514	79	—	62,368	355
1968	689	47,342	110	917	84,368	400
1969	730	23,108	78	953	67,341	337
1970	715	32,633	115	944	78,232	374
1971	691	60,678	80	836	96,716	495
1972	572	70,990	82	691	105,873	353
1973	545	65,409	70	641	95,103	260
1974	464	69,404	20	—	98,205	179
1975	—	52,906	44	652	79,374	199
1976	407	46,305	50	—	72,594	165
1977	—			481		
Cum. Total		948,881	1838		1,555,634	8,103

Gas production 37% Mesa Verde and 63% Dakota.

Oil production 18% Mesa Verde and 82% Dakota.

BREECH E 64

Unit A Section 1 26N 6 West
Yearly Production and Pressures

Case No. 6122

Mesa Verde Zone				Dakota Zone		
Date	Pressure	Gas Prod	Oil Prod	Pressure	Gas Prod	Oil Prod
Initial	989			2197		
1964	927	28,025	230	2124	95,074	506
1965	843	52,282	192	1901	97,480	452
1966	801	67,442	251	1576	111,529	584
1967	750	50,238	164	1420	127,275	687
1968	735	26,541	117	1212	159,150	591
1969	743	17,396	82	1232	119,374	358
1970	724	10,153	139	1237	125,599	310
1971	696	27,748	89	1106	137,798	453
1972	597	51,658	102	949	129,237	345
1973	529	45,287	89	932	118,742	307
1974	444	47,541	55	----	109,106	261
1975	---	35,374	78	504	62,967	175
1976	417	26,053	43	----	57,905	158
1977	---			714		
Cum Prod.		485,738	1,631	1,451,126		5,187

Gas production split 25% Mesa Verde and 75% Dakota.

Oil Production split 24% Mesa Verde and 76% Dakota.

BREECH F 4
Unit A Sec 33 27N 6W
Yearly Production and Pressures

Case No. 6122

Mesa Verde Zone				Dakota Zone		
Date	Pressure	Gas Prod	Oil Prod	Pressure	Gas Prod	Oil Prod.
Initial	1085			2077		
1959	707	11,557	0	1772	121,860	1377
1960	711	20,231	410	1344	208,941	1929
1961	Exempt	10,055	0	1260	99,624	1361
1962	Exempt	9,573	0	1432	70,538	992
1963	817	20,240	0	1332	132,095	1647
1964	755	11,788	0	1382	128,840	1675
1965	635	9,229	109	1323	83,816	579
1966	646	6,119	223	1442	131,338	1531
1967	687	6,032	91	1184	112,040	1048
1968	698	5,196	146	1157	134,626	1438
1969	712	3,690	55	1229	121,430	1123
1970	724	5,552	73	1042	122,360	1230
1971	Exempt	6,759	79	1001	134,642	1461
1972	535	8,379	118	877	140,221	1190
1973	585	9,424	108	799	148,981	1177
1974	464	11,780	62	---	128,284	632
1975	---	7,853	137	753	122,668	940
1976	512	9,470	126	---	115,747	838
1977	---			637		
Cum. Prod.		172,927	1737		2,258,051	22,168

Gas Production 7% Mesa Verde and 93% Dakota

Oil Production 7% Mesa Verde and 93% Dakota

BRECH F 45

Unit A Section 35 27N 6W

Yearly Production and Pressures

Case No. 6122

Mesa Verde Zone				Dakota Zone		
Date	Pressure	Gas Prod.	Oil Prod.	Pressure	Gas Prod.	Oil Prod.
Initial	914			2372		
1965	921	26,448	0	2041	54,499	588
1966	837	50,736	0	1634	97,620	1454
1967	863	62,903	66	1395	120,299	810
1968	760	58,159	38	1139	133,862	765
1969	875	27,259	9	1214	88,099	505
1970	679	27,805	0	1211	109,131	581
1971	705	56,363	0	1027	104,990	451
1972	599	61,908	0	914	100,565	465
1973	512	58,242	0	892	96,920	354
1974	465	59,724	0	—	102,224	305
1975	—	49,291	0	963	76,950	298
1976	394	45,650	0	—	66,945	214
1977	511			—		
1977	—			783		
Cum. Total		584,488	113		1,152,104	6790

Gas production 34% Mesa Verde and 66% Dakota.

Oil production 2% Mesa Verde and 98% Dakota

STATE A 62
Unit A Section 2 26N 6W
Yearly Production and Pressures

Case No. 6122

Mesa Verde Zone				Dakota Zone		
Date	Pressure	Gas Prod	Oil Prod	Pressure	Gas Prod	Oil Prod
Initial	942			2235		
1962	882	24,664	0	2092	40,058	276
1963	802	64,071	0	1997	98,282	762
1964	800	70,256	0	1995	138,927	741
1965	776	42,386	130	1907	84,488	182
1966	721	64,691	196	1693	139,727	347
1967	730	47,043	63	1320	127,767	259
1968	687	40,733	60	1112	124,920	348
1969	749	24,001	17	1200	97,058	235
1970	678	26,159	84	1205	107,418	213
1971	665	49,522	66	929	112,071	325
1972	554	50,932	160	934	105,484	342
1973	503	46,332	78	902	102,295	330
1974	462	49,452	105	---	96,969	289
1975	---	44,094	81	772	93,035	297
1976	378	36,796	125	---	82,396	223
1977	---			762		
Cum. Total		681,132	1165		1,550,895	5169

Gas production 30% Mesa Verde and 70% Dakota.

Oil production 18% Mesa Verde and 82% Dakota.

