October 8, 2012

Mr. William Hoppe

New Mexico Oil Conservation Division Vie E-Mail: William. Hoppe@state.nm.us

Re: Bill Barrett Corporation Selph State 2508-16H Well

T25N,R8W, Section 16: S/2N/2 San Juan County, New Mexico

Gentlemen:

Merrion Oil & Gas Corporation (Merrion) operates the Jalapeno well, API #30-045-25580, located in the NW/4 of the captioned Section 16, and, has no objection to the efforts of Bill Barrett Corporation to permit, drill and operate its captioned Selph State 2508-16H well, the project area for which will be designated as the S/2N/2 of Section 16, T25N,R8W, San Juan County, New Mexico.

Please contact the undersigned with any questions you may have.

Sincerely
MERRION OIL & GAS CORPORATION

By: Connie Dinning

Title: Investment Engineer