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W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

March 27, 1998

**Via Facsimile
(505) 827-8177**

Mr. Michael E. Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Case 11964

**Re: REQUEST FOR TEMPORARY EXCEPTION FROM RULE 506
Application of Marathon Oil Company
for adoption of special pool rules for
the Travis-Upper Pennsylvanian Pool
Eddy County, New Mexico.**

Dear Mr. Stogner:

This letter confirms our telephone conversation on Monday, March 23, 1998 in which you advised me that until such time as an order is entered in the referenced case to be heard on April 16, 1998, Marathon may temporarily produce its Buchanan "33" Well No. 1 located in Unit I of Section 33, and its Crockett "27" Well No. 1 located in Unit K of Section 27, both in T18S, R28E, Eddy County, New Mexico, at rates not to exceed 7,000 cubic feet of gas per barrel of oil produced.

Marathon acknowledges that in the event its application is not approved by the Division, then Marathon will be required to "make-up" any gas produced in excess of the approved gas allowable for this production.

Very truly yours

W. Thomas Kellahin

cfx: OCD-Artesia
Attn: Tim Gum
cfx: Marathon Oil Company
Attn: Thomas C. Lowry, Esq.



LTR



Job separation sheet

KELLAHIN AND KELLAHIN

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*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

March 20, 1998

Mr. Michael E. Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

HAND DELIVERED

Mr. Tim Gum
Oil Conservation Division
Drawer DD
Artesia, New Mexico 88210

VIA FACSIMILE

Re: REQUEST FOR TEMPORARY EXCEPTION FROM RULE 506
Application of Marathon Oil Company
for adoption of special pool rules for
the Travis-Upper Pennsylvanian Pool
Eddy County, New Mexico.

Gentlemen:

On Wednesday, on behalf of Marathon Oil Company, I delivered to you a request by Marathon Oil Company for permission to temporarily produce two wells in the Travis-Upper Pennsylvanian Pool in excess of the 710 MCFPD gas allowable (355 BOPD x. 2000 to 1 GOR).

Today, I am forwarding to you a copy of a waiver signed by Devon Energy Corporation waiving any objection to this request. Devon is the operator of potential spacing units in the E/2 of Section 27, T18S, R28E. In all other instances, Marathon Oil Company is the operator of potential spacing units offsetting these two wells. These two wells are currently shut-in awaiting your action in this matter.

Very truly yours,



W. Thomas Kellahin

cfx: Marathon Oil Company
Attn: Thomas C. Lowry, Esq.

Mid-Continent Region
Production United States



P.O. Box 552
Midland, TX 79702-0552
Telephone 913/682-1626

*Ok'd by
George Davis
Gary King
3-19-98*

March 13, 1998

Mr. Ken Gray
DEVON ENERGY CORPORATION
20 N. Broadway, Ste. 1500
Oklahoma City, OK 73102

Via Fax No. (405) 552-8113

*Dave Becker
915-687-8287*

Re: David Crockett "27" Well No. 1
Unit K, Section 27
Township 18 South, Range 28 East, NMPM
Travis-Upper Pennsylvanian Pool
Eddy County, New Mexico

Dear Ken:

As we discussed on the telephone, Marathon has recently drilled the Crockett well, described above. Marathon requests that Devon, as operator of the east half of Section 27, offsetting the Crockett to the east, waive objection to Marathon producing the Crockett well at a GOR not to exceed 10,000:1 cubic feet of gas to barrels of oil pending NMOCID issuing an order on Marathon's application to amend the pool rules for the Travis-Upper Pennsylvanian Pool. Marathon will file its application to amend the pool rules so it may be heard on April 16, 1998. If Devon is willing to waive objection as requested by Marathon, please have this letter signed on the line provided below and returned to me by both mail and fax (915-687-8483). Thank you.

Sincerely,

Tim Robertson
Advanced Landman

TBR:mmc'

DEVON ENERGY CORPORATION (NEVADA)
waives objection as described above.

By: Carla D. Wood
Name: Carla D. Wood
Title: Landman

RECEIVED
MAR 16 1998
LAND DEPARTMENT