

CASE 6243: CAULKINS OIL COMPANY  
FOR FOUR UNORTHODOX GAS WELL LOCA-  
TIONS, RIO ARriba COUNTY, N. MEX.

CASE NO.

6243

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
State Land Office Building  
Santa Fe, New Mexico  
7 June, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Caulkins Oil Company ) CASE  
for four unorthodox gas well loca- ) 6243  
tions, Rio Arriba County, New Mexico. )

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Lynn Teschendorf, Esq.  
Legal Counsel for the Division  
State Land Office Building  
Santa Fe, New Mexico 87501

For the Applicant:

W. Thomas Kellahin, Esq.  
KELLAHIN & FOX  
500 Don Gaspar  
Santa Fe, New Mexico 87501

SALLY WALTON BOYD  
CERTIFIED SHORTHAND REPORTER  
730 Bishop's Lodge Road • Phone (505) 988-3404  
Santa Fe, New Mexico 87501

I N D E XCHARLES VERQUER

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1 MR. NUTTER: Call Case Number 6243.

2 MS. TESCHENDORF: Case 6243. Application of  
3 Caulkins Oil Company for four unorthodox gas well locations,  
4 Rio Arriba County, New Mexico.

5 MR. KELLAHIN: I'm Tom Kellahin of Kellahin  
6 and Fox, Santa Fe, New Mexico, appearing on behalf of  
7 Caulkins Oil Company. I have one witness.

8 (Witness sworn.)

9  
10 CHARLES VERQUER

11 being called as a witness and having been duly sworn upon  
12 his oath, testified as follows, to-wit:

13  
14 DIRECT EXAMINATION

15 BY MR. KELLAHIN:

16 Q Would you please state your name and occupation?

17 A My name is Charles Verquer. I'm Superintendent  
18 for Caulkins Oil Company.

19 Q Mr. Verquer, have you previously testified  
20 before the Oil Conservation Division and had your quali-  
21 fications as an expert witness accepted and made a matter  
22 of record?

23 A I have.

24 Q I tender Mr. Verquer as an expert witness.

25 MR. NUTTER: Mr. Verquer is qualified.

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1 Q (Mr. Kellahin continuing.) Would you refer  
2 to what we have marked as Exhibit Number One and identify  
3 that?

4 A This is a map of the Caulkins property in  
5 Rio Arriba County with the wells that we're asking for the  
6 unorthodox location approvals identified with a red arrow.

7 Q In what pool are these wells located?

8 A The Mesaverde is in the south and the Blanco-  
9 Mesaverde pool.

10 Q Okay. In what way are all four of these  
11 wells unorthodox?

12 A They're all old Tocito oil wells that were  
13 drilled to the Tocito zone previously, and for the Mesa-  
14 verde zone they are unorthodox because they are all in  
15 the southeast quarter of the section; being the first  
16 Mesaverde wells to be completed in that zone, they are  
17 unorthodox because they should either be in the northeast  
18 or the southwest quarter.

19 Q Would you refer to what I've marked as Exhibit  
20 Number Two and identify it?

21 A Exhibit Number Two is an application to deepen,  
22 plug back, or so forth, to USGS for each individual well,  
23 with our proposed -- with the well history and proposed  
24 plugging and recompletion.

25 Q All right. Exhibit Number Two is for the

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1 Breech "E" No. 104 Well, is that correct?

2 A That's correct.

3 Q And where is that well located on Exhibit Number  
4 One?

5 A On Exhibit Number One? In the southeast  
6 quarter of Section 5, 660 feet from the south and 660 feet  
7 from the east.

8 Q Okay. What is the current status of that  
9 well?

10 A It was abandoned as a Tocito producer in 1965  
11 and it has been in a temporarily abandoned state since, to  
12 date.

13 Q What do you propose to do with that well?

14 A We propose to plug it back to the Mesaverde  
15 zone and perforate and recomplete the well as a commingled  
16 Chacra-Mesaverde gas well.

17 Q And has Caulkins already obtained approval  
18 from the Oil Conservation Division for the commingling  
19 of the Chacra and the Mesaverde?

20 A They have.

21 Q What is that order number?

22 A R-5647.

23 Q Please refer to Exhibit Number Three and  
24 identify it.

25 A It's for Well No. 587 and that's in the

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1 southeast quarter of Section 4, 26 North, 6 West --

2 MR. KELLAHIN: Excuse me, I've numbered the  
3 exhibits different than you're looking at. Let's use mine.

4 A. Oh, excuse me. Okay.

5 All right. Exhibit Number Four is for 104 --

6 Q. Exhibit Number Three, excuse me.

7 A. Three is for 104, it's the dedicated acreage  
8 for the Mesaverde zone. It's just a dedication plat for  
9 the Mesaverde zone.

10 Q. All right. Now let me show you what I've  
11 marked as Exhibit Number Four and ask you to identify  
12 that.

13 Q. Okay, that's for our Number 587, which is  
14 located 1880 from the south, 1980 from the east of Section  
15 4, 26 North, 6 West.

16 Q. And what is the status of that well?

17 A. That well is -- that was abandoned as a water  
18 injection well for the Tocito zone in 1966 and it has  
19 been temporarily abandoned state since that time.

20 Q. And what do you propose to do with that well?

21 A. We propose to plug back to the Mesaverde zone  
22 and recomplete it as a single Mesaverde gas well.

23 Q. Okay. I show you Exhibit Number Five and  
24 ask you to identify that.

25 A. That is an acreage dedication plat for the

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1 Mesaverde zone for Well No. 587.

2 Q I show you what I've marked as Exhibit Number  
3 Six and ask you to identify that.

4 A Exhibit Number Six is for Well No. 207. It's  
5 located 660 from the south, 1980 from the east of Section  
6 10, Township 26 North, 6 West.

