

P.O. Box 552 Midland, TX 79702-0552 Telephone 915/682-1626

February 13, 1996

Mr. William J. LeMay
Oil Conservation Division
Energy, Minerals and Natural Resources Dept.
2040 South Pacheco
Santa Fe. New Mexico 87505

Re: Prorated Gas Allowable for April 1996
Through September 1996 Period
Indian Basin Morrow Pool
Eddy County, New Mexico

Dear Mr. LeMay:

Marathon Oil Company is a well operator in the Indian Basin Morrow Pool. While Marathon considers the non-marginal well allowable of 20,652 MCF per month proposed for the pool for the April to September 1996 proration period to be much too low, it feels this problem is best addressed by a joint effort on the part of the pool operators at the OCD hearing examiner level. Marathon is currently discussing with the other operators the options, including seeking termination of prorationing, which are available to them.

Sincerely,

R. A. Biernbaum Project Manager

Indian Basin Asset Team

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