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

Exhibit No. 343A

Case No. 6122

Submitted by: M. J. West

Heating Date: 1-19-78

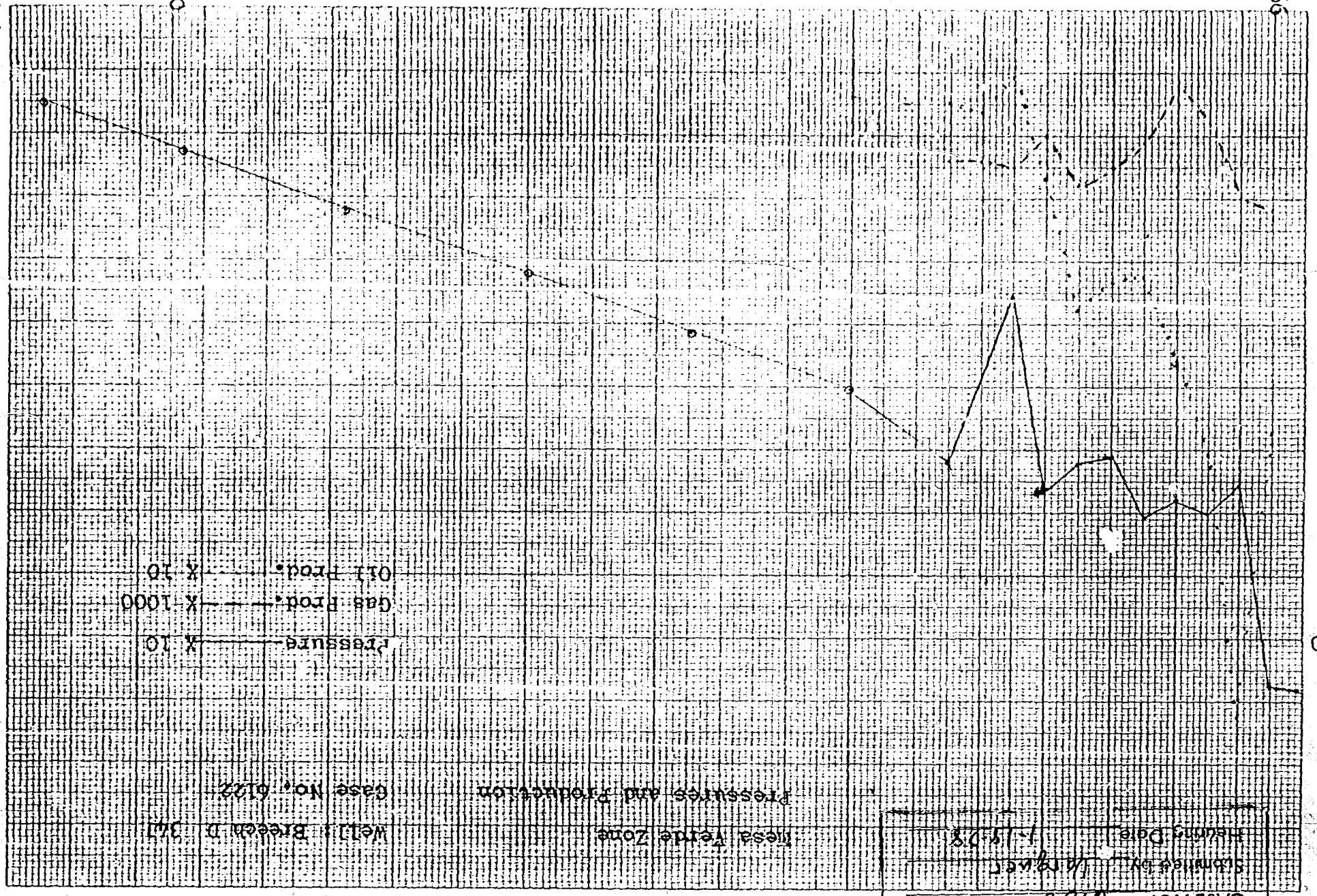
Mesa Verde Zone

Pressures and Production

Case No. 6122

Well: Breen D. 371

Pressure — X 10
Gas Prod. — X 1000
Oil Prod. — X 10



BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

Coulkins EXHIBIT NO. 343A

CASE NO. 6122

46 1323

Submitted by: Larguer

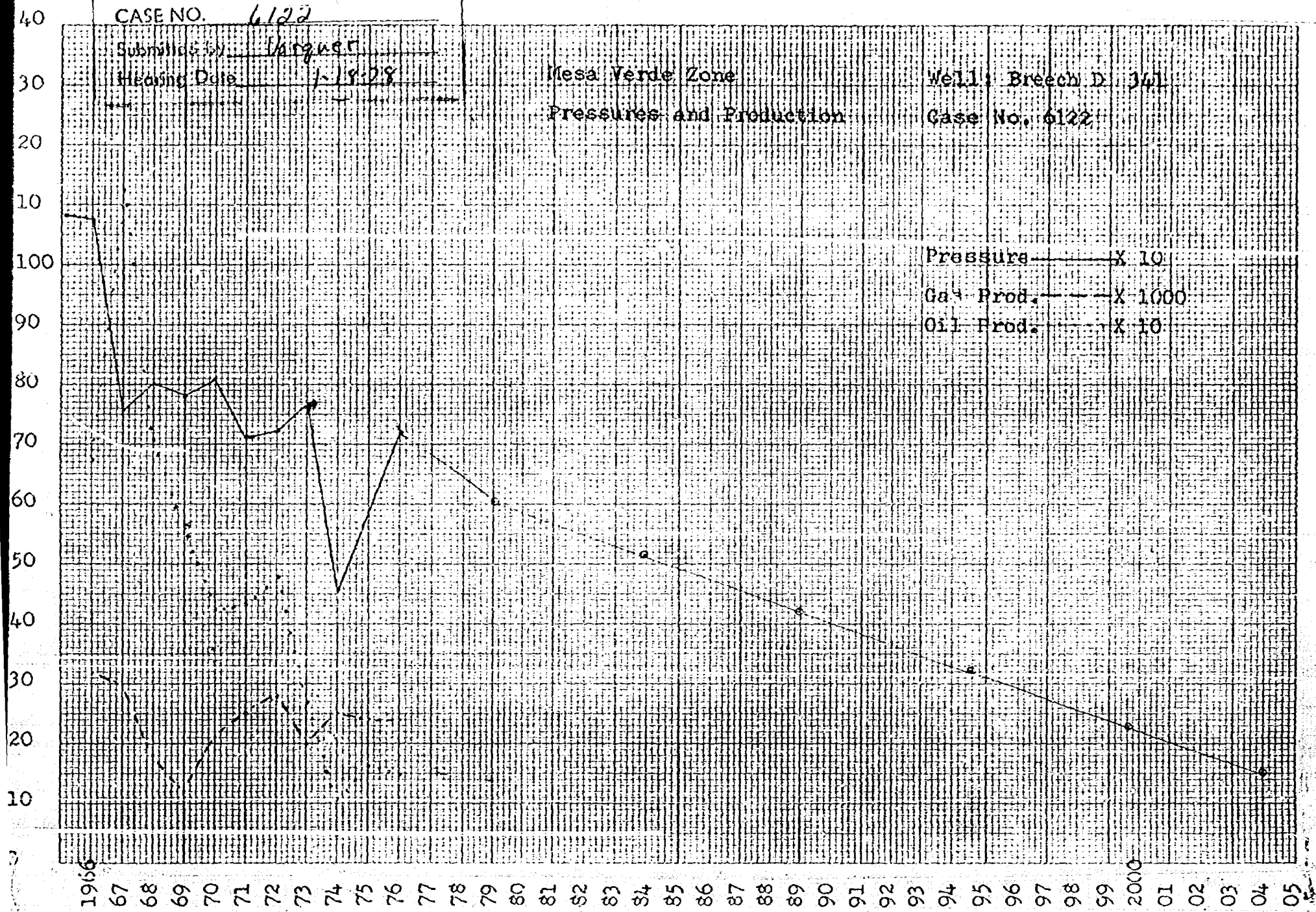
Hearing Date: 1-19-28

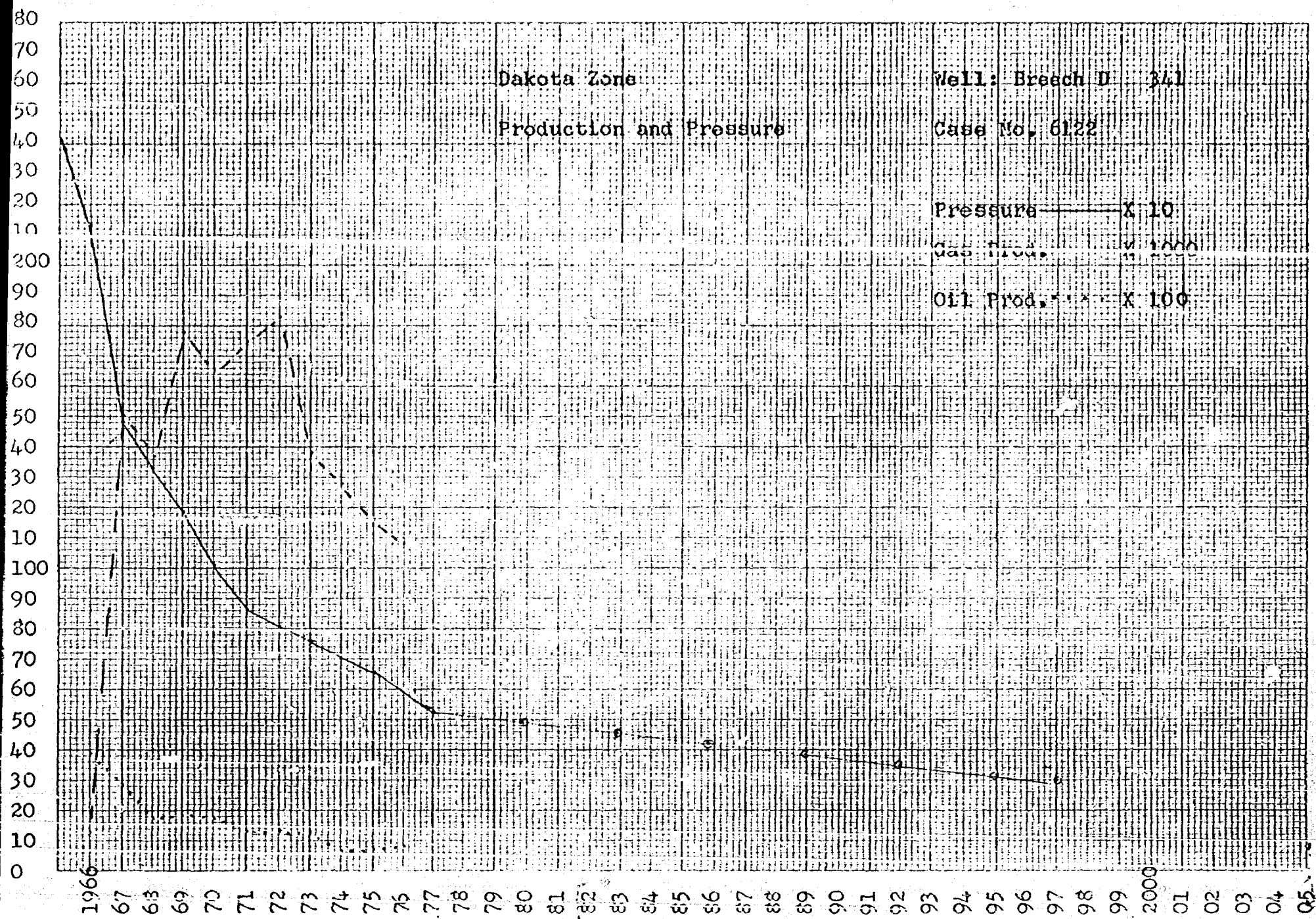
Mesa Verde Zone

Well: Breech D. 341

Pressures and Production

Case No. 6122





BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

46 1323

Caulkins EXHIBIT NO. 4d 4A

CASE NO. 6122

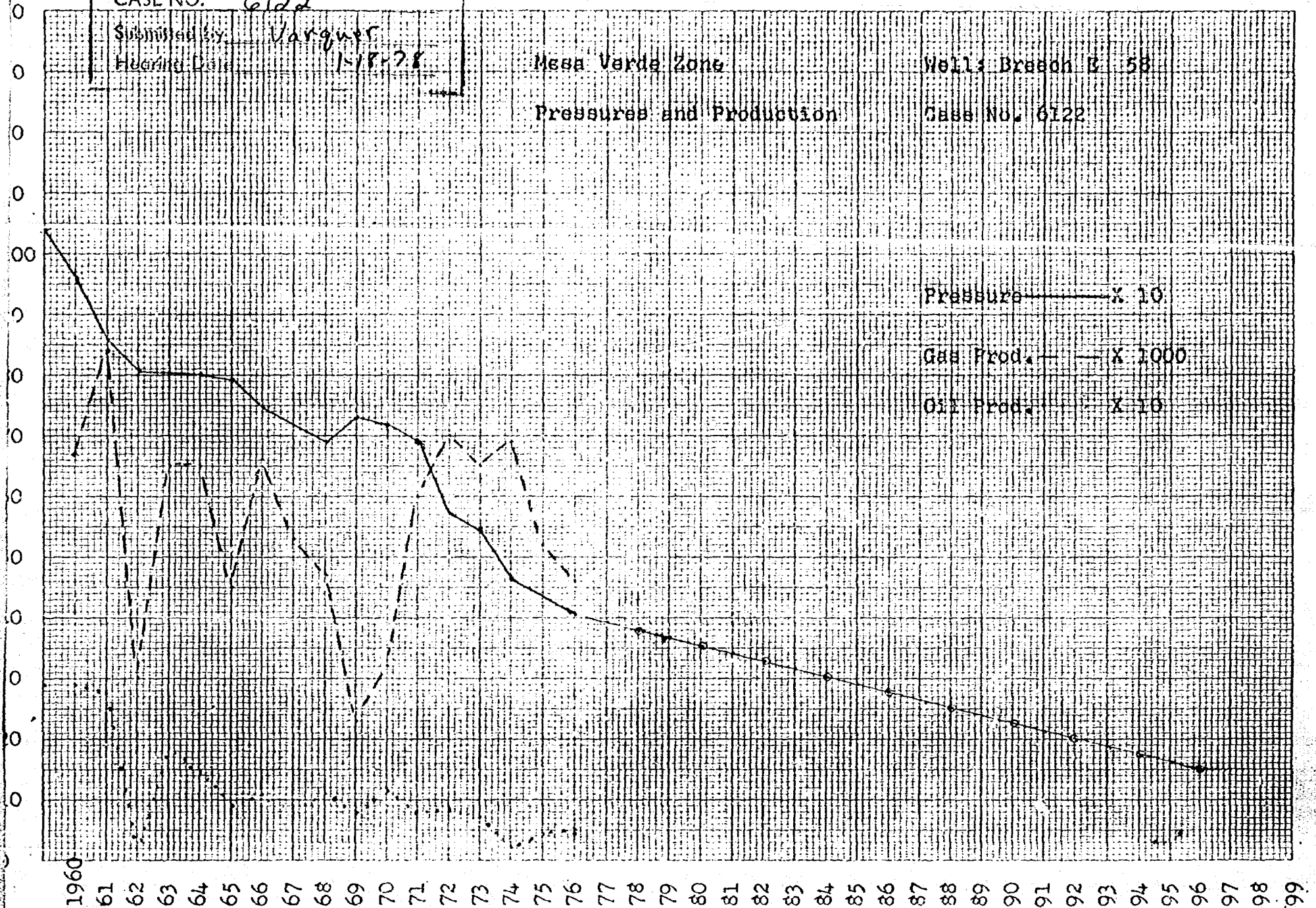
Submitted by: Vargner
Hearing Date: 1-18-78