7 Q What's the current status of that well?

8 A That well is also an old Tocito injection well  
9 that was abandoned in 1965 and has been in that state  
10 since to date.

11 Q What are your plans -- excuse me.

12 What are your plans for the well in Section 10?

13 A We propose to plug back from the Tocito zone  
14 to the Mesaverde and then recomplete the well in the  
15 Chacra and Mesaverde zone as a gas well.

16 Q Okay. Have you obtained Division approval for  
17 the commingling of the Chacra and Mesaverde?

18 A We have.

19 Q And that is the same order number as you pre-  
20 viously testified?

21 A Right, 5647.

22 Q I show you Exhibit Number Seven and ask you to  
23 identify that.

24 A That is an acreage dedication plat to the  
25 Mesaverde zone for the Well No. 207.

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1 Q Okay. I show you Exhibit Number Eight and ask  
2 you to identify it.

3 A That's for Well No. 679, 1980 from the south,  
4 1980 from the east of Section 9, 26 North, 6 West.

5 Q And what is the current status of that well?

6 A This well was a -- was the original Tocito  
7 discovery well. It is now, and has been since 1962,  
8 abandoned in a temporary -- temporarily abandoned state.  
9 But that was the discovery well.

10 Q What do you propose to do with that well?

11 A We propose to plug it back to the Mesaverde  
12 zone and then recomplete it in the Chacra and Mesaverde  
13 commingled.

14 Q Was that well also included in approval by  
15 the Division in Order Number R-5647?

16 A It was.

17 Q I show you Exhibit Number Nine.

18 A That's an acreage dedication plat for Well No.  
19 679, for the Mesaverde zone.

20 Q Now, Mr. Verquer, who controls the offsetting  
21 acreage with regards to all these wells?

22 A There's a block in the west half of Section 34,  
23 27 North, 6 West that is controlled by -- that's a diag-  
24 onal offset of the 587 well, that is controlled by El  
25 Paso, and in Section 15, 26 North, 6 West, there's 160-acre

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1 block in the southeast quarter of Section 15 that is con-  
2 trolled by Adobe Oil Company.

3 Q Apart from those two exceptions, all the rest  
4 of the acreage is operated by Caulkins?

5 A Correct.

6 Q In your opinion, Mr. Verquer, will approval  
7 of this application be in the best interests of conserva-  
8 tion, the prevention of waste, and the protection of cor-  
9 relative rights?

10 A It will.

11 Q Were Exhibits One through Nine prepared by  
12 you directly or compiled under your direction and super-  
13 vision?

14 A Yes, sir. One other thing, in the Section 5,  
15 Section 32, 27 North, 6 West, is also El Paso, and the  
16 block in the northwest quarter is also Adobe.

17 MR. KELLAHIN: We move for the introduction of  
18 Exhibits One through Nine.

19 MR. NUTTER: Applicant's Exhibits One through  
20 Nine will be admitted in evidence.

21  
22 CROSS EXAMINATION

23 BY MR. NUTTER:

24 Q Mr. Verquer, all four of the subject wells  
25 we're talking about here today, were originally drilled

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1 as Tocito oil wells, is that correct?

2 A. That's correct, sir.

3 Q. And they were all drilled at standard locations  
4 for Tocito?

5 A. Yes, sir, they were.

6 Q. And they've all been abandoned in the Tocito  
7 for ten years or more?

8 A. Yes, sir.

9 Q. So you're simply utilizing old holes here to  
10 try to complete them in the Mesaverde and the Mesaverde  
11 and Chacra in some cases?

12 A. Yes, sir.

13 Q. Now, what would be dedicated to the wells in  
14 the Mesaverde, Mr. Verquer?

15 A. In all cases the 320 acres, the east half of  
16 the sections.

17 Q. So that would be on Exhibit One the half sec-  
18 tion that you've drawn diagonal lines through in the  
19 dedication plat?

20 A. Yes, sir.

21 MR. NUTTER: Are there any further questions  
22 for Mr. Verquer? He may be excused.

23 Do you have anything further, Mr. Kellahin?

24 MR. KELLAHIN: No, sir.

25 MR. NUTTER: Does anyone have anything they

1 wish to offer in Case Number 6243?

2 We'll take the case under advisement.

3 (Hearing concluded.)

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REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill from my notes taken at the time of the hearing.

*Sally Walton Boyd CSR*  
Sally Walton Boyd, 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. 6243, 1962, heard by me on 6/2, 1962.  
*[Signature]*  
New Mexico Oil Conservation Commission



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

JERRY APODACA  
GOVERNOR

NICK FRANKLIN  
SECRETARY

June 16, 1978

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

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

Re: CASE NO. 6243  
ORDER NO. R-5747

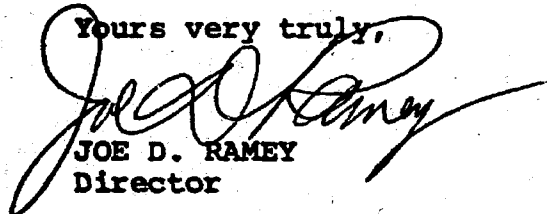
Applicant:

Caulkins Oil Company

Dear Sir:

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

Yours very truly,

  
JOE D. RAMEY  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC X  
Artesia OCC X  
Astec OCC X

Other \_\_\_\_\_

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6243  
Order No. R-5747

APPLICATION OF CAULKINS OIL COMPANY  
FOR FOUR UNORTHODOX GAS WELL LOCATIONS,  
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 7, 1978,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of June, 1978, the Division Director,  
having considered the testimony, the record, and the recommenda-  
tions of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Caulkins Oil Company, seeks  
approval of unorthodox gas well locations for its Breech "E"  
Wells Nos. 104 and 587, located in Unit P of Section 5 and Unit  
J of Section 4, respectively, and its Breech "A" Wells Nos. 207  
and 679, located in Unit O of Section 10 and Unit J of Section  
9, respectively, all in Township 26 North, Range 6 West, Blanco  
Mesaverde Pool, Rio Arriba County, New Mexico.

