



# 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:  
NMSF079086  
3162.7 (07100)

March 14, 2000

Mr. George Sharpe  
Merrion Oil & Gas Corporation  
610 Reilly Avenue  
Farmington, NM 87401-2634

RE: Canada Mesa No. 3E  
790' FNL & 1190' FWL  
Sec. 14, T. 24 N., R. 6 W.  
Rio Arriba County, NM



Dear Mr. Sharpe:

We have received your Application for Downhole Commingling of the Devils Fork Gallup and Basin Dakota formations in the above mentioned well. After review, we hereby approve your application for downhole commingling and the submitted allocation factors. The effective date is the date that downhole commingling occurs. The approved allocation factors are:

<b>Basin Dakota</b>	<b>21% OIL</b>	<b>79% GAS</b>
<b>Devils Fork Gallup</b>	<b>79% OIL</b>	<b>21% GAS</b>

If you have any questions, please contact Wayne Townsend with this office at (505) 599-6359.

Sincerely,

**/s/ Charlie Beecham**

Charlie Beecham  
Acting Team Lead  
Petroleum Management Team

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