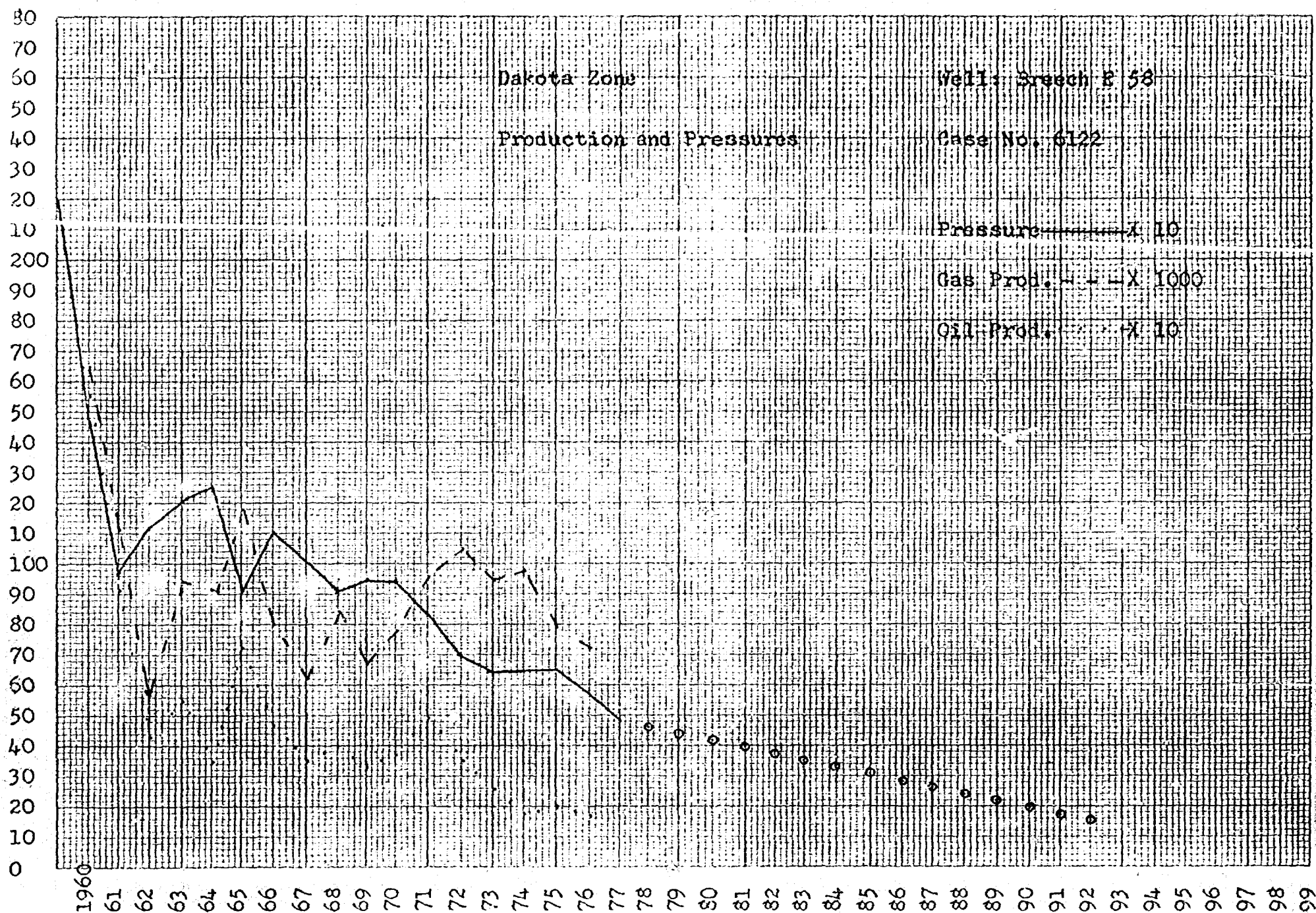
Mesa Verde Zone

Well: Breach E 58

Pressures and Production

Case No. 6122





Caulkins

5-5A

Submitted by: 6122

Hearing Date: 1-18-78

Mesa Verde Zone

Pressures and Production

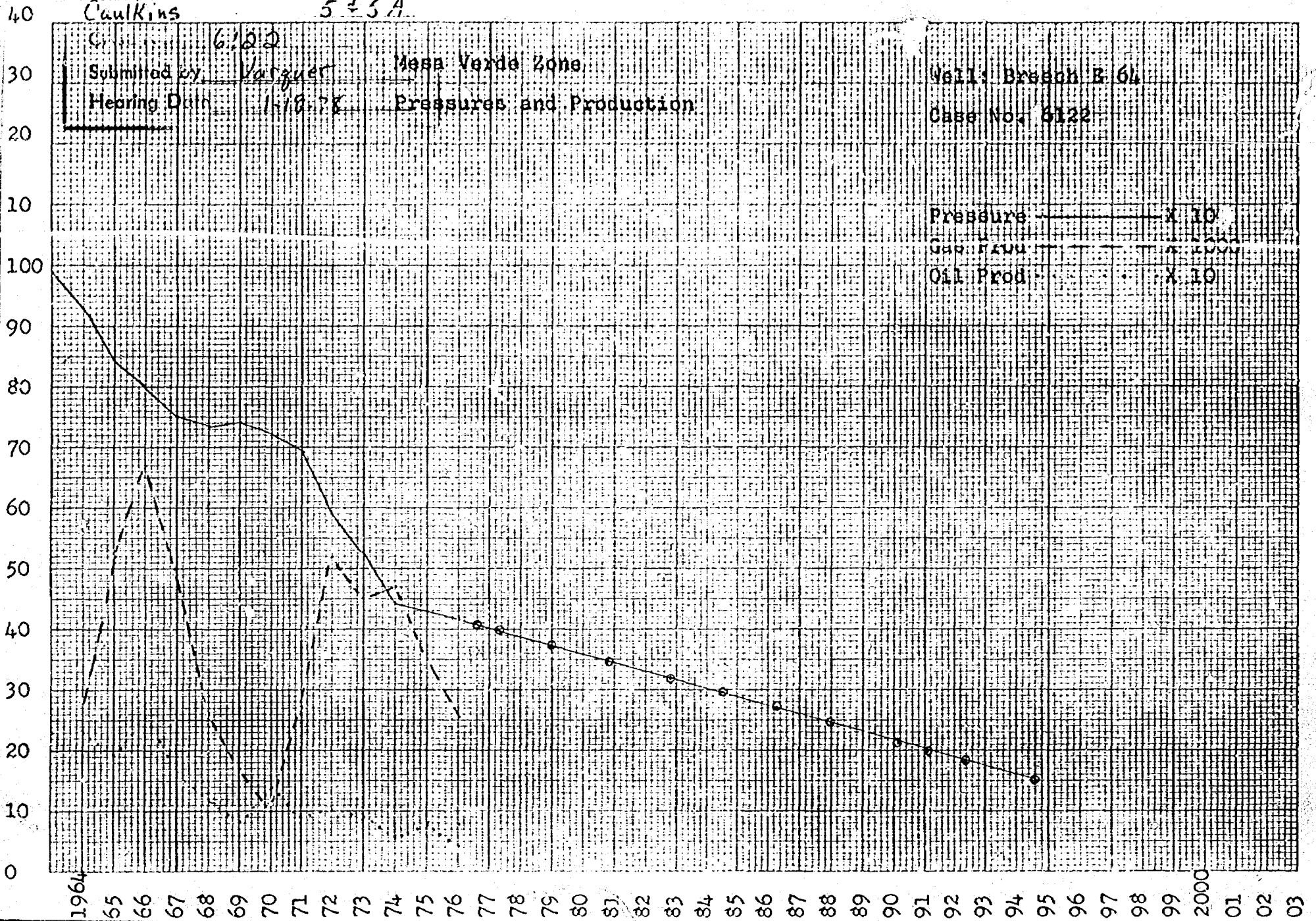
Well: Breech E 64

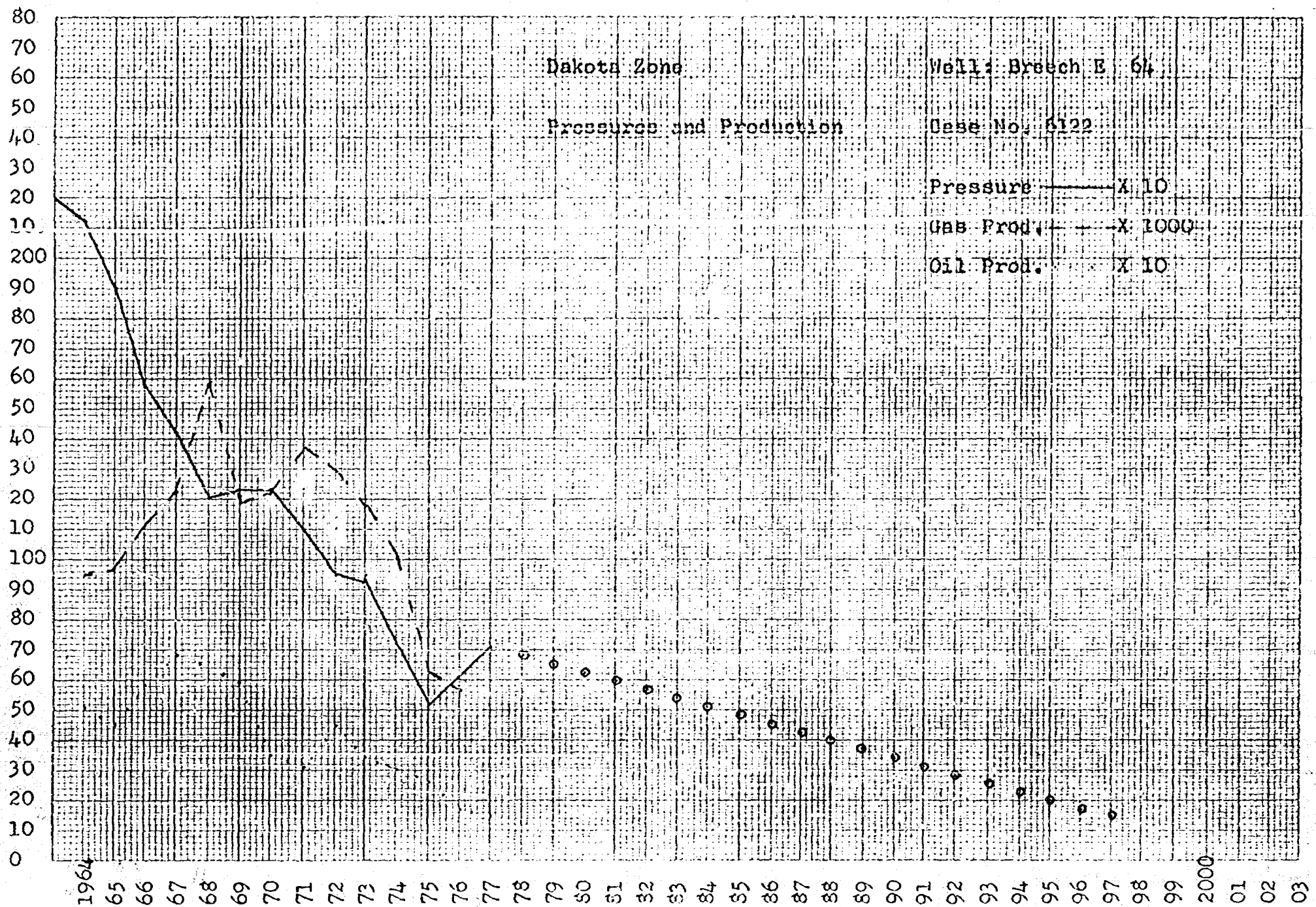
