



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

December 22, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Amended Administrative Order No. DHC-659

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

Attention: Charles E. Verquer

Re: Downhole Commingling
18 Wells, Blanco Mesaverde, Basin Dakota Pools,
Rio Arriba County, New Mexico.

Gentlemen:

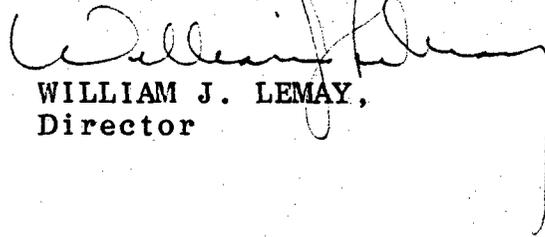
Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject 18 wells to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

A handwritten signature in cursive script, appearing to read "William J. Lemay", written in dark ink. The signature is positioned above the typed name and title.

WILLIAM J. LEMAY,
Director

WJL/DRC/ag

cc: Gas Co. of N.M.
OCD District Office - Aztec

EXHIBIT "A"

<u>WELL NAME AND LOCATION</u>	<u>ALLOCATION</u>		
Reuter Well No. 321-E Unit P, Section 15, T-26 North, Range 6 West	Mesaverde	60	26
	Dakota	40	74
Breech Well No. 854 Unit H, Section 24, T-26 North, Range 7 West	Mesaverde	15	1
	Dakota	85	99
Breech "B" Well No. 220-M Unit E, Section 14, T-26 North, Range 7 West	Mesaverde	46	48
	Dakota	54	52
Breech "A" Well No. 132-E Unit D, Section 9, T-26 North, Range 6 West	Allocation to be determined after completion.		
Breech "F" Well No. 45-M Unit D, Section 35, T-27 North, Range 6 West	Allocation to be determined after completion.		
State "A" Well No. 62-M Unit D, Section 2, T-26 North, Range 6 West	Mesaverde	24	12
	Dakota	76	88
Breech "D" Well No. 346-M Unit I, Section 22, T-26 North, Range 6 West	Allocation to be determined after completion.		
Breech "D" Well No. 140-M Unit D, Section 11, T-26 North, Range 6 West	Mesaverde	22	11
	Dakota	78	89
Breech "D" Well No. 140 Unit A, Section 11, T-26 North, Range 6 West	Mesaverde	6	8
	Dakota	94	92
Breech "E" Well No. 58-M Unit P, Section 3, T-26 North, Range 6 West	Mesaverde	39	22
	Dakota	61	78
Breech "F" Well No. 11-M Unit P, Section 35, T-27 North, Range 6 West	Mesaverde	13	7
	Dakota	87	93
Breech "F" Well No. 4-M Unit I, Section 33, T-27 North, Range 6 West	Mesaverde	50	20
	Dakota	50	80

WELL NAME AND LOCATIONALLOCATION

Breech "B" Well No. 123-E Unit D, Section 7, T-26 North, Range 6 West	Mesaverde Dakota	18 82	7 93
Breech "D" Well No. 240-E Unit F, Section 15, T-26 North, Range 6 West	Mesaverde Dakota	30 70	16 84
Breech "C" Well No. 244-E Unit E, Section 14, T-26 North, Range 6 West	Mesaverde Dakota	20 80	14 86
Breech "C" Well No. 323-E Unit P, Section 14, T-26 North, Range 6 West	Mesaverde Dakota	23 77	12 88
Breech "E" Well No. 64-M Unit J, Section 1, T-26 North, Range 6 West	Mesaverde Dakota	78 22	49 51
Breech "C" Well No. 389-E Unit P, Section 13, T-26 North, Range 6 West	Mesaverde Dakota	13 87	8 92