

Getty Oil Company

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W. J. Newman, District Production Manager Denver Exploration and Production District

September 4, 1978

APPLICATION BY CONSOLIDATED OIL & GAS FOR APPROVAL TO PRODUCE TWO WELLS FROM ONE PRORATION UNIT IN BASIN DAKOTA FIELD, SEC. 11, T31N, R13W SAN JUAN COUNTY, NEW MEXICO

State of New Mexico Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Gentlemen:

Although Getty Oil Company has no objection to the drilling of the Freeman 1-A by Consolidated Oil and Gas at the above location, to test the Mesaverde and Basin Dakota horizons, we do not believe the Dakota could be granted an allowable in the absence of special field rates.

The granting of an allowable to the new well would be an exception to the present rules and regulations by allowing production from two wells within the same proration unit.

It is our opinion that a special hearing would be required to consider such an application.

Very truly yours,

W. J. Newman

AWL:clm

cc: Mr. C.M. Parham

Consolidated Oil &Gas, Inc.

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