Page 4 Application for Commingling

<u>SW/4 of Section 6, T-23-S, R-27-E</u> (NM-040547)

Operator: Mallon Oil Company

Working Interest Owners:	Mallon Oil Company	72.20955%
	Wainoco Oil & Gas Co.	15.90506%
	Redstone Oil & Gas	5.94269%
	W. Wesley Perry	2.97135%
	Olwick Corporation	2.97135%

<u>W/2NW/4 and N/2SW/4 of Section 7, T-23-S, R-27-E</u> (NM-91071 out of NM-040547)

Operator: N/2SW/4 = Merit Energy Company W/2NW/4 = Merit Energy Company

Working Interest Owners: to 5,000 feet - Merit Energy Company

5,000' to base of the Morrow formation -Mallon Oil Company45.3606% NetMerit Net Partners, LP36.8900% NetWainoco, Inc.17.7497% Net

Note: N/2SW/4 communitized as to S/2 of Section 7. W/2NW/4 communitized as to N/2 of Section 7 subject to JOA dated 5-7-73, The Superior Oil Company, Opertor.