

# CAULKINS OIL COMPANY

P.O. BOX 340  
BLOOMFIELD, NEW MEXICO 87413

August 11, 1988

RECEIVED

AUG 15 1988

OIL CON. DIV  
DIST. ?

Mr Frank Chavez  
Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

Re: Downhole commingle &  
Dual Complete  
Breech 228  
830' F/N 830' F/E  
Sec. 18, 26N 6W  
Rio Arriba County, N.M.

Dear Frank,

We hereby request administrative approval for change of dual completion and downhole commingling of above referenced well.

Order No. 5634 approved downhole commingling and dual completion of this well, with Pictured Cliffs, Chacra and Mesa Verde commingled above packer and Dakota Zone below packer.

We now wish to ammend order 5634 to commingle Pictured Cliffs and Chacra above packer and Mesa Verde and Dakota commingled below packer.

Above type dual completion's and commingling have proved sucessful for Caulkins Oil Company.

Attached 9 section map shows wells now commingled in Pictured Cliffs - Chacra and Mesa Verde - Dakota.

Pictured Cliffs - Chacra identified with arrow.

Mesa Verde - Dakota identified with circle.

Pictured Cliffs - Chacra above packer and Mesa Verde - Dakota below packer in Section 13 identified by square.

It is recommended production split for Pictured Cliffs and Chacra be 70% of all gas to Pictured Cliffs and 30% of all gas to Chacra as approved for this acreage by order No. 5648.

From attached Production History Tabulation results, we recommend 26% of all Oil and 89% of all Gas be allocated to Dakota Zone and 74% of all Oil and 11% of all Gas be allocated to Mesa Verde Zone.

Production history taken from C-115 reports for year and month shown.

No pressure information taken at this time. It is assumed that offset wells now commingled in Mesa Verde and Dakota Zone's did qualify so this well should also qualify.

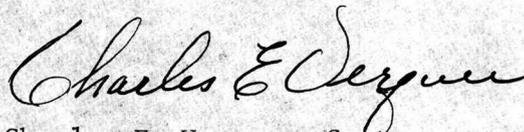
Attached schematic shows proposed completion of commingled well.

Ownership common, including working and royalty interest for all zones producing from this well.

Copy of Sundry Notice to BLM attached.

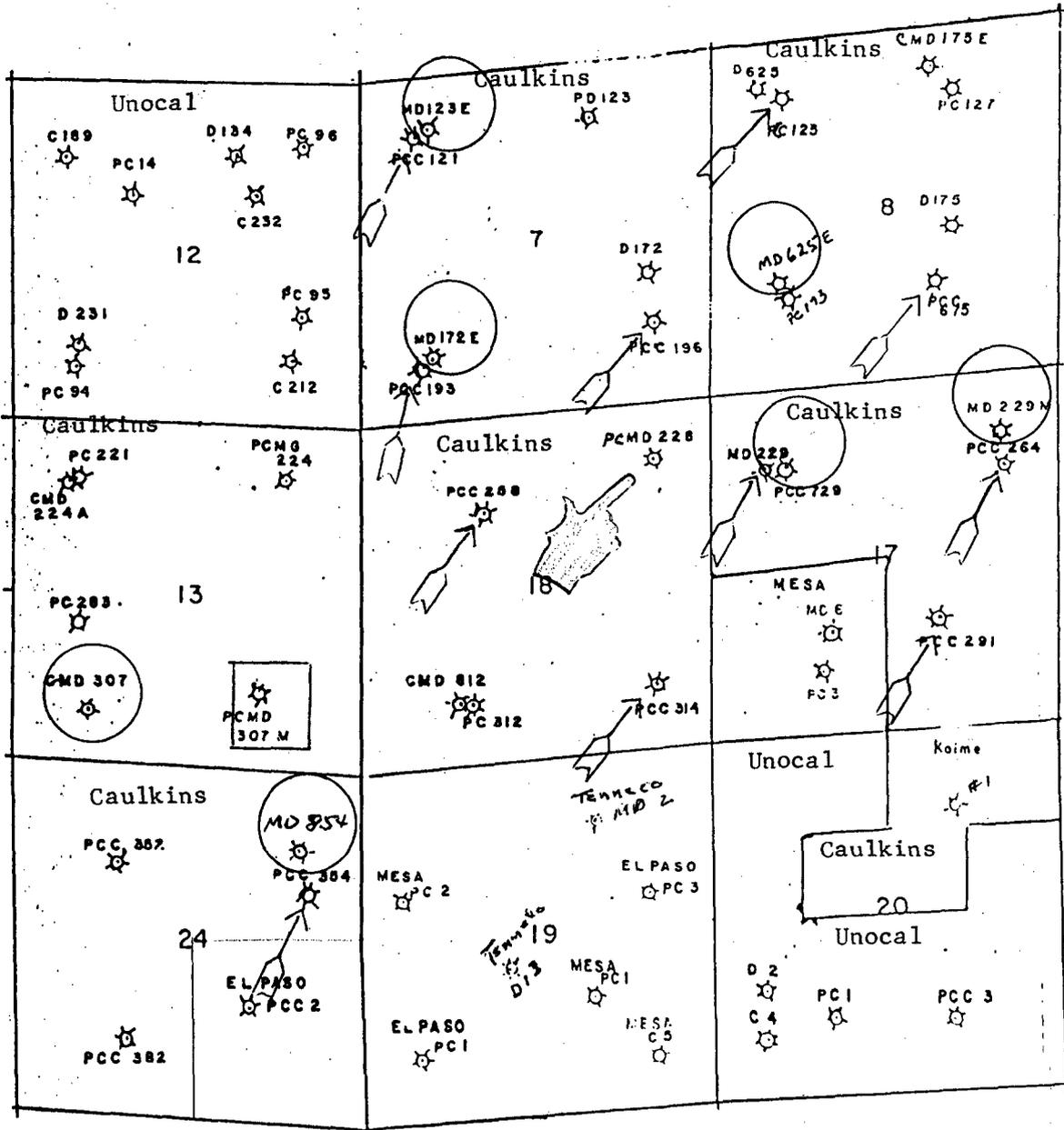
All offset operators have been furnished with Copy of this application. Receipts for Certified Mail attached.