Case No. 6122

Pressure ————— X 10

Gas Flow ————— X 1000

Oil Prod. ————— X 10





BEFORE EXAMINER STAMETS

OIL & GAS FIELD NO. 646A

EXHIBIT NO. 646A

CASE NO. 6122

Submitted by Varquez

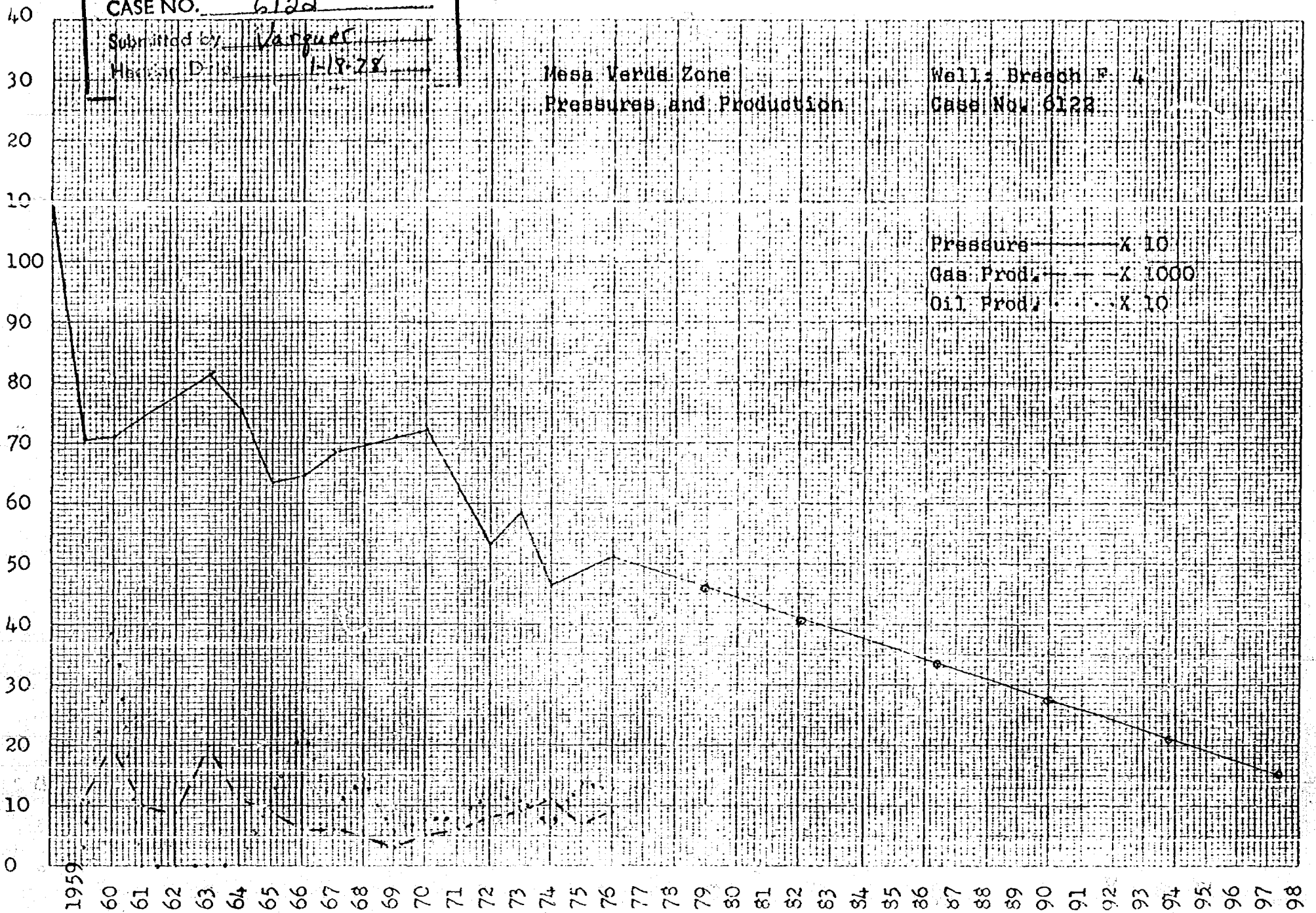
Effective Date 1-18-28

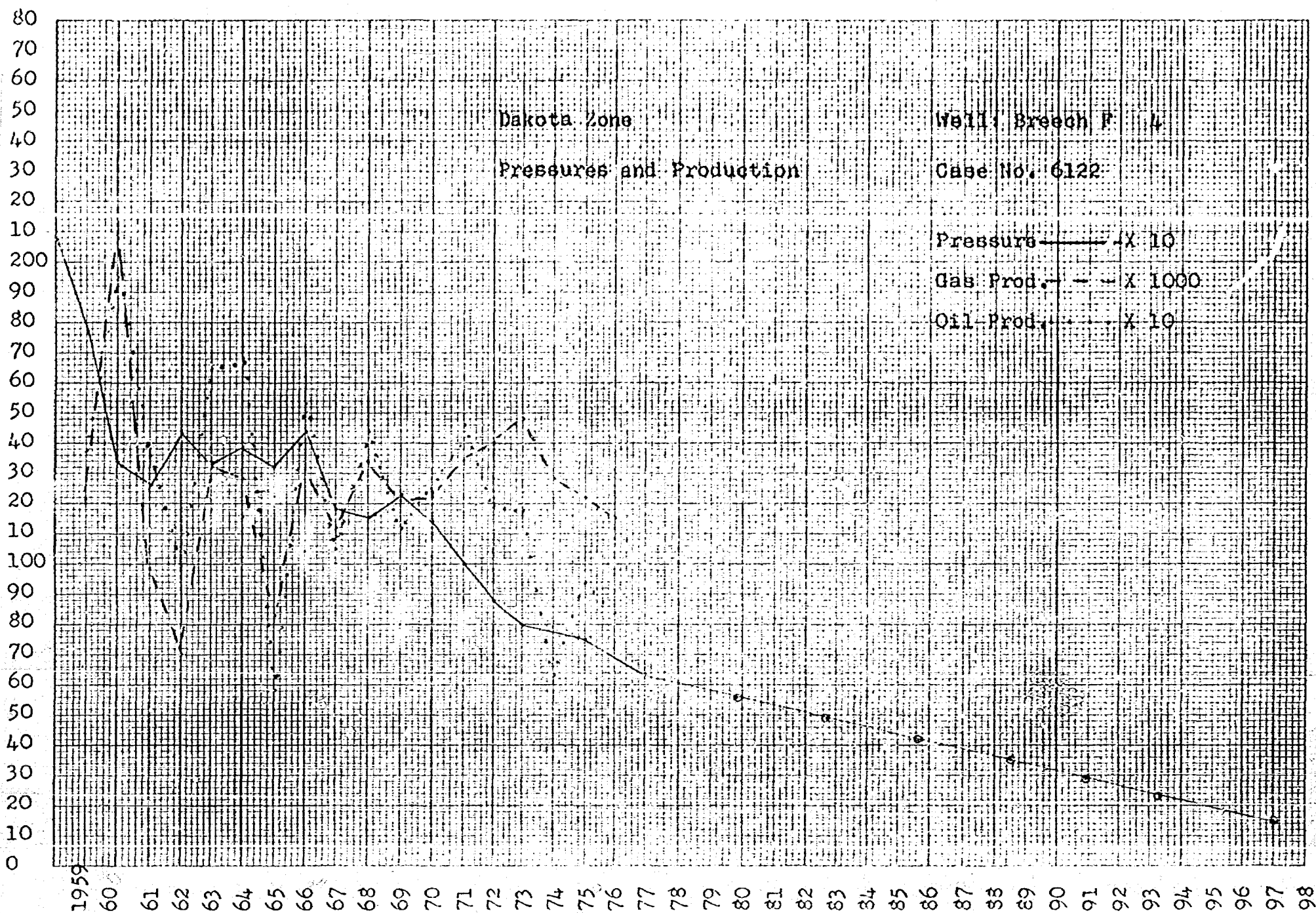
46 1323

Mesa Verde Zone
