

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [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]

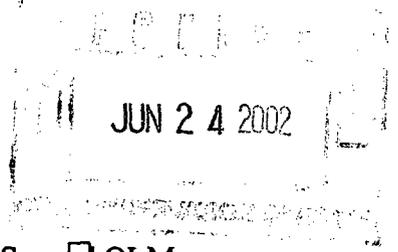
[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Directional Drilling
- NSL NSP DD 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



[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] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Robert L. Verquer
 Print or Type Name

Robert L. Verquer
 Signature

Superintendent
 Title

June 18, 2002
 Date

CAULKINS OIL COMPANY

P. O. BOX 340

BLOOMFIELD, NEW MEXICO 87413

PHONE: 505-632-1544

FAX 505-632-1471

June 21, 2002

State of New Mexico
Oil Conservation Division
ATTN: Mr. David Catanach
1220 S. St. Francis Dr.
Santa Fe, NM 87504

Re: Approval to Downhole Commingle
State Com 113 Sec. 2-T26N-R6W, Unit Letter M
API # 30-039-06662
Basin Dakota and South Blanco Tocito Formations
Rio Arriba County, New Mexico

Dear Mr. Catanach:

Caulkins Oil Company requests approval to downhole commingle this well in the Basin Dakota and South Blanco Tocito formations.

This well was temporarily abandoned in the Dakota formation August 1997 and re-completed in the Tocito formation. The well has been produced as a single Tocito since 1997. Production data attached reflects the last 12 month period that the Dakota produced and the current 12 month's production for the Tocito.

Allocations were calculated using the last 24 hour test for Dakota in August 1997 and the average of May 2002 production for the Tocito zone.

Please find enclosed:
NMOCD form C-107-A
NMOCD form C-102 for each zone
Last 12 month production data
Notification list of working, royalty and overriding royalty interest owners

If you have any questions please call me at (505) 632-1544.

Sincerely,



Robert L. Verquer
Superintendent

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

District II
1301 W. Grand Avenue, Artesia, NM 88210

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

APPLICATION TYPE

District III
1000 Rio Brazos Road, Aztec, NM 87410

Single Well

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Establish Pre-Approved Pools

EXISTING WELLBORE

Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

CAULKINS OIL COMPANY P. O. BOX 340, BLOOMFIELD, NM 87413
Operator Address

STATE COM 113 M 2-26N-6W RIO ARRIBA
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 003824 Property Code 014243 API No. 30-039-06662 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	South Blanco Tocito		Basin Dakota
Pool Code	06460		71599
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6876' - 6904'		7350' - 7582'
Method of Production (Flowing or Artificial Lift)	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)	1263 BTU / 46.2 Gravity		1174 BTU / 52.8 Gravity
Producing, Shut-In or New Zone	Producing		Shut-In (TA)
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: May 2002 Rates: Oil 3.0 Gas 53 Water .03 Bbl MCF/D Bbl	Date: Rates:	Date: August 1997 Rates: Oil .08 Gas 91 Water .02 Bbl MCF/D Bbl
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 97 % Gas 37 %	Oil % Gas %	Oil 3 % Gas 63 %

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 No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

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 No

NMOCD Reference Case No. applicable to this well: DHC - 1780, DHC - 2248, 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 June 18, 2002

TYPE OR PRINT NAME ROBERT L. VERQUER TELEPHONE NO. (505) 632-1544

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

District II

811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

Instructions on back
Submit to Appropriate District Office

District III

1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Drive
Santa Fe, NM 87504

State Lease - 4 Copies
Fee Lease - 3 Copies

District IV

2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-06662		² Pool Code 71599		³ Pool Name BASIN DAKOTA	
⁴ Property Code 014243		⁵ Property Name STATE COM			⁶ Well Number 113
⁷ OGRID No. 003824		⁸ Operator Name Caulkins Oil Company			⁹ Elevation 6620

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
M	2	26N	6W		990	SOUTH	990	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.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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	
				<i>Robert L. Verquer</i>	
				Signature	
				Printed Name Robert L. Verquer	
				Title Superintendent	
				Date June 18, 2002	
				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	

State Com 113

State Com 113-E

990'

990'

950'

1110'

**LAST 12-MONTHS PRODUCTION
FOR
STATE COM 113**

TOCITO

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
06/01	2,457	83	1	30	82	2.767
07/01	2,057	109	1	31	66	3.516
08/01	1,829	97	1	31	59	3.129
09/01	1,747	112	1	30	58	3.733
10/01	1,805	88	1	31	58	2.839
11/01	1,706	114	1	30	57	3.800
12/01	1,683	98	1	31	54	3.161
01/02	1,678	103	1	31	54	3.323
02/02	1,531	90	1	28	55	3.214
03/02	206	83	1	31	7	2.677
04/02	1,767	109	1	30	59	3.633
05/02	1,837	93	1	31	59	3.000
	20,303	1,179	12		56	3.233

DAKOTA

MONTH	GAS	OIL	WATER	DAYS	GAS DPA	OIL DPA
08/96	3,341	2	0	30	111	0.067
09/96	1,098	1	0	9	122	0.111
11/96	3,850	2	0	30	128	0.067
12/96	3,259	1	0	31	105	0.032
01/97	3,515	5	1	31	113	0.161
02/97	2,216	2	0	21	106	0.095
03/97	2,396	1	0	31	77	0.032
04/97	2,774	2	0	30	92	0.067
05/97	2,468	6	1	31	80	0.194
06/97	1,106	1	0	13	85	0.077
07/97	1,623	0	0	16	101	0.000
08/97	2,282	0	0	28	82	0.000
	29,928	23	2		100	0.075

