



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington Field Office  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401

IN REPLY REFER TO:  
NMSF078641A  
3162.7 (07100)

December 04, 2000

Mr. George Sharpe  
Merrion Oil & Gas Company  
610 Reilly Avenue  
Farmington, NM 87401

RE: Allocation of Production  
Mead B-1R  
A, Sec. 3, T. 26N., R. 11 W.  
30-045-29872 NMOCD DHC-2321

Dear Mr. Sharpe:

We have received your Application for Downhole Commingling of the Fruitland Coal and Pictured Cliffs formations in the Mead B1R well. After review, we hereby approve your application for downhole commingling using flow and swab test data to allocate production. The effective date is the date that downhole commingling occurs. The approved allocation factors are:

|                        |                  |                |
|------------------------|------------------|----------------|
| <b>Fruitland Coal</b>  | <b>0% OIL</b>    | <b>4% GAS</b>  |
| <b>Pictured Cliffs</b> | <b>100 % OIL</b> | <b>96% GAS</b> |

If you have any questions, please contact Joe Hewitt with this office at (505) 599-6365.

Sincerely,

Joe Hewitt  
Geologist  
Petroleum Management Team

cc: NMOCD, Santa Fe, NM  
NMOCD, Aztec, NM