Pressures and Production

Well: Brough F. 4
Case No. 6122

Pressure ——— X 10
Gas Prod. ——— X 1000
Oil Prod. ——— X 10





Caulkins EXHIBIT NO. 747A

CASE NO. 6122

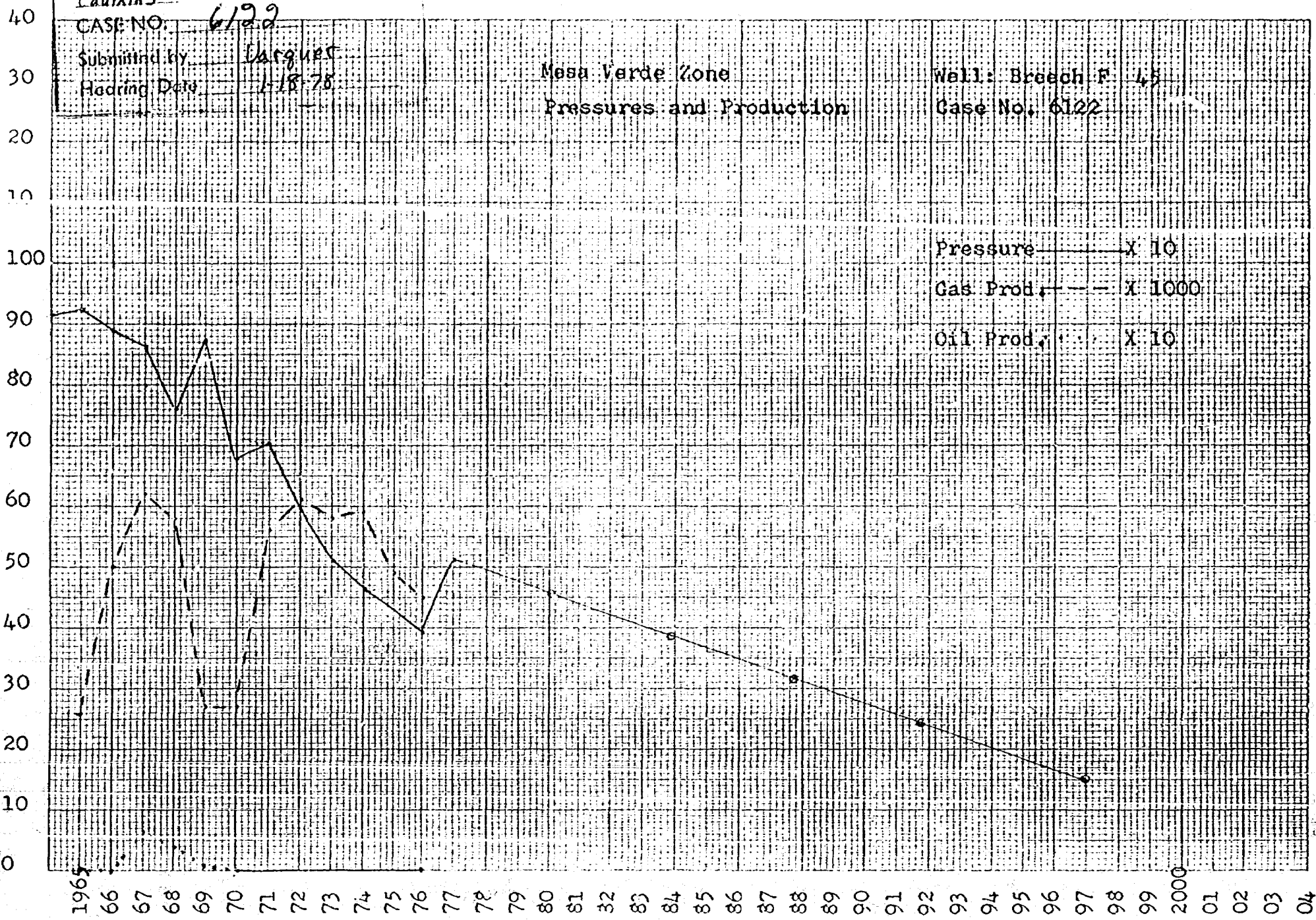
Submitted by: Cargues

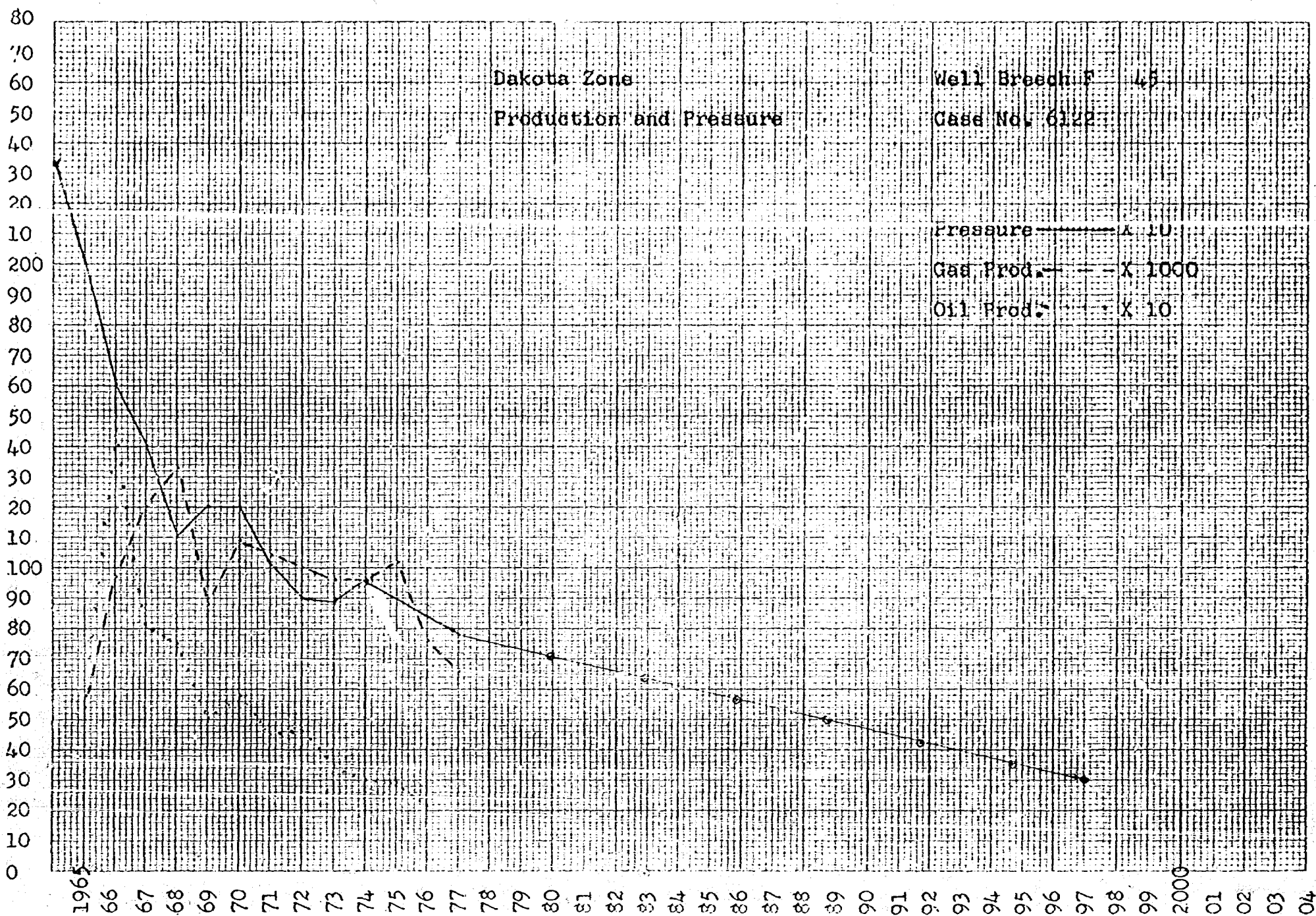
Hearing Date: 1-18-78

Mesa Verde Zone
Pressures and Production

