



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Dolores Public Lands Office
100 N. 6th St.
Dolores, Colorado 81323



CERTIFIED MAIL-RETURN RECEIPT-
7004 2890 0000 2044 0903

June 23, 2005

IN REPLY REFER TO:
CO 150-3162.5-1
COC-20434
#1 Hamm Canyon 14-26

*Ruth, 06/30/05
Copy for the
file in Durango.
Thanks for
sending the
paperwork from
the original
PLC file.
- Lucas V.*

API# 113-06033
Location ID 316806
Pit Facility ID 107769
Document 2496292

Steve Dunn
Merrion Oil and Gas Corp.
610 Reilly Avenue
Farmington, NM 87401

Dear Mr. Dunn:

An inspection of the #1 Hamm Canyon 14-26, conducted on May 26, 2005 by Lucas Vargo of our staff revealed several compliance issues that need to be resolved.

Excess equipment and trash is present inside the fenced area around the wellhead. Wellsigns placed at the entrance to the Hamm Canyon Road (off San Miguel County Road U29), and at the location should be replaced. Excess equipment including 55 gallon drums (unlabeled) are present on the location. Rabbitbrush growing inside fenced areas has the potential to become a safety/health concern. Facilities on location need to be repainted with appropriate paint color, as specified in the Conditions of Approval (APD), attached to the original Application for Permit to Drill.



#1 Hamm Canyon 14-26 05/26/05



#1 Hamm Canyon 14-26 05/26/05

Items that need to be corrected:

- All excess equipment should be removed from the location
- Wellsigns should be replaced
- Facilities on location should be repainted
- Rabbitbrush on location should be treated
- Trash should be removed from the location

This is a written order of the authorized officer. The items identified above need to be corrected within **30 days**. The receipt date will be considered the actual date of receipt or seven business days after the notice is mailed.

Under provisions of 43 CFR 3165.3, you may request an administrative review of the order described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice with the State Director, Bureau of Land Management, Colorado State Office, 2850 Youngfield Street, Lakewood, Colorado 80215-7076. Such request will not result in a suspension of the order and/or decisions that are contained in 43 CFR 3175.4 and 43CFR 4.400 et seq.

Please contact Lucas Vargo (970) 882-6845, or Jamie Sellar-Baker (970) 882-6843, at the Dolores Public Lands Office if you have any questions.

Sincerely,

/s/ Jamie Sellar-Baker

Jamie Sellar-Baker
Associate District Ranger/Field Office Manager

cc. San Juan Public Lands Center

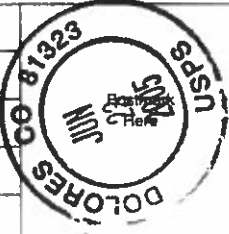
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Sent To
STEVE DUNN - MERRION OIL & GAS CORP.
 Street, Apt. No.,
 or PO Box No. **610 REILLY AVE.**
 City, State, ZIP+4
FARMINGTON, NM 87401

PS Form 3800, June 2002 See Reverse for instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**STEVE DUNN
 MERRION OIL & GAS CORP.
 610 REILLY AVENUE
 FARMINGTON, NM
 -87401**

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 Addressee
P. Garcia

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P. Garcia 10/24

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