



dugan production corp.

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July 30, 1997

Mr. Bill LeMay, Director  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Re: Merrion Oil & Gas  
7-10-97 Application for Downhole Commingling  
Dietrich 28 G-1 (28-26N-12W)

Dear Mr. LeMay:

Dugan Production Corp. is an offset operator and has reviewed the subject application. We have no objection to Merrion's proposed downhole commingling.

Sincerely,

John D. Roe  
Engineering Manager

JDR/tmf

cc: George Sharpe-Merrion Oil & Gas