Yours very truly,



Charles E. Verquer, Supt.  
Caulkins Oil Company

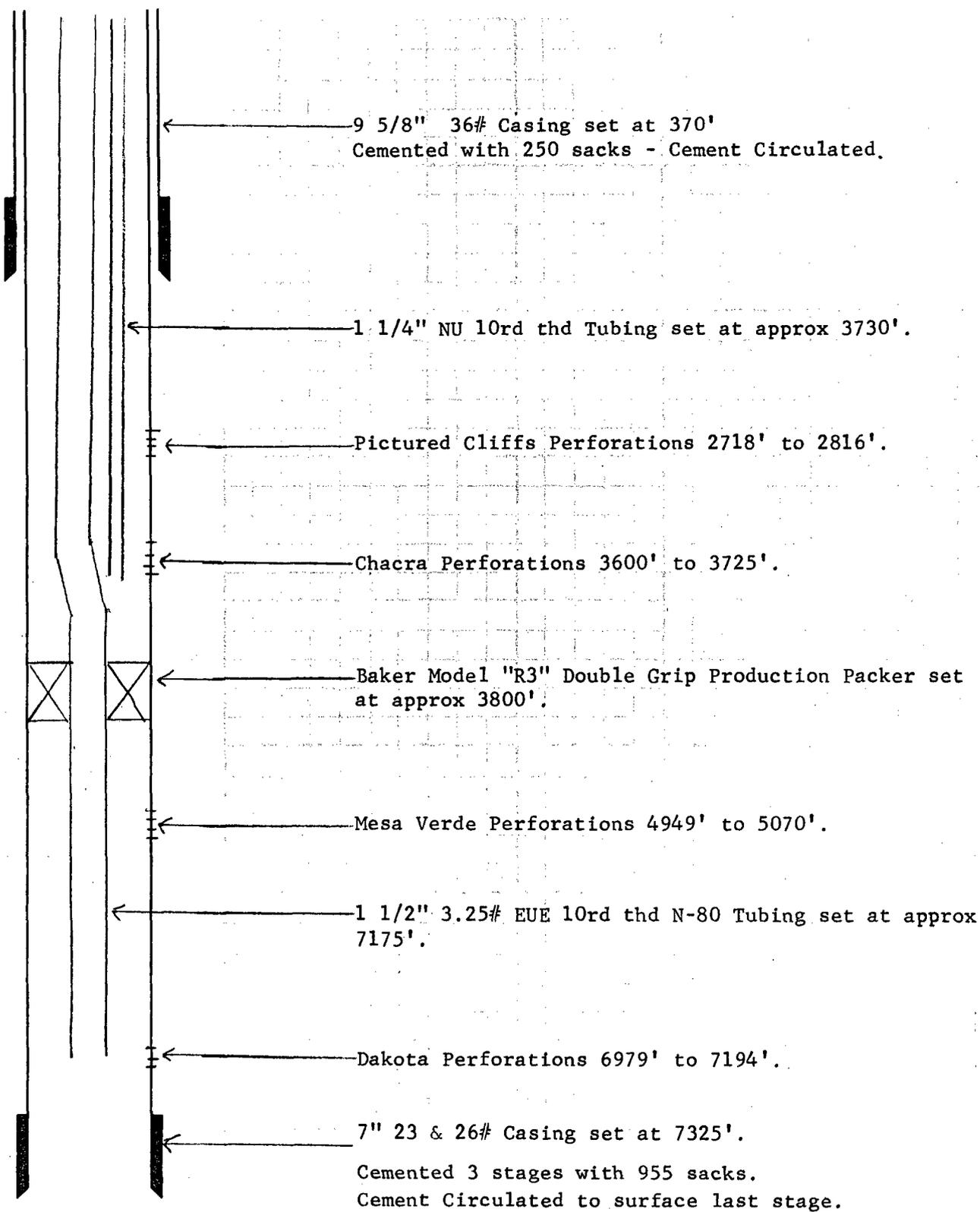
Copy: Caulkins Oil Company, Denver  
El Paso Natural Gas Company, Farmington  
Meridian Oil Company, Farmington  
Tenneco Oil Company, Englewood  
Mesa Petroleum, Amarillo  
Unocal, Casper



