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

October 31, 1983

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OIL CONSERVATION DIVISION
SANTA FE

State of New Mexico Land Office
Oil and Gas Department
P. O. Box 1148
Santa Fe, New Mexico 87501

Attention: Ray Graham
Director, Oil and Gas Department

Re: O'Shea 1M
(F) 3, T31N, R13W
San Juan Co., New Mexico

Dear Mr. Graham:

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%.

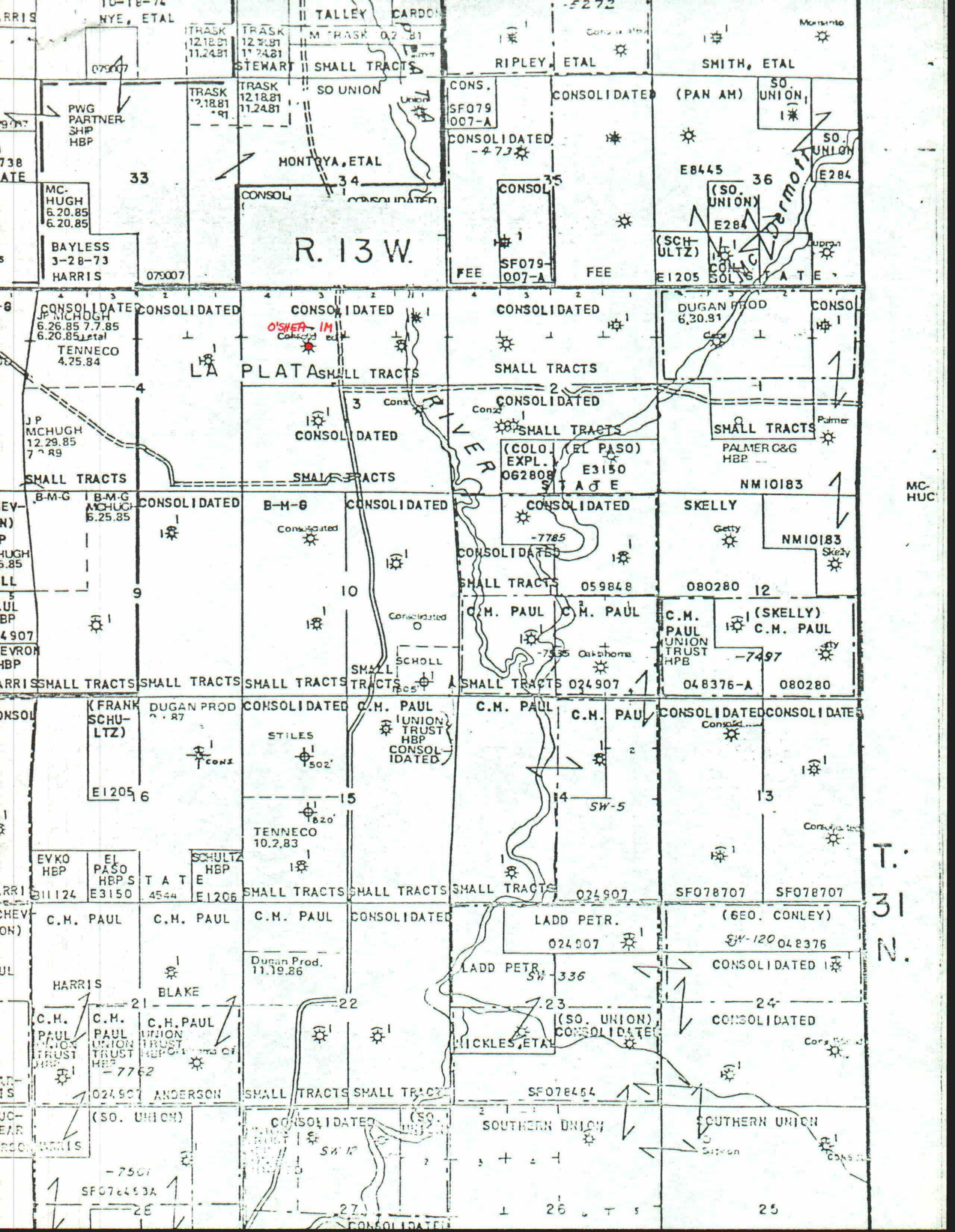
Attached please find a lease plat, an equipment diagram, and a data sheet of information supporting our request.

Very truly yours,

Barbara C. Rex

Barbara C. Rex
Production & Drilling Technician

Attachments
✓Copies: Mr. Joe D. Ramey, Director, Oil Conservation Div.