Well: Breech F 45
Case No. 6122

Pressure ——— X 10
Gas Prod. — — — X 1000
Oil Prod. . . . X 10





Caulkins Exhibit No 8+8A

40

30

20

10

100

90

80

70

60

50

40

30

20

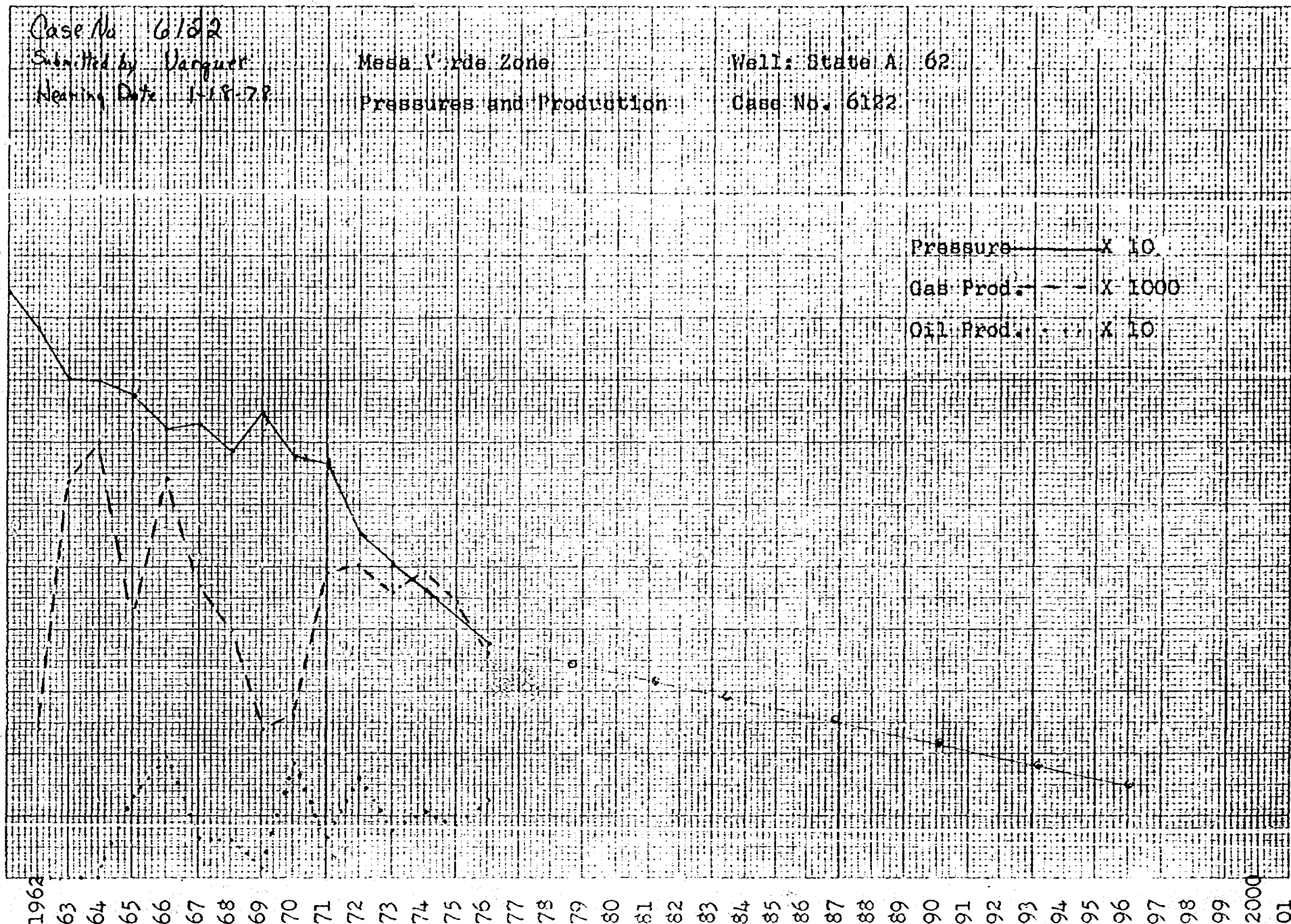
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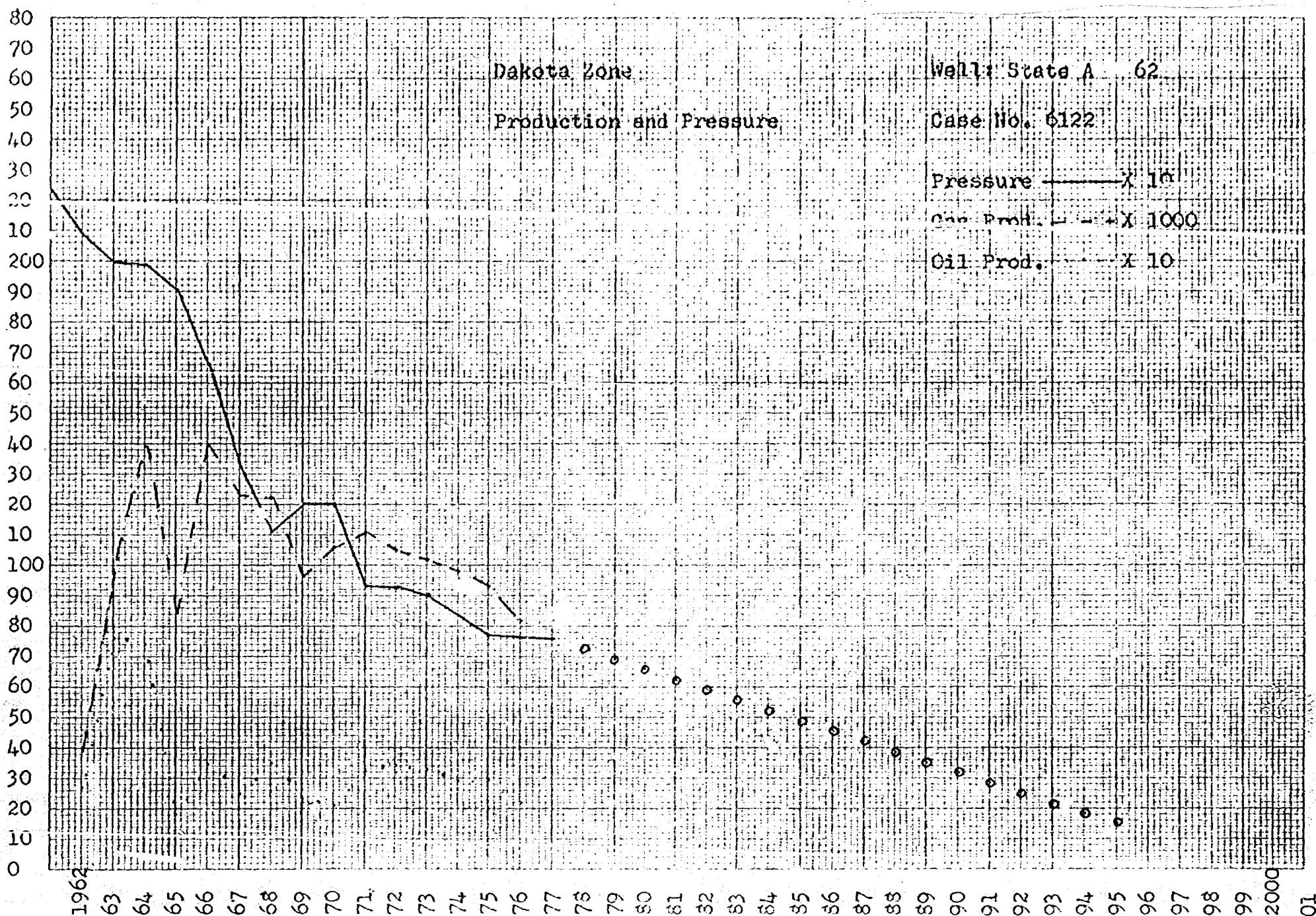
0