- C = Chacra
- D = Dakota
- PC = Pictured Cliffs
- CMD = Chacra - Mesa Verde - Dakota
- PCMD = Pictured Cliffs - Chacra - Mesa Verde - Dakota
- PCMG = Pictured Cliffs - Chacra - Mesa Verde - Greenhorn
- PCC = Pictured Cliffs - Chacra
- MD = Mesa Verde - Dakota

PRODUCTION HISTORY

	DAKOTA ZONE			MESA VERDE ZONE		
	OIL	GAS	DAYS ON	OIL	GAS	DAYS ON
1988						
JAN.	1	2031	31	5	269	31
FEB.	4	2505	25	23	42	29
MAR.	6	2616	28			
MAY	22	2009	7			
1987						
NOV.	70	3596	14			
DEC.	9	4172	30	53	410	8
1986						
JAN.	14	3224	24	86	458	24
FEB.	12	2268	29	77	561	27
TOTAL	138	22,421	188	244	1,740	119
DAILY AVG.	.73	119		2.05	15	
PERCENTAGE	26%	89%		74%	11%	



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

PERMIT IN TRIPPLICATE  
(Other instructions on reverse side)

Budget Bureau No. 1001-0135  
Expires August 31, 1985  
B. LEASE DESIGNATION AND ACREAGE NO.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals.)

NM 03733  
C. IF INDIAN, ALLOTTEE OR TRIBE NAME

1. OIL WELL  GAS WELL  OTHER

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR  
Caulkins Oil Company

8. FARM OR LEASE NAME  
Breech

3. ADDRESS OF OPERATOR  
P.O. Box 340 Bloomfield New Mexico

9. WELL NO.  
228

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface

10. FIELD AND POOL, OR WILDCAT  
Dakota-Mesa Verde

11. SEC., T., R., M., OR BLK. AND SUBST OR AREA  
Sec. 18-26N.- 6W

14. PERMIT NO.  
830' F/N and 830' F/E

15. ELEVATIONS (Show whether DF, RT, CR, etc.)  
6384 GR

12. COUNTY OR PARISH  
Rio Arriba

13. STATE  
New Mexico

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

- TEST WATER SHUT-OFF
- FRACURE TREAT
- SHOOT OR ACIDISE
- REPAIR WELL
- (Other)  Change Commingle Completion

- RELL OR ALTER CASING
- MULTIPLE COMPLETE
- ABANDON\*
- CHANGE PLANS

- WATER SHUT-OFF
- FRACURE TREATMENT
- SHOOTING OR ACIDISING
- (Other)

- REPAIRING WELL
- ALTERING CASING
- ABANDONMENT\*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PURPOSES OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and target wellbore to this work.)