(3) That the E/2 of said Sections 5 and 4, respectively,  
is to be dedicated to the above-described Breech "E" Wells Nos.  
104 and 587 and the E/2 of said Sections 10 and 9, respectively,  
to the Breech "A" Wells Nos. 207 and 679.

(4) That each of said wells was originally drilled at a  
standard location for the South Blanco-Tocito Oil Pool, but has  
long been shut in as no longer productive from said pool.

(5) That no offset operator objected to the proposed  
unorthodox locations.

-2-

Case No. 6243  
Order No. R-5747

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

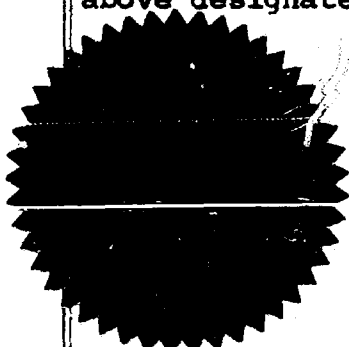
IT IS THEREFORE ORDERED:

(1) That unorthodox gas well locations for the Mesaverde formation are hereby approved for the Caulkins Oil Company Breech "E" Wells Nos. 104 and 587, located in Unit P of Section 5 and Unit J of Section 4, respectively, and the Breech "A" Wells Nos. 207 and 679, located in Unit O of Section 10 and Unit J of Section 9, respectively, all in Township 26 North, Range 6 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico.

(2) That the E/2 of said Sections 5 and 4, respectively, shall be dedicated to the above-described Breech "E" Wells Nos. 104 and 587 and the E/2 of said Sections 10 and 9, respectively, to the Breech "A" Wells Nos. 207 and 679.

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

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



S E A L

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Joe D. Ramey*  
JOE D. RAMEY  
Director

fd/

Dockets Nos. 21-78 and 22-78 are tentatively set for hearing on June 21 and July 6, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 7, 1978

9 A.M. - OIL CONSERVATION DIVISION 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 6235: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Black Diamond Oil Company and all other interested parties to appear and show cause why the Well No. 1 located in Unit C of Section 27, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6236: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Bloomfield Oil & Gas Company and all other interested parties to appear and show cause why the C. Hare Well No. 3 located in Unit N of Section 15 and the H. D. Abrams Well No. 5 located in Unit E of Section 23, both in Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6237: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Finley & Johansen and all other interested parties to appear and show cause why the Hare Well No. 1 located in Unit C of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6238: Application of Barber Oil, Inc., for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Saladar Unit Area comprising 240 acres, more or less, of Federal and fee lands in Township 20 South, Range 28 East, Eddy County, New Mexico.
- CASE 6226: (Continued from May 17, 1978 Examiner Hearing)  
Application of Barber Oil, Inc. for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Saladar Unit, by the injection of water into the Yates formation through five wells located in Units X, L, N and O of Section 33, Township 20 South, Range 28 East, Saladar-Yates Pool, Eddy County, New Mexico.
- CASE 6239: Application of Robert N. Enfield for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for his North Lake McMillan Unit Area comprising 3194 acres, more or less, of Federal and fee lands in Township 19 South, Ranges 26 and 27 East, Eddy County, New Mexico.
- CASE 6240: Application of Bass Enterprises Production Company for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Navajo 20 Well No. 1, a Barker Creek oil test to be drilled 1190 feet from the South line and 2510 feet from the East line of Section 20, Township 27 North, Range 19 West, San Juan County, New Mexico, the SW/4 SE/4 of said Section 20 to be dedicated to the well.
- CASE 6241: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Eagle Creek Permo-Penn and West Atoka-Morrow gas production in the wellbore of its Powell DG Well No. 1 located in Unit O of Section 35, Township 17 South, Range 25 East, Eddy County, New Mexico.
- CASE 6242: Application of C & E Operators, Inc., for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SE/4 of Section 32, Township 32 North, Range 10 West, San Juan 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 6243: Application of Caulkins Oil Company for four unorthodox gas well locations, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Breech "E" Wells Nos. 104 and 587, located in Unit P of Section 5 and Unit J of Section 4, respectively; and its Breech "A" Wells Nos. 207 and 679, located in Unit J of Sections 10 and 9, respectively, all in Township 26 North, Range 6 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>		5. LAND DESIGNATION AND SERIAL NO. N M 03551
2. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <b>RECOMPLETE</b> SINKER ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALLEGED OR TRIBE NAME
3. NAME OF OPERATOR Caulkins Oil Company		7. UNIT AGREEMENT NAME
4. ADDRESS OF OPERATOR P.O. Box 340, Bloomfield, New Mexico		8. FARM OR LEASE NAME Breech "E"
9. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 660 from the South and 660 from the East		9. WELL NO. 104
10. FIELD AND POOL, OR WILDCAT Otero-Chacra Blanco Mesa Verde		11. SEC. T. R. M. OR S.E. AND SURVEY OR AREA Sec. 5 26N 6W
12. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 30 Miles Southeast of Blanco, New Mexico		13. COUNTY OR PARISH Rio Arriba
14. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 660		15. NO. OF ACRES IN LEASE 2240
16. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1500'		17. NO. OF ACRES ASSIGNED TO THIS WELL 320
18. ELEVATIONS (Show whether D.F., RT., GR., etc.) 6505 Gr.		19. ROTARY OR CABLE TOOLS
20. APPROX. DATE WORK WILL START April 10, 1978		

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

## Present Conditions:

TD 6746'. 7" 23# J-55 casing cemented with 150 sacks thru shoe and 525 sacks thru stage tool at 5401'. Cement top 3450'.

