



THOMPSON ENGINEERING &
PRODUCTION CORP

RECEIVED
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Petroleum Engineering Consulting
Lease Management
Contract Pumping

7415 East Main
Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

2012 JUL 20 P 12:41

July 17, 2012

The Records Clerk
Oil Conservation Division
Energy Minerals and Natural Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Westland Park #1 & #2 - Case #14541, #14163
Glade Park 1 & #2 - Case #14540, #14162
Amounts Held in Suspense

Dear Mr. Sanchez:

In reference to the above wells, there are currently only a few individuals we do not have addresses for. The total suspense amount is minute ; under \$300.00, we therefore, are holding these funds in our regular account. We are in the process of trying to locate these individuals. The account is as follows:

Citizens Bank
500 W Broadway
Farmington, NM 87401

Please feel free to contact us if you have further questions.

Sincerely,

Carol Salazar
Accountant

Merrion Oil and Gas Corp.	Case Number	Date Issued	Order Number	Order Paragraph
Glade Park 1 & 2	14540	10/20/2010	R-13115-A	15
Westland Park 1 & 2	14541	10/20/2010	R-13000-B	15
Glade Park 1 & 2	14162	4/23/2009	R-13115	16
Westland Park 1 & 2	14163	10/2/2008	R-13000	15

On Mon, Jun 18, 2012 at 1:44 PM, George Sharpe <gsharpe@merrion.bz> wrote:

Tommy,

You are correct... we are keeping funds in holding account. However, would like to verify.

Philana, can you figure out what wells these particular pooling orders are for? Wayne, are we keeping payout statements? Thanks.

Sincerely,

George Sharpe

Investment Manager

Merrion Oil & Gas

610 Reilly Ave

Farmington, New Mexico 87401

505-324-5314 office

505-402-5798 cell

From: Tommy Roberts [<mailto:troberts@btrob.com>]

Sent: Monday, June 18, 2012 12:46 PM

To: George Sharpe

Subject: FW: From Oil Conservation Division regarding clients' overdue escrow information

Importance: High

George,

Just received this from the NMOCD. Apparently, the four cases cited are compulsory pooling cases. I'm guessing that you haven't deposited monies with an escrow agent, and that you are simply maintaining an internal accounting for interest owners who have been force pooled. Let me know how you have been handling this. Note the July 18 compliance deadline.

Tommy

From: Ortiz, Jose D, EMNRD [<mailto:JoseD.Ortiz@state.nm.us>]

Sent: Monday, June 18, 2012 12:20 PM

To: troberts@btrob.com

Subject: From Oil Conservation Division regarding clients' overdue escrow information

Importance: High

Date: June 18th, 2012

Dear Tommy Roberts,

Your client, Merrion Oil and Gas Corp., has failed to provide the name and address of their escrow agent in to the Oil Conservation Division (OCD), as mandated by each case's associated Order. The general form of the order is as follows:

Except as provided in Paragraphs (xx) and (xx) above, all proceeds from production from the proposed wells that are not disbursed for any reason shall be placed in escrow in [the appropriate county], New Mexico, to be paid to the true owner thereof upon demand and proof of ownership. The operator shall notify the Division (Attention: OCD Records Clerk) of the name and address of the escrow agent not later than **one year** from the date of issuance of this Order.

Since the due date to provide the mandated information has passed, **each company is to furnish the name and address of the escrow agent before July 18, 2012, to the following:**

The Records Clerk
 Oil Conservation Division
 Energy, Minerals and Natural Resources Department
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

Please notify Merrion Oil and Gas Corp. that their prompt action is required in each case by July 18th, 2012. The company's associated cases, order numbers, and order paragraph numbers are listed below.

	Case Number	Date Issued	Order Number	Order Paragraph
Merrion Oil and Gas Corp.	14540	10/20/2010	R-13115-A	15
	14541	10/20/2010	R-13000-B	15
	14162	4/23/2009	R-13115	16
	14163	10/2/2008	R-13000	15

These numbers can be used to locate the copies and details of each case or order at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>

Thank you very much for your assistance in this matter.

José Daniel Ortiz, OCD

*SHOULD BE
 DANIEL SANCHEZ?*

Philana Thompson
 Regulatory Compliance
 Merrion Oil & Gas Corp
 cell 505-486-1171
 office 505-324-5336