



STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

August 21, 1991

Merrion Oil and Gas Company
P. O. Box 840
Farmington, NM 87499

Meridian Oil Inc.
P. O. Box 4289
Farmington, NM 87499

Re: Canyon Largo Unit NP #89 Basin Dakota Pool

Gentlemen:

The C-104 designating Merrion Oil and Gas as operator of the referenced well in the Basin Dakota Pool is hereby rescinded and the previously approved C-104 designating Meridian as operator remains in effect. The Devils Fork Gallup portion of the well is still operated by Merrion.

See the attached documentation.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Chavez".

Frank T. Chavez, District Supervisor

cc:
EPG
Santa Fe

MERRION OIL & GAS CORPORATION

610 REILLY AVE. • P. O. Box 840
FARMINGTON, NEW MEXICO 87499

ze.

M-15-24N-6W

July 24, 1991

Mr. Frank Chavez
New Mexico Oil Conservation
1000 Rio Brazos Road
Aztec, New Mexico 87410

RECEIVED
JUL 25 1991.
OIL CON. DIV.
DIST. 3

RE: Canyon Largo Unit #89
Who is the Operator?

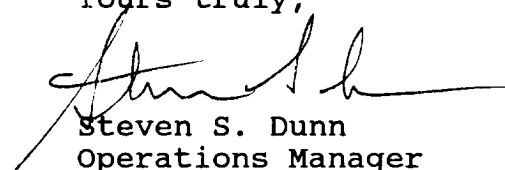
Dear Frank:

This letter is to let you know that both Merrion Oil & Gas and Meridian Oil operate the CLU #89. This is possible because the wellbore is dually completed in the Gallup and Dakota formations. On May 1, 1991, Merrion, as CLU Gallup operator, assumed operation of the Gallup side of the well only. Meridian Oil retained operatorship for the Basin Dakota side.

Initially, I thought Meridian would turn over the entire well to Merrion. I filed a change of operator notice based on this erroneous assumption and this has created confusion. The above should clarify the situation and I apologize for any inconvenience this may have caused you and your staff.

If you wish to discuss further, please give me a call.

Yours truly,



Steven S. Dunn
Operations Manager

SSD/eg

CC: Well File