

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

COMMINGLING ORDER PC-668

Consolidated Oil & Gas, Inc. P.O. Box 2038 Farmington, NM 87499

Attention: Barbara Rex

Lease Name: SF 078707

Description: Starr Well No. 1M, NW/4 Sec. 13, T-21N, R-13W, San Juan County, NM

The above-named company is hereby authorized to commingle Blanco Mesaverde and Basin Dakota pool production in a common tank battery and to determine the production from each pool by well tests. (If this method is to be authorized, all commingled production must be of marginal nature; further the operator shall notify the Santa Fe Office of the Division in the event any well in the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate.)

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: Allocation of liquid hydrocarbon production shall be determined by yearly gas-oil ratio tests for each producing zone.

DONE at Santa Fe, New Mexico, on this _____ day of July, 1984.

Director

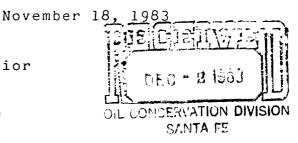


Consolidated Oil & Gas. Inc.

LINCOLN TOWER BUILDING 1860 LINCOLN STREET DENVER, COLORADO 80295 (303) 861-5252

P. O. Box 2038 Farmington, New Mexico 87499 (505) 632-8056

U. S. Department of the Interior Bureau of Land Management Caller Service 4104 Farmington, New Mexico 87499



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Re: Starr 1M NE/NW (C) 13-31-13 San Juan Co., N.M. SF 078707

Gentlemen:

Consolidated Oil & Gas, Inc. hereby requests administrative approval to surface commingle the liquid hydrocarbons produced from this dually completed gas well. Low production volumes make it uneconomical to install separate tanks for each zone. The ownership interests of this well are the same for both zones.

As a result of our evaluation of current production and the producing characteristics of this well we have determined that a suitable allocation for the commingled liquid hydrocarbons is Dakota 60%, Mesa Verde 40%.

Attached please find a lease plat, an equipment diagram, and a data sheet of information supporting our request.