STATE COM 113
26N-6W-SEC. 2
Rio Arriba County, New Mexico

BETTY ADKINS
7107 S. HUDSON CR.
LITTLETON, CO 80122

DOMINION OKLA. TEXAS
EXPL. AND PROD. INC.
14000 QUAIL SPRINGS PKWY.
SUITE 600
OKLAHOMA CITY, OK 73134

NUEVO SEIS L.P.
P.O. BOX 2588
ROSWELL, NM 88202-2588

DOROTHY BARTLETT
1147 RUNNING BROOK
SHREVEPORT, LA 71118

MITZI HENDERSON EASLEY
1203 ARRONIMINK CIRCLE
AUSTIN, TX 78746

PITCH ENERGY CORP.
P.O. BOX 304
ARTESIA, NM 88211-0304

JOSEPH W. BARTLETT, JR.
5117 LYTTON AVE.
LAS VEGAS, NV 89146-1452

GW HOLDINGS INC.
P.O. BOX 121938
FT. WORTH, TX 76121

SUSAN H. RITTER
P.O. BOX 162606
AUSTIN, TX 78716

P. T. BEE
8118 N. CENTRAL EXPRESSWAY
LB17, SUITE 200
DALLAS, TX 75206

H LIMITED PARTNERSHIP
P.O. BOX 2185
SANTA FE, NM 87504-2185

HENRIETTA E. SCHULTZ, TRUSTEE
500 N. AKARD, SUITE 2940
DALLAS, TX 75201

THEODORE J. BLECHAR
138 LA CANADA WAY
SANTA CRUZ, CA 95060

PATRICK J. HANNIFIN
765 SANTA CAMELIA DR.
SOLANA BEACH, CA 92075

SHARBRO OIL LTD. CO.
P.O. BOX 840
ARTESIA, NM 88211-0840

GWEN WALKER BOYLE
17524 IVY HILL DR.
DALLAS, TX 75287

ROBERT H. HANNIFIN
P.O. BOX 218
MIDLAND, TX 79702

ROBERT L. SMITH & THELMA M. SMITH REV. TRUST
P.O. BOX 1034
PAGOSA SPRINGS, CO 81147

BREECH EQUITIES
E. ROBERT BREECH, JR.
2120 WILSHIRE BLVD., #400
SANTA MONICA, CA 90403

GAIL M. JOHNS
P.O. BOX 789
BLOOMFIELD HILLS, MI 48303

VIRGINIA L. SMITH
126 69TH SO., NW
BRADENTON, FL 31209

ANITA H. ERIGGS
115 FISH AND GAME RD.
CHERRY VALLEY, NY 13320

FLORRIE KUHN
30705 OAKVIEW WAY
BINGHAM FARMS, MI 48025

W. C. SMITH ESTATE
P.O. BOX 840738
DALLAS, TX 75284-0738

BROWN ENERGY
P.O. BOX 752
WICHITA FALLS, TX 76707

MARATHON
P.O. BOX 2049
HOUSTON, TX 77252-2049

GLADYS B. STEVENSON
2510 TWISTED OAKS
BRYAN, TX 77802

BETSY HENDERSON BRYANT
2201 BROCKHOLLOW DR.
ABILENE, TX 79605

KATHRYN MCCORMICK
2905 SAN PABLO NE
ALBUQUERQUE, NM 87110

TED WEINER OIL PROP. TRUST
P.O. BOX 121938
FT. WORTH, TX 76121-1938

HARRIET M. BUCHENAU
P.O. BOX 867585
PLANO, TX 75086-7585

SARAH S. MIMS REV. TRUST
P.O. BOX 111946
CARROLLTON, TX 75011-1846

TEXAS CRUDE ENERGY INC.
P.O. BOX 122369
FT. WORTH, TX 76121-2369

LYNN WALKER BURTON
17524 IVY HILL DR.
DALLAS, TX 75287

MOKEEN LTD. PARTNERSHIP
500 FIFTH AVE., SUITE 1710
NEW YORK, NY 10110

TEXAS CRUDE OIL-JT. VEN.
P.O. BOX 122369
FT. WORTH, TX 76121-2369

CAULKINS PRODUCING CO.
1600 BROADWAY, SUITE 1400
DENVER, CO 80202

SUZANNE LYN MORSE
11011 PINE LILLY PLACE
BRADENTON, FL 34202

MARION S. THOMAS TRUST
4034 W. LAWRENCE AVE.
CHICAGO, IL 60630

LONETA S. CURTIS
605 S. 15TH ST.
ARTESIA, NM 88210

NEW MEXICO TAX & REV. DEPT.
P.O. BOX 2308
SANTA FE, NM 87503-2308

PAUL A. THOMAS DECL. OF TRUST.
1310 WILDWOOD LANE
NORTHBROOK, IL 60062

MARTHA LOU DIXON
311 TAGGARD
BURNET, TX 78611

LORENA M. NIDORF TRUST
C/O STANLEY S. ADLER, C.P.A.
P.O. BOX 573101
TARZANA, CA 91357

PATRICIA ULLENBRUCH
P.O. BOX 1321
STANWOOD, WA 98292-1321

STATE COM 113
PAGE 2

MARY ANN WALKER
17524 IVY HILL DR.
DALLAS, TX 75287

MARGARET WYGOCKI
721 ROBINS RD.
LANSING, MI 48917

LILLIE M. YATES ESTATE
P.O. BOX 840
ARTESIA, NM 88211-0840

MATIAS A. ZAMORA AND
EMELINE ZAMORA TRUST
P.O. BOX 28667
SANTA FE, NM 87592-8667

DORIS ZIMMERMAN TRUST
ATTN: LARY HORTON
NBD BANK TX1-1315
P.O. BOX 2605
FT. WORTH, TX 76113-2605