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June 21, 1984

Mr. Joe D. Ramey, Division Director
Oil Conservation Division
Energy and Minerals Department
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application of Merrion Oil & Gas
Corporation For A Retroactive
Gas Allowable, Rio Arriba County,
New Mexico

Dear Mr. Ramey:

Merrion Oil & Gas Corporation hereby respectfully requests that a case be docketed on the July 11, 1984, Examiner Hearing to consider its application for the assignment of a retroactive gas allowable to its East Lindrith Well No. 5, located in Unit L of Section 27, Township 24 North, Range 2 West, NMPM, South Blanco-Pictured Cliffs Pool, Rio Arriba County, New Mexico, for the period from date of first connection (and production) in June, 1982, until the date of assignment of first regular allowable to the well in July, 1983.

As stated above, the well was first put on production in June, 1982, but through some oversight, a formal deliverability test was not conducted and reported until 1983. Meanwhile, the well was permitted to produce until it had accrued considerable overproduction. When the well was finally assigned an allowable effective in July, 1983, it was determined to be more than six times overproduced and has been shut in ever since.

Due to the current low allowables in the South Blanco-Pictured Cliffs Pool, it is feared the well will have to remain shut in an inordinately long period of time imposing an undue economic hardship upon the applicant unless relief is granted.

Very truly yours,



Daniel S. Nutter, P.E.

DSN:ms

cc: Greg Merrion
Frank Chavez
Bill Carr