BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CAULKINS OIL COMPANY FOR APPROVAL OF A DUAL COMPLETION FOR PRODUCTION OF GAS FROM THE PICTURED CLIFFS FORMATION AND THE DAKOTA FORMATION, SOUTH BLANCO POOL AND APPROVAL OF A NON-STANDARD PRORATION UNIT, RIO ARRIBA COUNTY, NEW MEXICO.

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APPLICATION

Comes now Caulkins Oil Company and applies to the Oil Conservation Commission of New Mexico for permission to duly complete its Reuter PC-297 well for production of gas from the Pictured Cliffs Formation and production of gas from the Dakota formation and in support thereof would show:

- 1. Said well is located 1650 feet from the South line and 990 feet from the West line of Section 15, Township 26 North, Range 6 West, N.M.P.M. and is presently completed in and producing from the Pictured Cliffs formation in the South Blanco Pictured Cliffs Gas Pool. Said well is located within the exterior boundaries of the South Blanco-Dakota Gas Pool.
- 2. Applicant proposes to deepen said well to approximately 7500 feet perforating the Graneros-Dakota formation and complete the well for production from both the Pictured Cliffs and the Dakota formations.
- 3. There is attached hereto and made a part thereof, a plat showing the location of said well together with offsetting lease ownerhsip and offsetting wells. There is also attached hereto and made a part hereof a diagrammatic sketch of the proposed dual completion.
- 4. Applicant further seeks approval of a non-standard proration unit consisting of the SW/4 of Section 15 and NW/4 of Section 22, Township 26 North, Range 6 West, N.M.P.M. for

for dedication to Dakota gas production.

5. That the approval of this application for a dual completion and approval of a non-standard proration unit for Dakota production is in the interests of conservation, the protection of correlative rights, and prevention of waste.

WHEREFORE, applicant prays that this matter be set for hearing before the Commission or the Commission's duly appointed examiner at as early a date as possible, and that after notice and hearing as provided by law, the Commission enter its order approving the dual completion and the non-standard proration unit as proposed.

> Respectfully submitted, CAULKINS OIL COMPANY

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ATTORNEYS FOR APPLICANT