Consolidated Oil & Gas, Inc.

Mr. William J. LeMay, Director State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division 2040 S. Pacheco Santa Fe, New Mexico 87505

OHL COM. DIV. DIST. 3

Re: Federal 32-6-9 Well No. 1

API 30-045-27535

Section 9, T32N, R6W, NMPM San Juan County, New Mexico

Dear Mr. LeMay:

In response to your letter dated February 1, 1995 requesting that Consolidated Oil & Gas, Inc. ("COG") seek waiver to Division Rule 111. A from any operator of a Basin Fruitland Coal spacing unit adjoining the above referenced lease, please find attached the following:

Plat of Offsetting Operators Exhibit A

Exhibit B Waiver Letter - Meridian Oil & Gas

Waiver Letter - S.G. Interests Exhibit C

At this time we are not aware of any objections to our request and hope that with the information provided herein, our Form C-104 can be approved.

Should you require any additional information or have questions regarding this matter, please contact Alan Harrison at 303-893-1225.

Thank you for your prompt attention in this matter.

Sincerely,

Alan C. Harrison

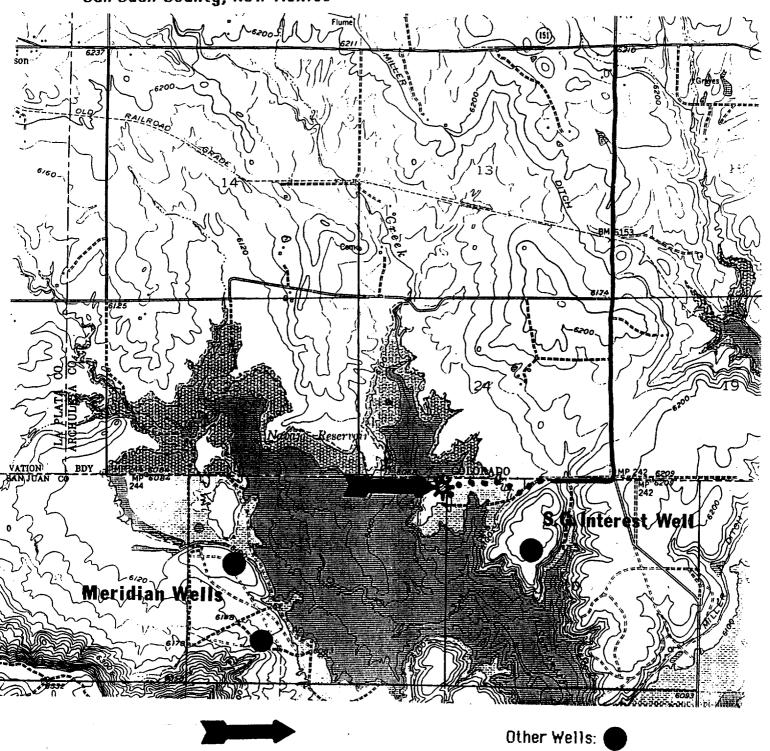
District Operations Manager

ACH: 1m attachments

cc - Michael E. Stogner, OCD, Santa Fe Oil Conservation Division - Aztec

Plat of Offsetting Operators

Federal 32-6-9 *1 510' FNL & 210' FEL Sec. 9, T. 32 N., R. 6 W. San Juan County, New Mexico



Existing Road: •

New/Upgraded Road: •••

Consolidated Oil & Gas, Inc.

February 3, 1995

A

FEB 1995

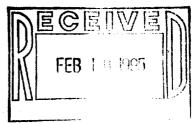
Meridian Oil Inc.
P. O. Box 4289
Farmington, New Mexico 87402

RECEIVED (VIA FAX: 505-326-9833) Land Dept.

Dear Sirs:

RE: Federal 32-6-9 #1 Sec. 9-T32N-R6W

San Juan County, New Mexico



Consolidated Oil & Gas, Inc. (Consolidated), as operator of the above referenced well, has applied to the State of New Mexico for an exception to Rule 111 - Deviation Tests and Direction Drilling. After an extensive search of the files received by Consolidated from the previous operator that drilled the well, no deviation survey data could be located nor could we find that any data was filed with the State at the time the well was drilled. In Consolidated's completion operations, no well bore problems indicating a deviated hole were encountered and all necessary reports have been filed with the State of New Mexico.

Consolidated is required to obtain Meridian's approval to the granting of this exception since it operates the Allison Unit #135 well.

Please acknowledge your approval to Consolidated being granted an exception to Rule 111 - Deviation Tests and Direction Drilling - by signing and faxing a copy of this letter to Consolidated at (303) 893-0715, and returning one hard copy using the self-addressed, stamped envelope provided.

Thank you for your prompt attention to this matter.

Sincerely,

Alan C. Harrison (by B. J. Whitney)

District Operations Manager

ACH/bj

Acknowledged and approved this 8th day of February, 1995.

2/8/95 Daté Signed: Jos and C.
MERIDIAN OIL INC.

410 17th Street, Suite 2300 • Denver, Colorado 80202 Telephone: (303) 893-1225 • Facsimile: (303) 893-0946

Consolidated Oil & Gas, Inc.

February 3, 1995

S G Interests I Ltd. 811 Dallas, #1505 Houston, TX 77002 (VIA FAX: 713-951-0191)



Dear Sirs:

RE: Federal 32-6-9 #1 Sec. 9-T32N-R6W

San Juan County, New Mexico

Consolidated Oil & Gas, Inc. (Consolidated), as operator of the above referenced well, has applied to the State of New Mexico for an exception to Rule 111 - Deviation Tests and Direction Drilling. After an extensive search of the files received by Consolidated from the previous operator that drilled the well, no deviation survey data could be located nor could we find that any data was filed with the State at the time the well was drilled. In Consolidated's completion operations, no well bore problems indicating a deviated hole were encountered and all necessary reports have been filed with the State of New Mexico.

Consolidated is required to obtain S G's approval to the granting of this exception since it operates the Bloomfield 32-6-10 #1R well.

Please acknowledge your approval to Consolidated being granted an exception to Rule 111 - Deviation Tests and Direction Drilling - by signing and faxing a copy of this letter to Consolidated at (303) 893-0715, and returning one hard copy using the self-addressed, stamped envelope provided.

Thank you for your prompt attention to this matter.

Sincerely,

Alan C. Harrison (by B. J. Whitney)

District Operations Manager

Blan C. Xarrison

ACH/bj

Acknowledged and approved this _______day of February, 1995.

Rebnuary 14, 1995

Date

Signed:

S G INTERESTS I LTD.