Abandoned as Tocito producer 9-9-65 to date.

It is now proposed to plug back and recomplete well in Mesa Verde and Chacra zones by perforating Mesa Verde and Chacra zones then fracturing to stimulate production. A pit 20 X 20 X 4' on existing location will be required to contain frac water while cleaning up and testing. Blowout preventor will be used while plugging back and recompletion.

After recompletion, pit will be covered and location reseeded to within 5' of all facilities with BLM approved seeding program.

It is proposed to commingle production from Chacra and Mesa Verde zones subject to approval by New Mexico Oil Conservation Commission. If denied packer will be set between zones and well completed as Dual Chacra and Mesa Verde.

Order #R-5647

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Charles E. Veyne TITLE Superintendent DATE 10-28-77

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED  
MAR 7 1978  
E. A. SCHMIDT

\*See Instructions On Reverse Side

OCT 28 1977

Appl Ex 2  
6243

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

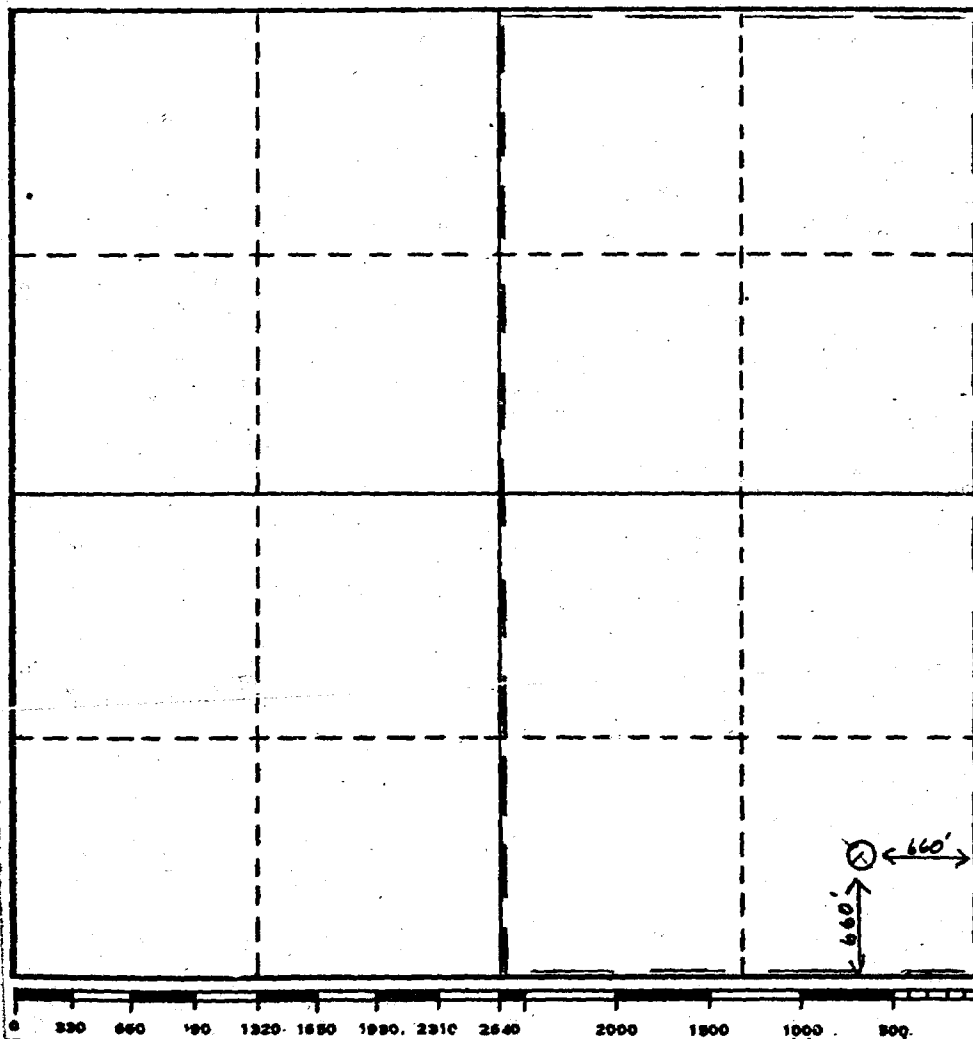
Operator <b>Caulkins Oil Company</b>			Lease <b>Breech "E"</b>		Well No. <b>104</b>
Unit Letter <b>P</b>	Section <b>5</b>	Township <b>26 North</b>	Range <b>6 W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>East</b> line					
Ground Level Elev. <b>6505</b>	Producing Formation <b>Mesa Verde &amp; Chacra</b>		Pool <b>Blanco MV &amp; Otero-Chacra</b>		Dedicated Acreage: <b>320</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name *Charles Deque*  
Position  
**Superintendent**  
Company  
**Caulkins Oil Co.**  
Date  
**5-30-78**

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.

**Ex 3**  
**6243**

Date Surveyed  
**July 15, 1958**  
Registered Professional Engineer and/or Land Surveyor  
**Ernest V. Echohawk**  
Certificate No.  
**1545**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☐DEEPEN ☐PLUG BACK ☒

## b. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒OTHER ☐SINGLE  
ZONE ☐MULTIPLE  
ZONE ☒

## 2. NAME OF OPERATOR

Caulkins Oil Company

## 3. ADDRESS OF OPERATOR

P.O. Box 340, Bloomfield, New Mexico

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1880 from the South and 1980 from the East

At proposed prod. zone Same

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

30 miles South east of Blanco, New Mexico

## 16. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

1880'

## 18. NO. OF ACRES IN LEASE

2240

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

470

## 19. PROPOSED DEPTH

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6440 Gr

## 22. APPROX. DATE WORK WILL START\*

April 15, 1978

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

## Present Condition:

TD 6687'. 5 1/2" 15.5# J-55 8rd thd casing cemented at 6686' with 500 sacks cement.

