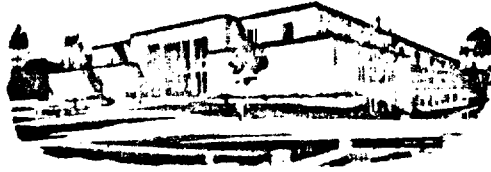


State of New Mexico



Commissioner of Public Lands

September 12, 1979

ALEX J. ARMIJO
COMMISSIONER

P. O. Box 1148
SANTA FE, NEW MEXICO

Marathon Oil Company
P. O. Box 2409
Hobbs, New Mexico

Re: On-Lease Commingling of Marathon's
Hansen State Lease (A-3071)
Monument Field, Lea County, New Mexico

ATTENTION: Mr. Mark E. Brown

Gentlemen:

Reference is made to your request dated September 7, 1979, requesting approval to permit the on-lease commingling of liquid hydrocarbons produced from the Eumont (Queen), Grayburg/San Andres and Tubb formations on Marathon's Hansen State Lease. The lease is described as the NE/4 of Section 16, Township 20 South, Range 37 East, Lea County, New Mexico.

You are hereby given approval to the above request, subject to like approval by the Oil Conservation Division. The Commissioner of Public Lands reserves the right to amend or withdraw this approval at his discretion if it is against the best interest of the State of New Mexico.

Enclosed is one approved copy for your files.

Please remit a Ten (\$10.00) Dollar filing fee.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division

AJA/RDG/s
encls.

cc: New Mexico Oil Conservation Division
New Mexico Oil and Gas Accounting Commission
State of New Mexico Lease A-3071