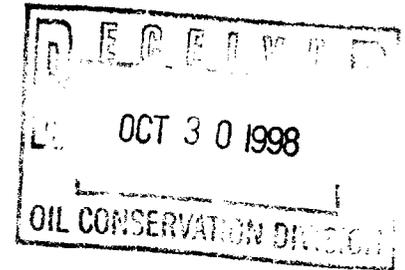




P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

October 28, 1998



Ms. Lori Wrotenberry, Director
NEW MEXICO OIL CONSERVATION DIVISION
2040 S. Pacheco St.
Santa Fe, NM 87505

Re: Application of Texaco Exploration and Production Inc.
For Compulsory Pooling, an Unorthodox gas well location
And non-standard spacing and proration units
OCD Case No. 12051
Eddy County, New Mexico

Dear Ms. Wrotenberry:

Marathon Oil Company hereby supports Texaco's application for compulsory pooling, an unorthodox gas well location and non-standard gas spacing units covering the following portions of irregular shaped Section 1, T-21-S, R-25-E, Eddy County, New Mexico:

- A. For all formations developed on 640-acre spacing, Lots 11 through 14 and Lots 17 through 28 (N 2/3 equivalent, 555.74 acres)
- B. For all formations developed on 320-acre spacing, Lots 11 through 14 and Lots 19 through 22 (288.19 acres)

Marathon will own a 10.42% working interest in Texaco's 555.74 acre Gas Unit and a 9.735% working interest in Texaco's 288.19 acre unit.

Sincerely,

A handwritten signature in black ink that reads 'John J. Chapman'.

John J. Chapman
New Mexico Area Supervisor

JJC/TCL/KLH:mmc'
Attachment

xc: William Carr
CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
P. O. Box 2208
Santa Fe, NM 87504-2208

David Sleeper
TEXACO EXPL. & PROD., INC.
P. O. Box 46513
Denver, CO 80201-6513