



State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

JIM BACA
COMMISSIONER

October 27, 1992

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Merrion Oil & Gas Corporation
P. O. Box 840
Farmington, New Mexico 87499

Attn: Ms. Crystal Williams

Re: Preliminary Approval
Proposed Rock Mesa Unit
Sandoval County, New Mexico

Dear Ms. Williams:

This office has reviewed the executed unit agreement for the proposed Rock Mesa Unit, Sandoval County, New Mexico. This agreement meets the general requirements of the Commissioner of Public Lands and has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short term leases, until final approval and an effective date have been given. Also, any well commenced prior to the effective date of this agreement which penetrates its objective horizon prior to said effective date shall not be construed as the initial test well.

When submitting your agreement for final approval, please submit the following:

1. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.
2. Copies of all well records.
3. A copy of the finalized Unit Operating Agreement.

If you have any questions, or if we can be of further help, please contact Pete Martinez at (505) 827-5791. Your filing fee in the amount of \$510.00 has been received.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: Floyd O. Prando
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
cc: BLM-Farmington
OCD-Santa Fe

NMOCD Examiner Hearing
October 29, 1992
Application of Merrion Oil & Gas
Case #10576
Exhibit # 3 of 5