Top 5160' Perforated 6652-6652 6 holes per foot.

Abandoned as water injection well 5-9-66. Well has been temporary abandoned 5-9-66 to date.

July 11, 1975 application to plug back and recompleat Gallup zone was approved. We

request this application be canceled.

It is now proposed to plug back and recompleat in Mesa Verde zone as follows:

Cement plug will be spotted over perforations in 5 1/2" casing up to 6550'. 9# mud will

be spotted in 5 1/2" casing 6550 to 5450'. 100' plug will be spotted 5450 to 5350'.

5 1/2" casing will be perforated at 5160', then cemented thru perforations to top of

Alamo at 2300'.

Mesa Verde zone will be perforated and fractured to stimulate production.

Blow out preventor will be used while plugging back, cementing and recompleat.

A pit 20 X 20 X 4' deep on existing location will be required to contain frac water while

cleaning up and testing.

After completion location will be cleaned up, pit covered and disturbed area will be reseeded

to within 51' of all facilities with BLM approved seeding program. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout

preventer program, if any.

SIGNED

*Charles E. Dugan*

TITLE

Superintendent

DATE

10-28-77

(This space for Federal or State office use)

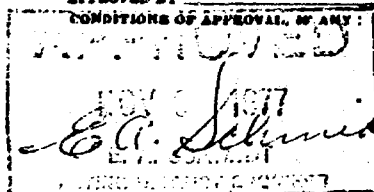
PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE 8-10-77



\*See Instructions On Reverse Side

EX 4  
6243

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator <b>Caulkins Oil Company</b>			Lease <b>Breach "E"</b>		Well No. <b>587</b>
Unit Letter <b>J</b>	Section <b>4</b>	Township <b>26 N</b>	Range <b>6W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well: <b>1880</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>East</b> line					
Ground Level Elev. <b>6441</b>	Producing Formation <b>Mesa Verde</b>		Pool <b>Blanco Mesa Verde</b>		Dedicated Acreage: <b>80 320</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

**CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name  
*Charles Dequere*

Position  
**Superintendent**

Company  
**Caulkins Oil Co.**

Date  
**5-30-78**

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 Surveyed  
**May 23, 1955**

Registered Professional Engineer and/or Land Surveyor  
**Ernest V. Echohawk**

Certificate No.  
**1545**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>			C. LEASE DENOMINATION AND SERIAL NO. SF-079035-A	
1B. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER RECOMPLETE <input checked="" type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			U. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Caulkins Oil Company			7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 340, Bloomfield, New Mexico			8. FARM OR LEASE NAME Breech "A"	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 660 from the South and 1980 from the East At proposed prod. zone Same			9. WELL NO. 207	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 33 miles Southeast of Blanco, New Mexico			10. FIELD AND POOL OR WILDCAT Otero-Chacra Blanco Mesa Verde	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 660'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 10 26N 6W	
16. NO. OF ACRES IN LEASE 2400			12. COUNTY OR PARISH Rio Arriba	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320			13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1100'			20. ROTARY OR CABLE TOOL	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6504 DF			22. APPROX. DATE WORK WILL START* April 20, 1978	

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

Present Condition:  
TD- 6688'. 7 5/8" 26.4# casing cemented at 6635 with 200 sacks. Top of cement 5650'.  
5 1/2" 15.5# liner 6614 to 6687'. Cemented with 25 sacks. Perforated liner 6645 to 6661.  
Abandoned as Tocito injection well May, 1965.  
It is now proposed to plug back and recomplete in Mesa Verde and Chacra zones.  
Cement plug will be spotted over perforations and up in 7 5/8" casing to 6600' 9# mud  
will be spotted in 7 5/8" casing 6600' to 5600'. A 100' cement plug will be spotted  
5500' to 5600'.  
7 5/8" casing will be perforated approx 5490' then 7 5/8" casing will be cemented 5490  
to above top of Alamo at 2335', by circulating and squeezing.  
Mesa Verde and Chacra zones will be perforated and fractured to stimulate production.  
A pit 20 X 20 X 4' on existing location will be required for containing frac water while  
completing and testing. Blow out preventor will be used while plugging back, cementing  
and completing.  
After completion pit will be covered and location reseeded to within 5' of all facilities  
with BLM approved seeding program. (Over)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive  
zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout  
preventer program, if any.