Pressure ——— X 10

Gas Prod. — — — X 1000

Oil Prod. ····· X 10





BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

Caulkins EXHIBIT NO. 9

CASE NO. 6122

Submitted by Varguer

Hearing Date 1-18-78

Caulkins Oil Company

Case No. 6122

Exhibit # 9

Proposed production split for each well for all future production.

341 - Mesa Verde zone 15% of the gas and 22% of the Oil.
Dakota zone 85% of the gas and 78% of the oil.

58 - Mesa Verde zone 37% of the gas and 18% of the oil.
Dakota zone 63% of the gas and 82% of the oil.

64 - Mesa Verde zone 25% of the gas and 24% of the oil.
Dakota zone 75% of the gas and 76% of the oil.

4 - Mesa Verde zone 7% of the gas and 7% of the oil.
Dakota zone 93% of the gas and 93% of the oil.

45 - Mesa Verde zone 34% of the gas and 2% of the oil.
Dakota zone 66% of the gas and 98% of the oil.

62 - Mesa Verde zone 30% of the gas and 18% of the oil.
Dakota zone 70% of the gas and 82% of the oil.

BEFORE EXHIBIT STAMETS
OIL CONSERVATION COMMISSION
Caulkins EXHIBIT NO. 10
CASE NO. 6122
Submitted by Valguer
Hearing Date 1-18-78

Caulkins Oil Company

Case No. 6122

Exhibit # 10

307 Production records

307 commingled and put back on production Oct. 1, 1977.

Mesa Verde shut in prior to commingling.

Dakota Production 6 Months prior to commingling:

Dec. 1976	4030 MCF	0 Oil
Jan. 1977	4024	0
Feb.	4399	10
Mar.	3853	0
Apr.	4027	33
May	771	20

Production after commingling:

Oct. 1977	392 MCF (3 days)
Nov. 1977	3926 for Dakota and 666 MCF MV (Total 4592)

BEFORE EXAMINER STAMENTS
OIL CONSERVATION COMMISSION

Caulkins EXHIBIT NO. 11

CASE NO. 6122

CAULKINS OIL COMPANY

Submitted by Varguer

Case No. 6122

Hearing Date 1-18-28

Exhibit # 11

Mechanic's

All wells equipped with 2 strings of tubing with the Dakota string tubing set in Baker Model D packer to separate Mesa Verde and Dakota zones.

All tubing will be pulled, one string will be salvaged along with seal assy. for Model D packer then 1 1/4" tubing will be run to Dakota perforation.

Dockets Nos. 4-78 and 5-78 are tentatively set for hearing on February 8 and 22, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - JANUARY 11, 1978

OIL CONSERVATION COMMISSION - 9 A.M. - CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 5958: (DE NOVO)

Application of Continental Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gonzales-Mesaverde and Otero-Chaves production in the wellbores of its API Apache "J" Wells Nos. 18, 23, and 24 located in Units A, D, and P of Section 8; Nos. 19 and 22 in Units D and L of Section 6; Nos. 20 and 21, in Units C and I of Section 5; and No. 25 in Unit A of Section 7, all in Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

Upon application of Continental Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6026: (DE NOVO)

Application of William G. Rabe and Alice P. Rabe for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

Upon application of William G. Rabe and Alice P. Rabe this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6027: (DE NOVO)

Application of Great Lakes Chemical Corporation for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the SE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

Upon application of Great Lakes Chemical Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 18, 1978

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for February, 1978, from fifteen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for February, 1978, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6123: Application of Stevens Oil Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its O'Brien "F" Well No. 1 located 1650 feet from the South line and 330 feet from the East line of Section 35, Township 8 South, Range 28 East, Twin Lakes-San Andres Associated Pool, Chaves County, New Mexico, the SE/4 of said Section 35 to be dedicated to the well.

CASE 6124: Application of HNG Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Shoetar Ranch Unit Area comprising 961 acres, more or less, of State lands in Townships 16 and 17 South, Range 35 East, Lea County, New Mexico.

- CASE 6125: Application of Shell Oil Company for an exception to Rule 202(B), San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission Rule No. 202(B), San Juan County, New Mexico, to permit the temporary abandonment of certain wells on its Carson Unit Area in Township 25 North, Ranges 11 and 12 West, Blati-Lower Gallup Oil Pool, San Juan County, New Mexico. Applicant further seeks that any further extensions be administratively approved.
- CASE 6126: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 21, Township 17 South, Range 26 East, Eddy County, New Mexico, to be dedicated to its Siegenthaler 10 well No. 2 to be drilled at an unorthodox location 1760 feet from the South line and 1980 feet from the West line of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6127: Application of Southland Royalty Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Anteo Palmito State Com Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, to produce oil from the Wolfcamp and gas from the Morrow formations.
- CASE 6128: Application of Champlin Petroleum Company for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State "36" Well No. 1 located 1980 feet from the South line and 660 feet from the West line of Section 36, Township 21 South, Range 27 East, East Carlsbad Gas Field, Eddy County, New Mexico, the S/2 of said Section 36 to be dedicated to the well.
- CASE 6129: Application of King Resources Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Gardner Draw Unit Area comprising 19,840 acres, more or less, of Federal, State, and fee lands in Townships 19 and 20 South, Ranges 20 and 21 East, Eddy County, New Mexico.
- CASE 6130: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wantz Abo and Wantz Granite Wash production in the wellbore of its Lockhart B-35 Well No. 5 located in Unit H of Section 35, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 6131: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Southeast Monument Unit Area, Warren McKee Pool, Lea County, New Mexico, by the injection of water into the McKee formation through 8 wells. Applicant further seeks the establishment of an administrative procedure for adding or substituting injection wells.
- CASE 6132: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Warren Unit Area, Warren McKee Pool, Lea County, New Mexico, by the injection of water into the McKee formation through 4 wells. Applicant further seeks the establishment of an administrative procedure for adding and substituting injection wells.
- CASE 6133: Application of Doyle Hartman for compulsory pooling and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SE/4 of Section 8, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to form a non-standard unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6134: Application of Burlison & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Queen formation underlying the SE/4 NW/4 of Section 22, Township 25 South, Range 37 East, Langlie Mattix Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6119: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs, Chacra and Mesaverde production in the wellbore of its Breech Well No. 228, to be located in Unit A of Section 18, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, and to dually complete the commingled formations and the Dakota formation in said well.

CASE 6120: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Mesaverde production in the wellbores of its Breech E Wells Nos. 109 in Unit M of Section 3 and 104 in Unit P of Section 5 and its Breech A Wells Nos. 627 in Unit B of Section 8, 677 and 679 in Units L and J, respectively, of Section 9, and 207 in Unit A of Section 10, all in Township 26 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 6121: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in Sections 3, 4, 5, 7 thru 11, 13 thru 18, 21, 22, 24, and 25 in Township 26 North, Range 6 West, and Sections 13, 14, 23, and 24, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

CASE 6122: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbores of its Breech E Wells Nos. 64 and 58 located in Unit A of Section 1 and Section 3, its State A Well No. 62 in Unit A of Section 2, and its Breech D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breech F Wells Nos. 4 and 45 located in Unit A of Section 33, Unit M of Section 35, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 6096: Continued from January 4, 1978, Examiner Hearing

Application of Texas Oil & Gas Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 14, Township 21 South, Range 34 East, Lea County, New Mexico, to be dedicated to applicant's South Wilson State Well No. 1 to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6135: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the extension of the Wagon Mound Dakota-Morrison Gas Pool in Township 21 North, Range 21 East, Mora County, New Mexico.

