

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

DHC-3894

Caulkins Oil Company 1409 W. Aztec, Blvd., Suite B7, Aztec, NM 87410
Operator Address

BREECH "E" 118-E UNIT E - SEC. 1-26N-6W Rio Arriba
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 003824 Property Code 2459 API No. 30-039-23155 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	BLANCO Mesa Verde Pro Gas	✓ South Blanco Tocito oil	✓ Basin Dakota Pro Gas
Pool Code	72319 ✓	06460 ✓	71599 ✓
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5030' - 5662'	7055' - 7068'	7548' - 7760'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1192	Estimated 1248	1192
Producing, Shut-In or New Zone			
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 12 Month Avg. Rate: Gas Oil Water 104 .47 .067 MCF/D Bbl Bbl	Date: Estimated Rate: Gas Oil Water 200 3.0 .10 MCF/D Bbl Bbl	Date: 12 Month Avg. Rate: Gas Oil Water 51 .025 0.0 MCF/D Bbl Bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Gas Oil 29 % 12 %	Gas Oil 56 % 87 %	Gas Oil 15 % 1%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes X No
Are all produced fluids from all commingled zones compatible with each other? Yes X No
Will commingling decrease the value of production? Yes No X
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes X No

NMOCD Reference Case No. applicable to this well: DHC-1868-A, DHC-2069-A, DHC-3287, DHC-3491, DHC-2102

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

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

SIGNATURE Robert L. Verquer TITLE Superintendent DATE March 27, 2006
TYPE OR PRINT NAME Robert L. Verquer TELEPHONE NO. (505)-334-4323

DATE IN 4/14/06 SUSPENSE WILL JONES ENGINEER 4/14/06 LOGGED IN TYPE DHC APP NO. P.TD50610442212

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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)

5. Lease

NMNM-03551

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

SW73

1. Oil Well ☐ Gas Well ☐ Other ☐
GAS WELL

8. Well Name and No.

BREECH "E" 118-E

2. Name of Operator:

Caulkins Oil Company

9. API Well No.

30-039-23155-00C1

3. Address of Operator:

(505) 334-4323

1409 W. Aztec Blvd. Ste B7, Aztec, NM 87410

10. Field and Pool, Exploratory Area

DAKOTA, MESA VERDE

4. Location of Well (Footage, Sec., Twp., Rge.)

1840' F/N 800' F/W

SEC. 1-26N-6W

11. Country or Parish, State

Rio Arriba Co., New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Abandonment

☐ Change of Plans

☐ Subsequent Report

☒ Recompletion

☐ New Construction

☐ Final Abandonment Notice

☐ Plugging Back

☐ Non-Routine Fracturing

☐ Casing Repair

☐ Water Shut-Off

☐ Altering Casing

☐ Conversion to Injection

☒ Other Downhole Commingle

☐ Dispose Water

17. Describe Proposed or Completed Operations:

3-27-06

We request approval to recomplete this well in South Blanco Tocito formation by the following procedure:

Rig up. T. O. H. with 2 3/8" tubing from 7731'.

Run wireline set retrievable bridge plug to 7150'.

Run gas spectrum log through Tocito & Gallup formations, 7100' to 6500'.

Perforate Tocito zone, 7068' to 7055'.

T. I. H. with 2 7/8" tubing with fullbore packer to approximately 6000'.

Frac Tocito zone with 20,000# 20/40 sand and N2 foam.

Flow well back to clean up and test.

T. O. H. laying down 2 7/8" tubing with packer.

T. I. H. with 2 3/8" tubing with retrieving head.

T. O. H. with retrievable bridge plug from 7150'.

T. I. H. with 2 3/8" production tubing.

Clean out to BPTD with air foam unit.

Land tubing on doughnut at approximately 7700'.

Rig down and move.

