



dugan production corp.

July 30, 1997

Mr. Bill LeMay, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Re: Merrion Oil & Gas
7-10-97 Application for Downhole Commingling
Dietrich 28 G-1 (28-26N-12W)

Dear Mr. LeMay:

Dugan Production Corp. is an offset operator and has reviewed the subject application. We have no objection to Merrion's proposed downhole commingling.

Sincerely,

John D. Roe
Engineering Manager

JDR/tmf

cc: George Sharpe-Merrion Oil & Gas