24. SIGNED Charles E. Dwyer TITLE Superintendent DATE 10-28-77  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

**APPROVED**  
7 1978  
E. A. Schmidt  
ACTING DISTRICT ENGINEER

\*See Instructions On Reverse Side

EX 6  
6243

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

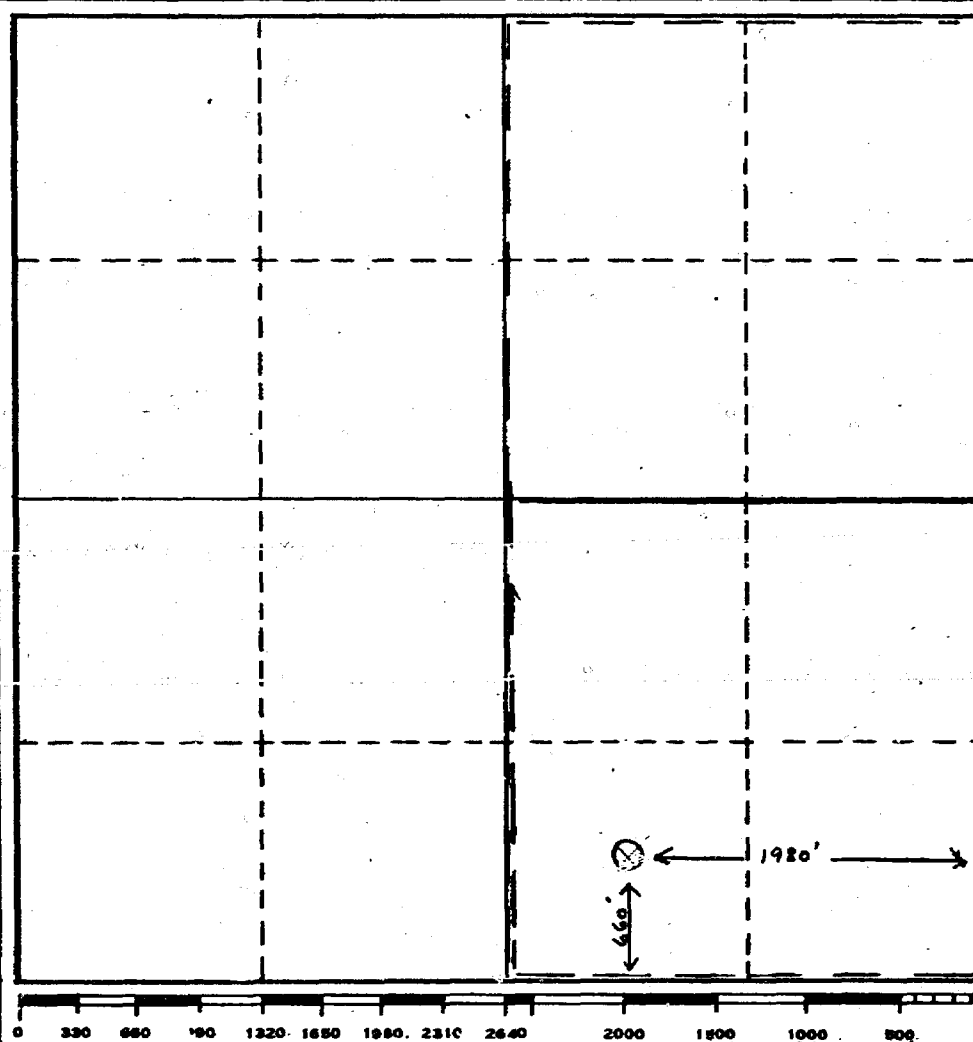
Operator <b>Caulkins Oil Company</b>			Lease <b>Breech "A"</b>		Well No. <b>207</b>
Unit Letter <b>0</b>	Section <b>10</b>	Township <b>26 N</b>	Range <b>6W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>East</b> line					
Ground Level Elev: <b>6495</b>	Producing Formation <b>Mesa Verde &amp; Chacra</b>		Pool <b>Blanco MV &amp; Otero-Chacra</b>		Dedicated Acreage: <b>xxx 320 Acres</b>

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name *Robert D. Vergara*  
Position  
**Superintendent**

Company  
**Caulkins Oil Co.**

Date  
**5-30-78**

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.

**EX 7  
6243**

Date Surveyed  
**6-3-52**

Registered Professional Engineer  
and/or Land Surveyor

**San Juan Engineering**

Certificate No.

## Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plat, separate, or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency officials.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

U.S. GOVERNMENT PRINTING OFFICE: 1963-O-771-286

It is proposed to commingle production from Chacra and Mesa Verde zones in wellbore, subject to approval by New Mexico Oil Conservation Commission. If denied well will be completed as Chacra-Mesa Verde dual with packer between zones.

order #5647

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
Caulkins	EXHIBIT NO. 6
CASE NO.	6243

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1. TYPE OF WORK

DRILL ☐DEEPEN ☐PLUG BACK ☒

## 2. TYPE OF WELL

OIL

WELL ☐

GAS

WELL ☐

OTHER Recomplete

SINGLE

ZONE ☐

MULTIPLE

ZONE ☒

## 3. NAME OF OPERATOR

Caulkins Oil Company

## 4. ADDRESS OF OPERATOR

Post Office Box 780, Farmington, New Mexico

## 5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1980' from the South and 1980' from the East

At proposed prod. zone

Same

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

30 miles Southeast of Blanco, New Mexico

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

240' XXXXXX

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

## 16. NO. OF ACRES IN LEASE

2400

## 17. NO. OF ACRES ASSIGNED

TO THIS WELL

320

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6498 Gr.

## 22. APPROX. DATE WORK WILL START\*

May 1, 1978

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT

## Present Condition:

TD 6692'. 7" 26# J-55 casing cemented at 6615' with 150 sacks. Temperature survey cement top at 5633'. 5 1/2" liner cemented 6542 to 6690 with 50 sacks. Liner perforated 6 holes per foot 6637 to 6647'.

Abandoned as Tocito producer 7-1-62.

It is now proposed to plug back and recomplete well in Mesa Verde and Chacra zones. Downhole commingling approved on New Mexico Conservation Commission order # 5647. OK

Cement plug will be spotted over perforations 6637 to 6647 and back up in 7" casing to 6400'. 9# gel based mud will be spotted 6400 to 5750'. 100' cement plug will be spotted 5750 to 5650'.

Casing will be perforated at approx. 5600' then cemented by circulating and squeezing to above top of Alamo sand at 2280'.

(Over)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Charles E. Cargill*

TITLE Superintendent

DATE 3-15-78

(This space for Federal or State office use)

PERMIT NO.

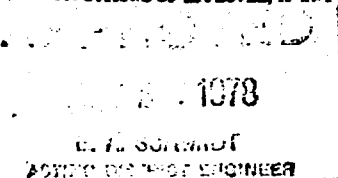
APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

TITLE

DATE



\*See Instructions On Reverse Side

RECEIVED  
EX 8  
APR 20 1978  
6243  
U.S. GEOLOGICAL SURVEY

## Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

U.S. GOVERNMENT PRINTING OFFICE : 1963-O-711-388  
439-171

Mesa Verde and Chacra zones will be perforated then frac'ed to stimulate production.