NOTE: The format is issued in lieu of U.S. BLM Form 3160-5

18. I HEREBY CERTIFY THE FOREGOING IS TRUE AND CORRECT

SIGNED: Robert L. Verquer TITLE: Superintendent DATE: March 27, 2006
ROBERT L. VERQUER

APPROVED BY: _____ TITLE: _____ DATE: _____
CONDITIONS OF APPROVAL, IF ANY

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Drive

Santa Fe, NM 87504

Form C-102

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies



AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-23155	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 2459	⁵ Property Name BREECH "E"	⁶ Well Number 118-E
⁷ OGRID No. 003824	⁸ Operator Name Caulkins Oil Company	⁹ Elevation 6743 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	1	26N	6W		1840'	North	800'	West	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Printed Name Robert L. Verquer Title Superintendent Date March 27, 2006
					¹⁸ SURVEYOR CERTIFICATION 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 of Survey Signature and Seal of Professional Surveyor: Certificate Number

District I

State of New Mexico

Form C-102

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Energy, Minerals & Natural Resources Department

Revised October 18, 1994

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OIL CONSERVATION DIVISION

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1000 Rio Brazos Rd., Aztec, NM 87410

Santa Fe, NM 87504

Fee Lease - 3 Copies

District IV

2040 South Pacheco, Santa Fe, NM 87505



AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-23155	² Pool Code 72319	³ Pool Name MESA VERDE
⁴ Property Code 2459	⁵ Property Name BREECH "E"	⁶ Well Number 118-E
⁷ OGRID No. 003824	⁸ Operator Name Caulkins Oil Company	⁹ Elevation 6743 GR

¹⁰ Surface Location

UL or lot no. E	Section 1	Township 26N	Range 6W	Lot Idn	Feet from the 1840'	North/South line North	Feet from the 800'	East/West line West	County Rio Arriba
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>Breech "E" 118-E</p>	<p>Breech "E" 118</p>	¹⁷ OPERATOR CERTIFICATION	
		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
		Signature Printed Name Robert L. Verquer Title Superintendent Date March 27, 2006	
		¹⁸ SURVEYOR CERTIFICATION	
		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 of Survey	
		Signature and Seal of Professional Surveyor:	
		Certificate Number	

District I

State of New Mexico

Form C-102

PO Box 1980, Hobbs, NM 88241-1980

Energy, Minerals & Natural Resources Department

Revised October 18, 1994

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Santa Fe, NM 87504

Fee Lease - 3 Copies

District IV

2040 South Pacheco, Santa Fe, NM 87505



AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-23155	² Pool Code 06460	³ Pool Name SOUTH BLANCO TOCITO
⁴ Property Code 2459	⁵ Property Name BREECH "E"	⁶ Well Number 118-E
⁷ OGRID No. 003824	⁸ Operator Name Caulkins Oil Company	⁹ Elevation 6743 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	1	26N	6W		1840'	North	800'	West	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A
NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

					¹⁷ OPERATOR CERTIFICATION
					I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
					Signature
					Printed Name Robert L. Verquer
					Title Superintendent
					Date March 27, 2006
					¹⁸ SURVEYOR CERTIFICATION
					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 of Survey
					Signature and Seal of Professional Surveyor:
					Certificate Number

**LAST 12-MONTHS PRODUCTION
FOR
BREECH E 118-E**

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
03/05	1,578	0	0	31	51	0.000
04/05	1,533	1	0	30	51	0.033
05/05	1,497	1	0	31	48	0.032
06/05	1,538	1	0	30	51	0.033
07/05	1,590	1	0	31	51	0.032
08/05	1,509	1	0	31	49	0.032
09/05	1,539	0	0	30	51	0.000
10/05	1,288	1	0	25	52	0.040
11/05	1,531	0	0	30	51	0.000
12/05	1,589	1	0	31	51	0.032
01/06	1,553	1	0	31	50	0.032
02/06	1,430	1	0	28	51	0.036
	18,175	9	0		51	0.025

MESA VERDE

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
03/05	3,229	19	3	31	104	0.613
04/05	3,137	13	2	30	105	0.433
05/05	3,048	18	3	31	98	0.581
06/05	3,147	11	2	30	105	0.367
07/05	3,255	9	1	31	105	0.290
08/05	3,073	13	2	31	99	0.419
09/05	3,150	8	1	30	105	0.267
10/05	2,638	11	2	25	106	0.440
11/05	3,133	11	2	30	104	0.367
12/05	3,252	13	2	31	105	0.419
01/06	3,171	13	2	31	102	0.419
02/06	2,926	11	2	28	105	0.393
	37,159	150	24		104	0.417

CAULKINS OIL COMPANY
VICINITY MAP
BREECH "E" 118-E