NYE, ETAL
TRASK 12.18.81 11.24.81
TALLEY
STEWART
SMALL TRACTS
RIPLEY, ETAL
SMITH, ETAL
Monsanto
PWG PARTNERSHIP HBP
SO UNION
CONS. SF079 007-A
CONSOLIDATED
(PAN AM)
SO. UNION
CONSOLIDATED -4737
33
MONTOYA, ETAL
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E8445
E284
MC-HUGH 6.20.85 6.20.85
CONSOL
(SO. UNION)
BAYLESS 3-28-73 HARRIS
079007
R. 13 W.
FEE
SF079-007-A
(SCHULTZ)
E1205
CONSOLIDATED
JP MCHUGH 6.26.85 7.7.85 6.20.85 etal
TENNECO 4.25.84
O'SHEA 1M
DUGAN PROD 6.30.81
LA PLATA
SMALL TRACTS
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RIVER
JP MCHUGH 12.29.85
SMALL TRACTS
CONSOLIDATED
PALMER C&G HBP
(COLO. EXPL. 062808)
(EL PASO) E3150
STATE
NM10183
B-M-G
B-M-G MCHUGH 6.25.85
SKELLY
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059848
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12
C.M. PAUL
(SKELLY) C.M. PAUL
UNION TRUST HPB
-7535
Oakphoma
-7497
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(FRANK SCHULTZ)
DUGAN PROD
C.M. PAUL
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TENNECO 10.2.83
EVKO HBP
EL PASO HBP
SCHULTZ HBP
STATE
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T. 31 N.
LADD PETR.
(GEO. CONLEY)
SW-120
048376
Dugan Prod. 11.19.86
LADD PETR.
SW-336
HARRIS
BLAKE
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C.H. PAUL UNION TRUST HBP
-7762
NICKLES, ETAL
(SO. UNION)
024907
ANDERSON
SF078464
(SO. UNION)
SOUTHERN UNION
-7501
SF078453A
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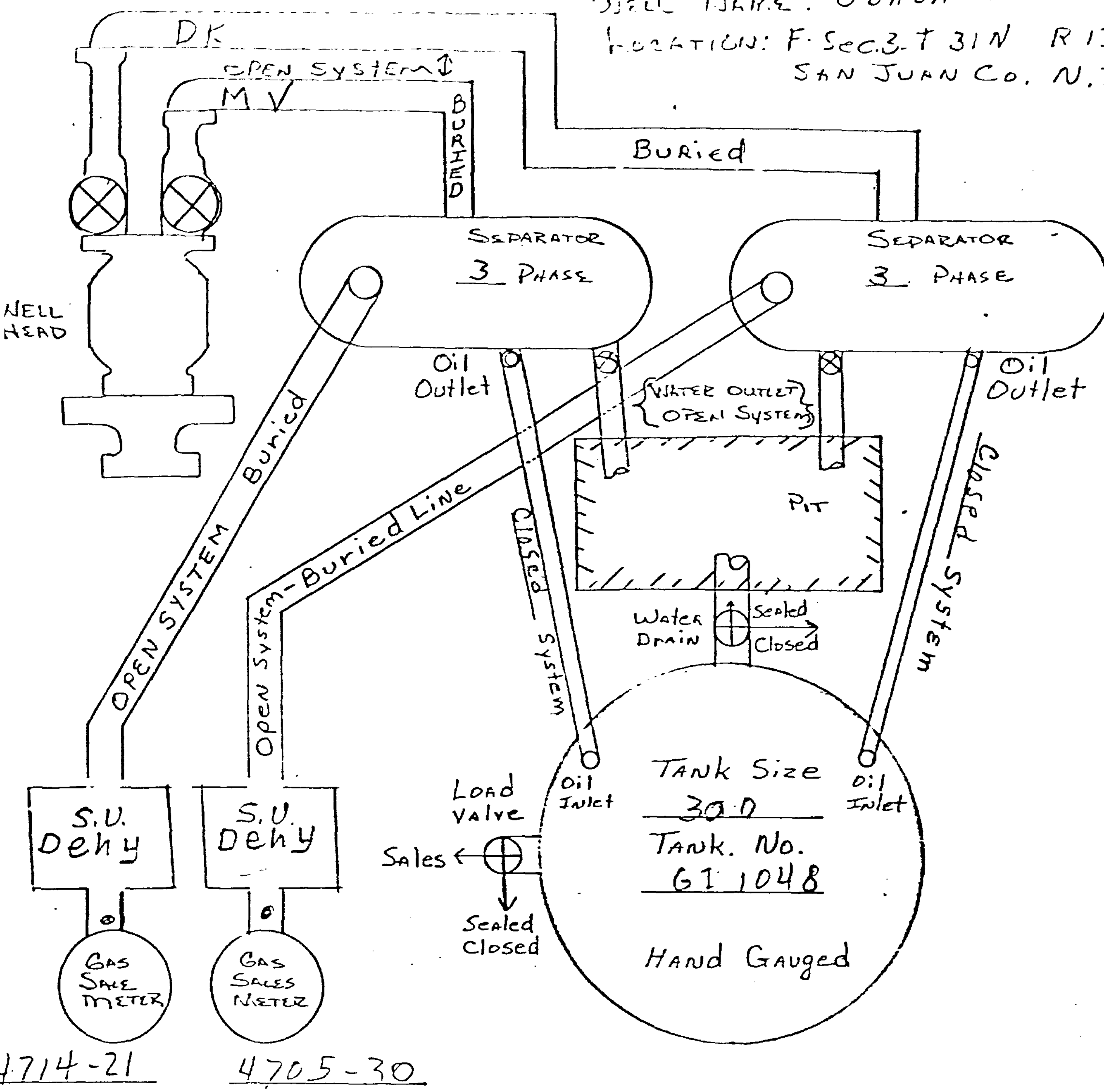
Consolidated Oil & Gas

Well Name. OShea 1M
Location: F-Sec.3-T 31N R 13W
San Juan Co. N.M.



Meter Station No.
SOUTHERN UNION

O'Shea 1M

Well Data Sheet

Formation DK				Formation MV		
Month 1983	Bbls	Days Prod	MCF Gas	Bbls	Days Prod	MCF Gas
March	18	28	1118	0	28	1065
April	14	23	1094	0	31	1262
May	7	27	734	0	28	833
June	31	16	1224	0	24	1809
July	29	30	1965	0	30	1813
Aug	9	32	1298	8	32	1242
Sept	7	31	1146	6	31	1218

Although previous liquid hydrocarbon production has not been allocated we suggest allocating all future production. (Ownership interests are the same for both zones.) Dakota 60%, Mesa Verde 40%.

Gravity: 64.4 @ 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.

Lease: Fee