CASE 6136: In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation and extension of certain pools in Lea, Chaves, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Caprock-San Andres Pool. The discovery well is the Elk Oil Company State D.J. Well No. 1 located in Unit H of Section 2, Township 12 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
Section 2: NE/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Yates production and designated as the West Scarborough-Yates Pool. The discovery well is the Gifford, Mitchell and Wisenbaker Horse Back Well No. 2 located in Unit G of Section 33, Township 26 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 33: NE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Sombrero-Morrow Gas Pool. The discovery well is the Phillips Petroleum Company Michel Well No. 1 located in Unit C of Section 13, Township 16 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 13: NW/4

(d) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Morrow production and designated as the East Vest Ranch-Morrow Gas Pool. The discovery well is the Cockrell Corporation Occidental Federal Well No. 1 located in Unit A of Section 22, Township 14 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 22: N/2

(e) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 23: SW/4
Section 26: NW/4

(f) EXTEND the Bluit-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 10: NE/4
Section 11: NW/4

(g) EXTEND the Brinninstool-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 21: W/2

(h) EXTEND the South Brunson-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: SW/4

(i) EXTEND the West Kemnitz-Lower Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 29: S/2
Section 30: SE/4

(j) EXTEND the Querecho Plains-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 27: NW/4

(k) EXTEND the Tom Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 23: SW/4
Section 26: W/2
Section 33: SE/4

(l) EXTEND the Townsend-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 27: SE/4

(m) EXTEND the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 15: NW/4

(n) EXTEND the Warren-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 23: SW/4
Section 26: NW/4

(o) EXTEND the West Warren-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 20: SW/4
Section 29: NW/4

Dockets Nos. 2-78 and 3-78 are tentatively set for hearing on January 18 and February 8, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 4, 1978

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- CASE 6113: Application of Transocean Oil, Inc., for a unit agreement, Catron County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Cibola Unit Area comprising 30,733 acres, more or less, of Federal, State, and fee lands in Townships 1 and 2 North, Ranges 14 and 15 West, Catron County, New Mexico.
- CASE 6114: Application of Texas Oil and Gas Company for special pool rules or a spacing exception, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Shugart-Pennsylvanian Gas Pool, Eddy County, New Mexico, to provide for 320-acre spacing rather than 160 acres. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Wolfcamp and Pennsylvanian gas pools rather than the present 160-acre spacing. In the alternative applicant seeks the assignment of a 320-acre gas spacing and proration unit consisting of the E/2 of Section 33, Township 18 South, Range 31 East, Eddy County, New Mexico, to a well to be drilled to the Pennsylvanian formation at a standard location thereon.
- CASE 6096: (Continued from November 30, 1977, Examiner Hearing)
- Application of Texas Oil & Gas Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 14, Township 21 South, Range 34 East, Lea County, New Mexico, to be dedicated to applicant's South Wilson State Well No. 1 to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6115: Application of Merrion and Bayless for downhole commingling, Sandoval County, New Mexico. Applicants, in the above-styled cause, seek approval for the downhole commingling of Pictured Cliffs and Chacra production in their Jicarilla 428 Wells Nos. 3, 4, and 5, located respectively, in Unit M of Section 29 and Unit D of Section 32 and Section 31, Township 23 North, Range 4 West. Applicant further seeks blanket approval for downhole commingling of said formations in Sections 29 thru 32, Township 23 North, Range 4 West, and Sections 22 thru 26 and 35 and 36, Township 23 North, Range 5 West, all in Sandoval County, New Mexico.
- CASE 6116: Application of Merrion and Bayless for salt water disposal, San Juan County, New Mexico. Applicants, in the above-styled cause, seek authority to dispose of produced salt water into the Mesaverde formation thru the perforated interval from 3374 feet to 3395 feet in applicants' Hudson Well No. 1, located in Unit D of Section 26, Township 30 North, Range 12 West, San Juan County, New Mexico.
- CASE 6117: Application of Amoco Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its South Culebra Bluff Unit Area comprising 1280 acres, more or less, of Federal and fee lands in Township 23 South, Range 28 East, Eddy County, New Mexico.
- CASE 6118: Application of Inaroo Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Long Box Unit Area comprising 3,808 acres, more or less, of Federal and State lands in Townships 20 and 20 1/2 South, Ranges 23 and 24 East, Eddy County, New Mexico.
- CASE 6119: Application of Caulkins Oil Company for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs, Chacra and Mesaverde production in the wellbore of its Breech Well No. 228, to be located in Unit A of Section 18, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, and to dually complete the commingled formations and the Dakota formation in said well.
- CASE 6120: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Mesaverde production in the wellbores of its Breech E Wells Nos. 109 in Unit M of Section 3 and 104 in Unit P of Section 5 and its Breech A Wells Nos. 627 in Unit B of Section 8, 677 and 679 in Units I and J, respectively, of Section 9, and 207 in Unit A of Section 10, all in Township 26 North, Range 6 West, Rio Arriba County, New Mexico.
- CASE 6121: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured

Cliffs and Chacra production in Sections 3, 4, 5, 7 thru 11, 13 thru 18, 21, 22, 24, and 25 in Township 26 North, Range 6 West, and Sections 13, 14, 23, and 24, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

CASE 6122: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbores of its Breech E Wells Nos. 64 and 58 located in Unit A of Section 1 and Section 3, its State A Well No. 62 in Unit A of Section 2, and its Breech D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breech F Wells Nos. 4 and 45 located in Unit A of Section 33, Unit M of Section 35, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

8-11-77

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF CAULKINS OIL COMPANY FOR
AUTHORITY TO COMMINGLE PRODUCTION
FROM THE MESAVERDE AND DAKOTA
FORMATIONS, RIO ARriba COUNTY,
NEW MEXICO

A P P L I C A T I O N

Comes now Caulkins Oil Company and applies to the Oil
Conservation Commission of New Mexico for authority to
commingle production from the Mesaverde and the Dakota for-
mations in the following wells located in Rio Arriba County,
New Mexico:

Well No.	Location
Breech F-4	Unit A, Section 33, T. 27 N., R. 6 W.
Breech F-45	Unit M, Section 35, T. 27 N., R. 6 W.
Breech E-58	Unit A, Section 3, T. 26 N., R. 6 W.
Breech E-64	Unit A, Section 1, T. 26 N., R. 6 W.
Breech D-341	Unit B, Section 21, T. 26 N., R. 6 W.
State A-62	Unit A, Section 2, T. 26 N., R. 6 W.

In support of this application applicant would show the
Commission that production from the formations is marginal,
or becoming marginal, and that commingling will prolong the
life of the wells, result in a greater ultimate recovery of
oil and gas, thereby preventing waste. Neither of the forma-
tions will be damaged by the proposed commingling, and the
correlative rights of all interest owners will be fully protected.

WHEREFORE Applicant prays that this application be set

for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order authorizing commingling of production as requested.

Respectfully submitted,
CAULKINS OIL COMPANY

By Jason Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 6122

Order No. R- 5649

APPLICATION OF CAULKINS OIL COMPANY
FOR DOWNHOLE COMMINGLING, RIO ARRIBA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 18,
19 78, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this day of January, 19 78, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Caulkins Oil Company, is the owner
and operator of the Breech E Wells Nos. 64 and 58 located in Unit
A of Section 1 and Section 3, ^{respectively,} ~~the~~ State A Well No. 62 in Unit A
of Section 2, and ~~the~~ Breech D Well No. 341 located in Unit B of
Section 21, all in Township 26 North, Range 6 West; and its Breech
F Wells Nos. 4 and 45 located in Unit A of Section 33 ^{and} Unit M of
Section 35, ^{respectively,} both in Township 27 North, Range 6 West, Rio Arriba
County, New Mexico.

subject well ^{is} capable of low ^{rates of} marginal production only.

(5) That from the Dakota zone, the
subject well ^{is} capable of low ^{rates of} marginal production only.

(6) That the proposed commingling may result in the recovery
of additional hydrocarbons from each of the subject pools, thereby
preventing waste, and will not violate correlative rights.

(7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the wells ^{are} not shut-in for an extended period.

(8) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Aztec district office of the Commission any time ^{any of} the subject wells ^{are} shut-in for 7 consecutive days.

(9) That ^{commingled production from each of said wells should be allocated} ~~in order to allocate the commingled production~~ to each of the commingled zones in the subject wells, ^{based upon the production history for such well.} ~~percent of the commingled~~ production should be allocated to the Mesaverde zone, and _____ percent of the commingled _____ production to the Dakota zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, is hereby authorized to commingle Mesaverde and Dakota production within the wellbore of the ~~of the~~ ^{of the} ~~Breach E Wells Nos. 64 and 58~~ ^{respectively} located in Unit A of Section 1 and Section 3, its State A Well No. 62 in Unit A of Section 2, and its Breach D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breach F Wells Nos. 4 and 45 located in Unit A of Section 33 ^{and} Unit M of Section 35 ^{respectively}, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico. ~~and~~

(2) That the commingled production shall be allocated to each of the zones in said wells as set forth below:

Well	Mesa Verde Oil % Gas %	Dakota Oil % Gas %
Breach D No 341	22 - 15	78 - 85
Breach E No 55	18 - 37	82 - 63
Breach E No 64	24 - 25	76 - 75
Breach F No 4	7 - 7	93 - 93
Breach F No 45	2 - 34	98 - 66
State A No 62	18 - 30	82 - 70

(3) That the operator of the subject well, shall immediately notify the Commission's Aztec district office any time ^{any of} the wells has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.