7-18-88

It is our intention to seek administrative approval from the State of New Mexico, to change commingle completion from Pictured Cliff-Chacra-Mesa Verde commingled, to Pictured Cliff-Chara commingled above Packer, and Mesa Verde-Dakota commingled below Packer.

No new surface to be disturbed.

Estimated starting date July, 25, 1988

RECEIVED  
BUREAU ROOM  
68 JUL 20 PM 1:41  
FARMINGTON RES. DIVISION  
FARMINGTON, NEW MEXICO

I hereby certify that the foregoing is true and correct

SIGNED Charles Dejeu

TITLE Superintendent

DATE 7-18-88

(This space for Federal or State (Box Use))

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE **APPROVED** *KU*

JUL 21 1988

*John Kelly*  
AREA MANAGER

OPERATION  
\*See Instructions on Reverse Side

# MERIDIAN OIL

September 2, 1988

Caulkins Oil Company  
Attention: Mr. Charles E. Verquer  
P.O. Box 340  
Bloomfield, NM 87413

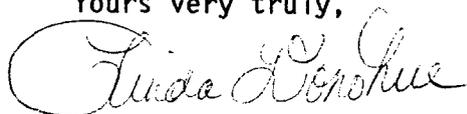
Re: Amendment of Order No. 5634 to  
Commingle Pictured Cliffs & Chacra  
Above Packer & Commingle the  
Mesaverde & Dakota Below Packer  
Breach 22-8  
830' FNL, 830' FEL  
Section 18, T26N, R6W  
Rio Arriba County, New Mexico

Dear Mr. Verquer:

This is to advise that Meridian Oil, as an offset operator to the referenced well, does not object to your proposal to amend the referenced Oil Conservation Division Order.

Please contact the undersigned at 326-9760 if there are any questions regarding this matter.

Yours very truly,



Linda Donohue  
Landman

LD/tlm  
Caulkins Corres. file  
Doc. 21+

xc: NMOCD - Aztec Office  
c/o Mr. Frank Chavez



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. 6121  
Order No. R-5648

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, seeks authority to commingle, within the wellbore, Pictured Cliffs and Chacra production in its wells located 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 in Township 26 North, Range 7 West, Rio Arriba County, New Mexico.
- (3) That from the Pictured Cliffs zone, the subject wells are, or may be expected to be, capable of low rates of production only.
- (4) That from the Chacra zone, the subject wells, are or may be expected to be, capable of low rates of production only.
- (5) 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.
- (6) 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.

(7) 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.

(8) That in order to allocate the commingled production to each of the commingled zones in the subject wells, 70 percent of the commingled production should be allocated to the Pictured Cliffs zone, and 30 percent of the commingled production to the Chacra zone.

(9) That if the pressure in either of the zones to be commingled under provisions of this order in any well be less than 50 percent of the pressure in the other zone in such well, or in the event that a producing potential of more than 200 MCF/day be established for each zone in any such well, the operator should notify the Secretary-Director of the Commission of such fact, and the Secretary-Director should order such action taken as he deems advisable, including the requirement for separation of the zones by dual completion equipment.

(10) That the downhole commingling of Pictured Cliffs and Chacra production in wells located on the above-described lands and subject to the above conditions will not cause but may prevent waste, and will not impair correlative rights and should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, is hereby authorized to commingle Pictured Cliffs and Chacra production within the wellbores of its wells 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 in Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

(2) That 70 percent of the commingled production shall be allocated to the Pictured Cliffs zone and 30 percent of the commingled production shall be allocated to the Chacra zone.

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

(4) That should the formation pressure in either the Pictured Cliffs zone or the Chacra zone in any well commingled pursuant to Order No. (1) above be less than 50 percent of the formation pressure in the other zone, or should both zones in any such well be calculated to have a producing potential in excess of 200 MCF per day, the operator shall notify the

-3-  
Case No. 6121  
Order No. R-5648

Secretary-Director of the Commission of such fact, and the Secretary-Director shall order such action taken as he may deem advisable, including the requirement for separation of the zones by conventional dual completion equipment.

