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

November 18, 1983

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

Re: Southern Union 1
SW/SW (M) 19-31-12
San Juan Co., N.M.
SF 078244

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 50%, Mesa Verde 50%.

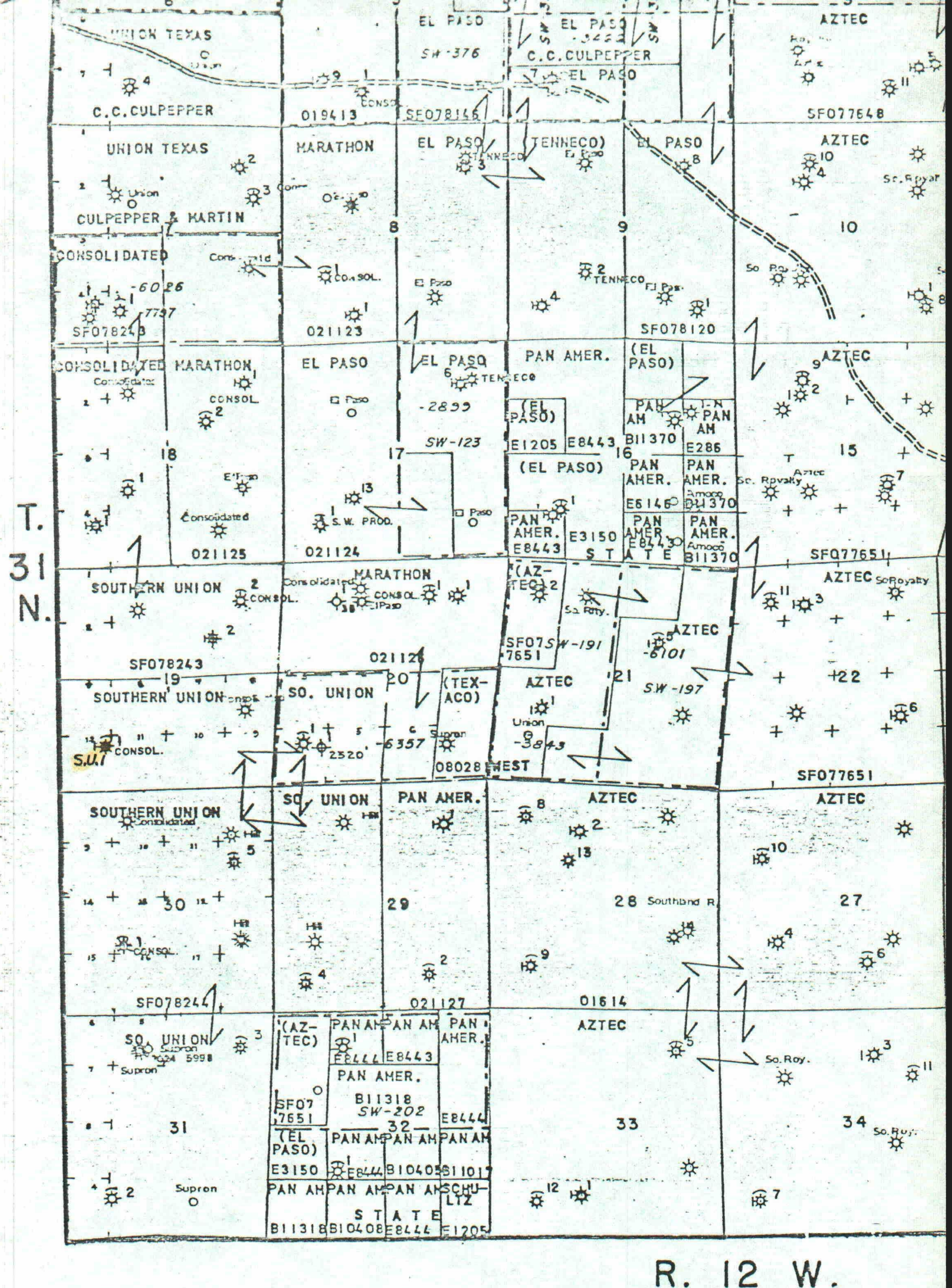
Attached please find a lease plat, an equipment diagram, and a data sheet of information supporting our request.