A pit 20' X 20' X 4' on existing location will be required to contain frac water while completing and testing.

Blowout preventor will be used while plugging back, cementing and completion.

After completing pit will be covered and location reseeded to within 5' of all facilities with BLM approved seeding program.

BEFORE EXAMINER'S NUTTER  
OIL CONSERVATION COMMISSION  
Cav/Kinc EXHIBIT NO. 8  
CASE NO. 6243

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

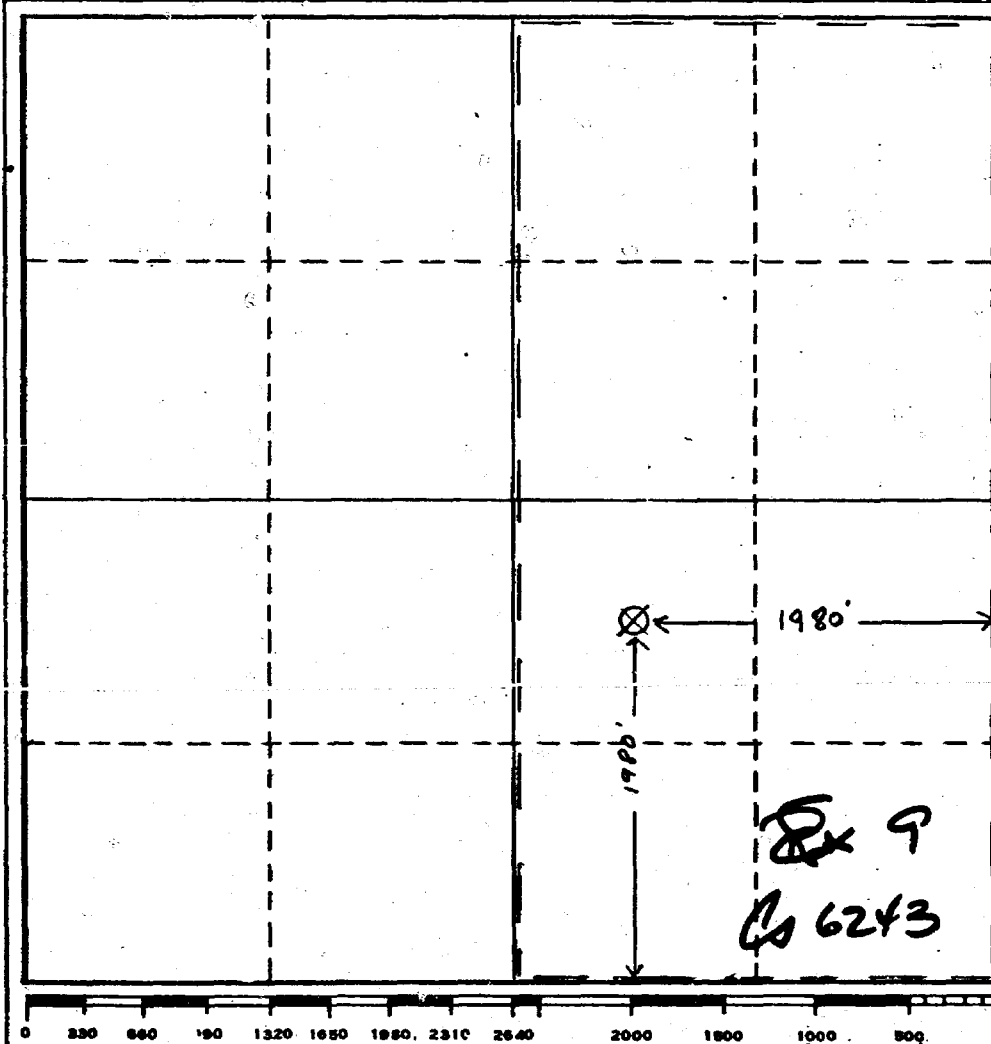
Operator <b>Caulkins Oil Compny</b>			Lease <b>Breach "A"</b>		Well No. <b>679</b>
Unit Letter <b>J</b>	Section <b>9</b>	Township <b>26N</b>	Range <b>6W</b>	County <b>Rio Arriba</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>East</b> line					
Ground Level Elev: <b>6496</b>	Producing Formation <b>Mesa Verde &amp; Chacra</b>		Pool <b>Blanco MV- Otero Chacra</b>		Dedicated Acreage: <b>80x 320</b> <sup>MV</sup> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Charles J. Finklea  
Position Superintendent  
Company Caulkins Oil Co.  
Date 5-30-78

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 Surveyed May 9, 1951  
Registered Professional Engineer and/or Land Surveyor  
Charles J. Finklea  
Certificate No. 1302

JASON W. KELLAHIN  
ROBERT E. FOX  
W. THOMAS KELLAHIN

KELLAHIN and FOX  
ATTORNEYS AT LAW  
800 DON GASPAR AVENUE  
P. O. BOX 1769  
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315  
AREA CODE 505

May 10, 1978

Mr. Joe Ramey  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Caulkins Oil Company

Dear Joe:

Please set the enclosed application for hearing before  
an examiner on June 7, 1978.