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

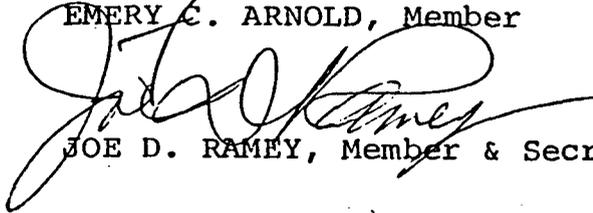
DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

S E A L

jr/

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. 6119  
Order No. R-5634

APPLICATION OF CAULKINS OIL COMPANY FOR  
A DUAL COMPLETION AND 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 31st day of January, 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 Well No. 228 to be located in Unit A of Section 18, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

(3) That the applicant seeks authority to commingle Pictured Cliffs, Chacra, and Mesaverde production within the wellbore of the above-described well.

(4) That from the Pictured Cliffs, Chacra, and Mesaverde zones, the subject well is expected to be capable of low rates of production only.

(5) 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.

(6) 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 well is not shut-in for an extended period.

(7) 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 the subject well is shut-in for 7 consecutive days.

(8) That in order to allocate the commingled production to each of the commingled zones in the subject well, 50 percent of the commingled gas production should be allocated to the Pictured Cliffs zone, 20 percent of the commingled gas production to the Chacra and 30 percent of the commingled gas and 100 percent of the commingled oil production to the Mesaverde zone.

(9) That the applicant further seeks authority to complete said Breech Well No. 228 as a dual completion (conventional) to produce gas from the commingled Pictured Cliffs, Chacra, and Mesaverde zones and gas from the Dakota zone through parallel strings of tubing with separation of the commingled zones from the Dakota zone to be achieved by means of a packer.

(10) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(11) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, is hereby authorized to commingle Pictured Cliffs, Chacra and Mesaverde production within the wellbore of the Breech Well No. 228, located in Unit A of Section 18, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

(2) That 50 percent of the commingled gas production shall be allocated to the Pictured Cliffs zone, 20 percent of the commingled gas production shall be allocated to the Chacra zone, and 30 percent of the commingled gas production and 100 percent of the commingled oil production shall be allocated to the Mesaverde zone.

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

IT IS FURTHER ORDERED:

(1) That the applicant is hereby authorized to complete said Breech Well No. 228 as a dual completion (conventional) to produce gas from the commingled Pictured Cliffs, Chacra, and Mesaverde zones through a string of 1 1/4-inch or larger tubing and gas from the Dakota zone through a string of 2 3/8-inch tubing set in a packer located at an approximate depth of 5100 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

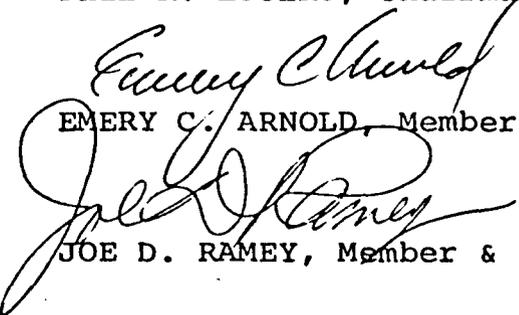
PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Deliverability Test Period for the Basin Dakota Pool.

(2) 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.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

  
EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L

jr/

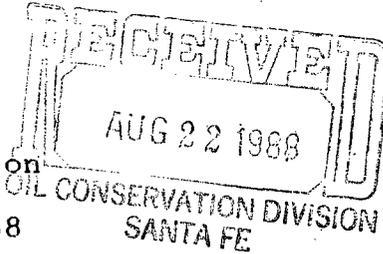


STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
 OIL CONSERVATION DIVISION  
 AZTEC DISTRICT OFFICE

GARREY CARRUTHERS  
 GOVERNOR

1000 RIO BRAZOS ROAD  
 AZTEC, NEW MEXICO 87410  
 (505) 334-6178

Date: 8-18-88



Oil Conservation Division  
 P.O. Box 2088  
 Santa Fe, NM 87504-2088

Re: Proposed MC \_\_\_\_\_  
 Proposed DHC ✓ \_\_\_\_\_  
 Proposed NSL \_\_\_\_\_  
 Proposed SWD \_\_\_\_\_  
 Proposed WFX \_\_\_\_\_  
 Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated 8-15-88  
 for the Carlsbad Oil Co. Breach #278  
 Operator Lease & Well No.

A-18-26N-6w and my recommendations are as follows:  
 Unit, S-T-R

Approve  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Yours truly,

[Signature]