Very truly yours,

Barbara C. Rex

Barbara C. Rex
Production & Drilling Technician

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



UNION TEXAS
C.C. CULPEPPER
EL PASO
SW-376
C.C. CULPEPPER
EL PASO
AZTEC
019413
SF078146
SF077648
UNION TEXAS
MARATHON
EL PASO
(TENNECO)
EL PASO
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CONSOLIDATED
MARATHON
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EL PASO
PAN AMER.
(EL PASO)
AZTEC
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(EL PASO)
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(EL PASO)
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STATE
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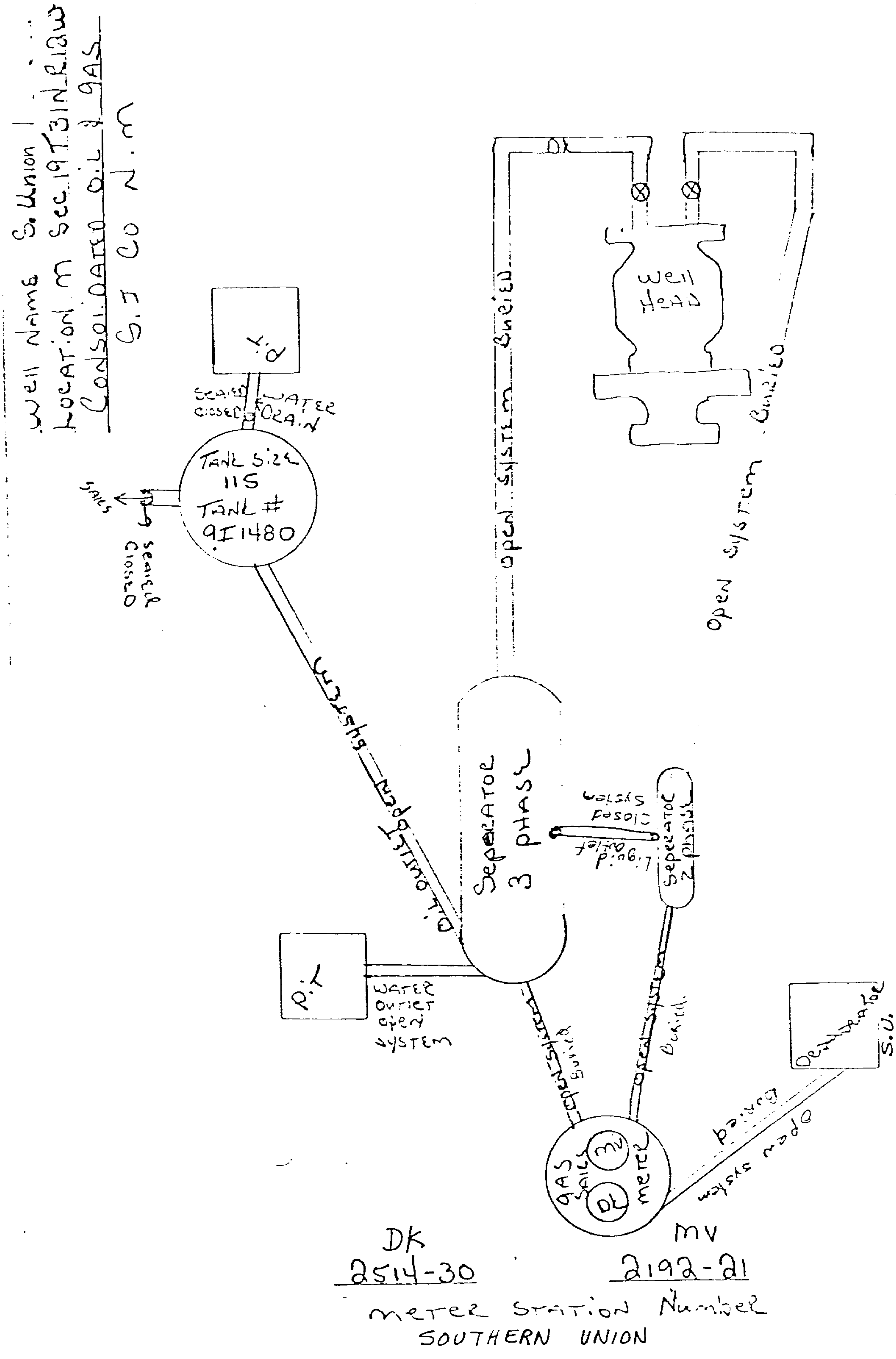
Well Name S. Union 1
Location M Sec. 19 T31N R12W
Consolidated Oil & Gas
S.J Co N.M
Well Head
Open System Buried
Open System Buried
P.T
Sealed Closed
Water Drain
Tank Size 115
Tank # 9I1480
Sales
Sealed Closed
Oil Outlet Open System
Seperator 3 Phase
Closed System
Liquid Outlet
Seperator 2 Phase
P.T
Water Outlet Open System
Open System Buried
Open System Buried
Dehydrator S.U.
Open System Buried
Gas Sales
MV
DK
Meter
DK
2514-30
MV
2192-21
Meter Station Number
SOUTHERN UNION

Southern Union 1

Well Data Sheet

Month 1983	Formation DK Bbls	Days Prod	MCF Gas	Formation MV Bbls	Days Prod	MCF Gas
March	23	28	812	0	28	1362
April	2	23	539	0	30	1064
May	10	30	674	0	17	389
June	12	22	345	0	21	1513
July	19	21	483	0	21	2056
Aug	9	31	688	14	31	1549
Sept	5	31	683	6	31	1115

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

Gravity: 55.1 @ 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: SF 078244