

MERIDIAN OIL

February 17, 1995

State of New Mexico
Energy, Minerals, and Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Attn: Mr. William J. LeMay

**RE: Prorated Gas Allowables
Northwest New Mexico Pools
April through September, 1995 Period**

Dear Mr. LeMay:

We have reviewed the Division's recommendation for the Northwest New Mexico prorated pools allowables for the April through September 1995 period and concur with the Division's recommendation. Although no production data is available from the State, we base our concurrence on our estimates of Meridian-operated pool production and our historical percentages of total pool production. As Meridian is the single largest producer in the Northwest pools with almost one-half of the Mesa Verde and almost one-third of the Dakota production, we believe this approach to be statistically valid.

Although Meridian is not proposing any increases to the Division's recommendation, we certainly do support any other entities efforts to increase the pool allowables.

Sincerely,



J. B. Fraser
Production Manager

JBF/ssv