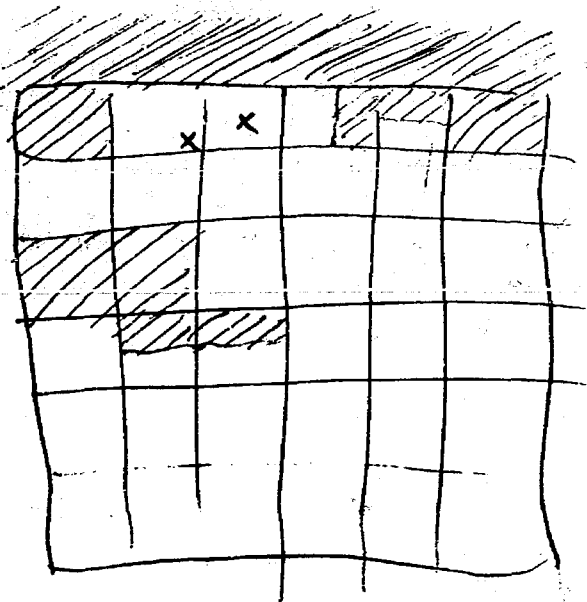
Very truly yours,

*W. Thomas Kellahin*  
W. Thomas Kellahin

CC: Mr. Charles Varquer

WTK:kfm

Enclosure



BEFORE THE  
OIL CONSERVATION DIVISION  
DEPARTMENT OF ENERGY  
STATE OF NEW MEXICO

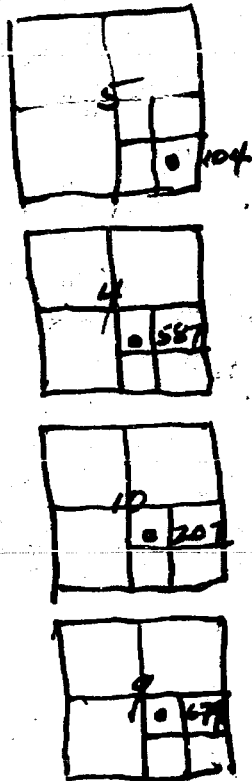
IN THE MATTER OF THE APPLICATION  
OF CAULKINS OIL COMPANY FOR  
APPROVAL OF FOUR UNORTHODOX GAS  
WELL LOCATIONS, MESAVERDE POOL,  
RIO ARRIBA COUNTY, NEW MEXICO

No. 6243

A P P L I C A T I O N

Comes now CAULKINS OIL COMPANY and applies to the Oil Conservation Division of New Mexico for authority to produce gas from four unorthodox well locations within the Mesaverde Pool, Rio Arriba County, New Mexico and in support thereof would show the Division:

1. Applicant is the operator of the following wells for which it seeks permission to produce Mesaverde gas from wells to recomplete four existing wells for the production of Mesaverde gas all at unorthodox locations within <sup>Blanco</sup> Mesaverde Pool, Rio Arriba County, New Mexico to-wit: <sup>^</sup>



- (a) Breech "E" No. 104 Well, located 660 feet from the South line and 660 feet from the East line of Section 5, T26N, R6W, NMPM; to be commingled with Chacra gas under existing Commission approval.
- (b) Breech "E" Well No. 587 located 1680 feet from the South line and 1980 feet from the East line of Section 4, T26N, R6W, NMPM, from an existing Mesaverde oil well to be recompleted for Mesaverde gas production.
- (c) Breech "A" Well No. 207 located 1660 feet from the South line and 1980 feet from the East line in Section 10, T26N, R6W, NMPM to be commingled with Chacra gas under existing Commission approval.
- (d) Breech "A" Well No. 679 located 1980 feet from the South line and 1980 feet from the East line of

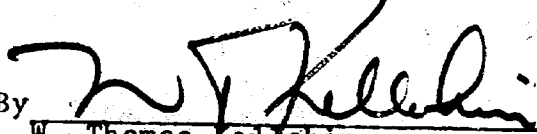
Section 9 T26N, R6W, NMPM to be commingled with  
Chacra gas under existing Commission approval.

That the approval of the requested locations will avoid  
the drilling of additional unnecessary wells, would recover  
gas that would not otherwise be produced, would not impair  
the correlative rights of others and will be in the best  
interest of conservation.

Respectfully submitted,

CAULKINS OIL COMPANY

By



W. Thomas Kellahin  
Kellahin & Fox  
P. O. Box 1769  
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6243

Order No. R- 5747

APPLICATION OF CAULKINS OIL COMPANY  
FOR FOUR UNORTHODOX GAS WELL LOCATIONS,  
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 7, 1978,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of June, 1978, the Division  
Director, 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 Division has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Caulkins Oil Company, seeks  
approval of unorthodox gas well locations for its Breech "E"  
Wells Nos. 104 and 587, located in Unit P of Section 5 and Unit J  
of Section 4, respectively, and its Breech "A" Wells Nos. 207  
and 679, located in Unit <sup>Unit J of Section</sup> 10 and 9, respectively,  
all in Township 26 North, Range 6 West, Blanco Mesaverde Pool,  
Rio Arriba County, New Mexico.

(3) That the E/2 of said Sections 5 and 4,  
respectively, is to be dedicated to the above-described Breech "E"  
Wells Nos. 104 and 587 and the E/2 of said Sections  
10 and 9, respectively, to the Breech "A" Wells Nos. 207 and  
and 679.

That each of said wells was originally drilled at a  
(4) ~~That wells at said unorthodox locations will better~~  
~~standard location for the South Blanco-Tecito Oil Pool, but~~  
~~enable applicant to produce the gas underlying the proration unit.~~  
~~has long been shut in as no longer productive from said pool.~~  
(5) That no offset operator objected to the proposed

unorthodox locations.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That unorthodox gas well locations for the Mesaverde formation are hereby approved for ~~the~~ <sup>A</sup> Caulkins Oil Company's Breech "E" Wells Nos. 104 and 587, located in Unit F of Section 5 and Unit J of Section 4, respectively, and ~~the~~ Breech "A" Wells Nos. 207 and 679, located in <sup>Unit O of Section 10 and</sup> Unit J of Sections ~~10 and~~ 9, respectively, all in Township 26 North, Range 6 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico.

(2) That the E/2 of said Sections 5 and 4, respectively, shall be dedicated to the above-described Breech "E" Wells Nos. 104 and 587 and the E/2 of said Sections 10 and 9, respectively, to the Breech "A" Wells Nos. 207 and 679.

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

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