



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

TONEY ANAYA
GOVERNOR

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

September 11, 1984

Mr. Steve Dunn
Merrion Oil & Gas Corp.
P.O. Box 1017
Farmington, NM 87499

Re: Roadrunner #1 E-2-24N-8W

Dear Steve:

Your recommended allocation of gas to the referenced well for NGPA purposes is accepted as follows:

Other Dufers Point	37.5%
Dakota	<u>62.5%</u>
	100 %

Sincerely,

A handwritten signature in dark ink, appearing to read "Frank T. Chavez", written over a horizontal line.

Frank T. Chavez
District Supervisor

FTC/dj

cc: Santa Fe
Well File. ✓

MERRION OIL & GAS CORPORATION

P. O. Box 1017
FARMINGTON NEW MEXICO 87499

RECEIVED
SEP 07 1984
OIL CON. DIV.
DIST. 3

September 6, 1984

New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attention: Mr. Frank Chavez

Re: Roadrunner No. 1
2310' FNL and 330' FWL
Sec. 2, T24N, R8W
San Juan Co., New Mexico

Dear Mr. Chavez,

The Merrion Oil & Gas Corporation has completed the Roadrunner No. 1 as a Dufers Point Gallup-Dakota well. This well is located in an area approved by the NMOCD and FERC for tight gas pricing for the Dakota Formation.

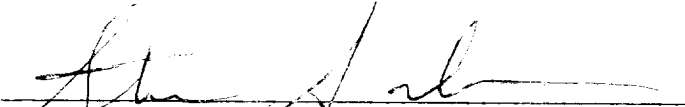
Therefore, although Dufers Point Field rules allow commingling of the Gallup, Greenhorn and Dakota, it is necessary to arrive at an allocation formula for gas in order to properly settle for gas produced.

Based on the data attached, we request that the NMOCD approve an allocation formula as follows:

Dakota Formation	62.5%
Other Dufers Point	37.5%

Yours truly,

MERRION OIL & GAS CORPORATION


Steve S. Dunn, Operations Manager

SSD/am

Enc.

MERRION OIL & GAS CORPORATION

Roadrunner No. 1

REQUEST FOR ALLOCATION OF GAS

Dakota Completion:	15 Bbls/Hour	75% Oil	50 MCF/Day Est.
Gallup Completion:	20 Bbls/Hour	100% Oil	30 MCF/Day Est.

Current Rate: 29 MCF/Day (Combined)

<u>Dakota Production</u>	-	<u>50 MCF/Day</u>	=	62.5%
Dakota + Gallup Production		80 MCF/Day		

<u>Gallup Production</u>	-	<u>30 MCF/Day</u>	=	37.5%
Dakota + Gallup Production		80 MCF/Day		