

MERIDIAN OIL

January 5, 1989

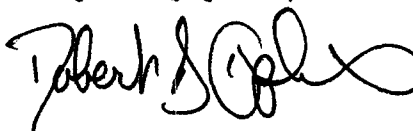
New Mexico Oil Conservation Division
Attention: Mr. William LeMay
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Re: Request for Administrative
Approval to downhole commingle
Angel Peak Gallup Associated
Oil Pool, Dugan Production's
Mc Adams No. 4
Federal Lease NO. SF-081087
Unit N, Section 34, T27N, R10W
San Juan County, New Mexico

Dear Mr. LeMay:

Per Dugan Production Corporation's letter of December 16, 1988 requesting approval for the downhole commingling of production from the Basin Dakota Gas Pool and the Angel Peak Gallup Associated Oil Pool in the subject well, please be advised that Meridian Oil has no objection to this procedure.

Very truly yours,



Robert J. Hopkins
Senior Landman

RJH;gm

Dugan Production Co.

Document 216+

cc: Dugan Production