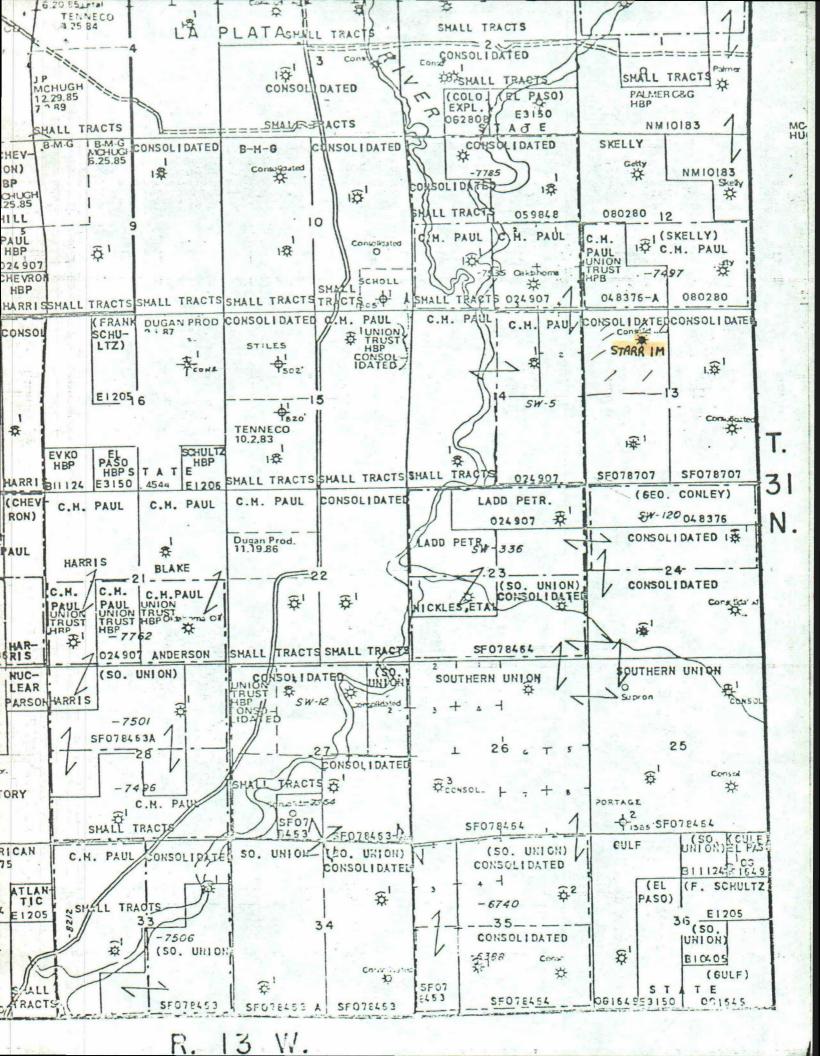
Very truly yours,

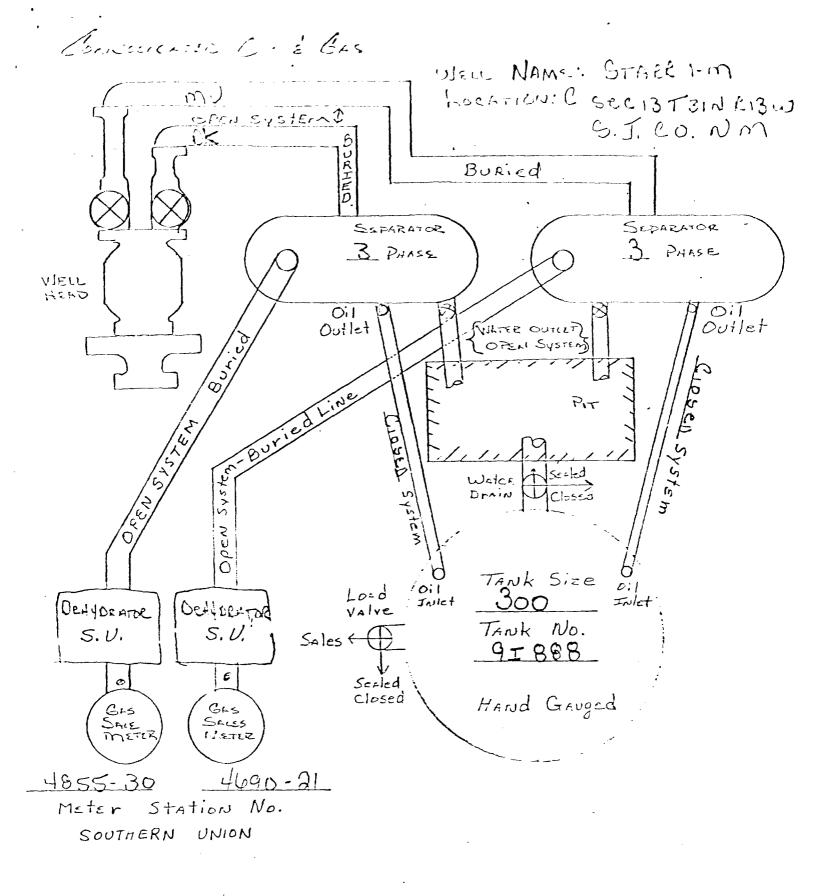
OIL CON. DIV. DIST. 3

JUL 02 1984

Barbara C. Rex Production & Drilling Technician

Attachments Copies: Mr. Joe D. Ramey Director, N. M. State Oil Conservation Division Mr. Ray Graham Director, N. M. State Land Office Oil & Gas Dept.





Starr 1M

FormationDK				Formation_MV		
Month 1983	Bbls	Da ys Prod	MCF Gas	Bbls	Days Prod	MCF Gas
March	0	28	2763	42	28	2997
April	0	23	1959	22	31	2036
May	0	30	893	7	30	1065
June	0	2	87	0	2	29
July	27	13	2491	0	0	0
Aug	26	30	3332	0	0	0
Sept	25	31	2877	0	0	0

Well Data Sheet

Although previous liquid hydrocarbon production has not been allocated we suggest allocating all future production. Ownership interests are the same for both zones.

Gravity: 63.4 @ 60°

Gravities are on file for each zone but no adjustment is made for gravity variance by purchasers of "Four Corners Sweet Crude". Payment by purchasers during 1983 has been approximately \$29 per barrel with no adjustment for gravity.

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