

DATE IN <u>8/27/07</u>	SUSPENSE	ENGINEER <u>W. Jones</u>	LOGGED IN <u>8/28/07</u>	TYPE <u>PLC</u>	APP NO. <u>PTDS0724052365</u>
------------------------	----------	--------------------------	--------------------------	-----------------	-------------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
 [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Charles E. Kendrix Charles E. Kendrix Regulatory Compliance Rep 8/17/07
 Print or Type Name Signature Title Date
 e-mail Address cekendrix@marathonoil.com

RECEIVED
 2007 AUG 27 AM 11:47



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487
5555 San Felipe Road
Houston, TX 77056-2799
Telephone: (713) 296-2096
FAX: (713) 499-6750

August 20, 2007

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: Mr. David Catanach

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Mr. Catanach,

This letter is in regards to Marathon's application to attain a lease / pool surface
commingle permit for the Laughlin and W.H. Laughlin leases.

The Laughlin lease consists of one well the Laughlin No 2. The W.H. Laughlin lease
has five active wells on the lease (No's 3 , 5, 6, 7, & 8). The ownership interest in the
two leases is diverse. Currently, the W. H. Laughlin is operated with production from
the Monument Tubb and Eumont Yates Seven Rivers Queen pools commingled as
authorized under PC 979-A. The Laughlin No 2 is also producing from the Monument
Tubb pool.

Marathon is proposing to set production equipment on the Laughlin No 2 well location
that will meter all products; oil, gas, and water, independently. This production will then
be recombined and sent via pipeline to the W.H. Laughlin battery. Where it will be
recombined through the well header system, re-separated and sold along with
production from the other five wells. Allocation of production will use the metered
volume as basis for the Laughlin No 2 well, with the remainder of production in excess
of those metered volumes allocated to the other five W.H. Laughlin wells based upon
well tests.

All interest owners in the two leases have been sent a copy of this application via
certified mail. With instructions on contacting the New Mexico Oil Conservation Division
in writing within 21 days with any concerns they may have as this application.

If you need further information please feel free to contact me at 713-296-2096 or
through email at cekendrix@marathonoil.com.

Sincerely,

Charles E. Kendrix
Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative

RECEIVED
2007 AUG 27 AM 11:47

State Property Code	Lease/ Well Name & No.	API No.	Pool Name
24655	Laughlin No 2	30-025-34067	Monument Tubb
6421	W.H. Laughlin No 3	30-025-06036	Eumont Yates 7 Rivers Queen
64212	W.H. Laughlin No 5	30-025-32380	Eumont Yates 7 Rivers Queen
6421	W.H. Laughlin No 6	30-025-32465	Eumont Yates 7 Rivers Queen
6421	W.H. Laughlin No 7	30-025-33141	Monument Tubb
6421	W.H. Laughlin No 8 *	30-025-34341	Monument Tubb

(47090)

(76480)

* No 8 is in the process of being recompleted to the Monument Tubb at this time.

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave. Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Marathon Oil Company
OPERATOR ADDRESS: 5555 San Felipe
APPLICATION TYPE:
 Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)
LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Monument Tubbs (47090)	38.4 / 1.086	38.1	Oil	10 bbs
Evment Yates SR Queen (76480)	36.2 / 1.324	1.1146	11.3 x 61 = \$689 Gas Gas	76 mcf 1.3 bbl/s 26 mcf
			102 x 8.90 = \$970	

- (2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

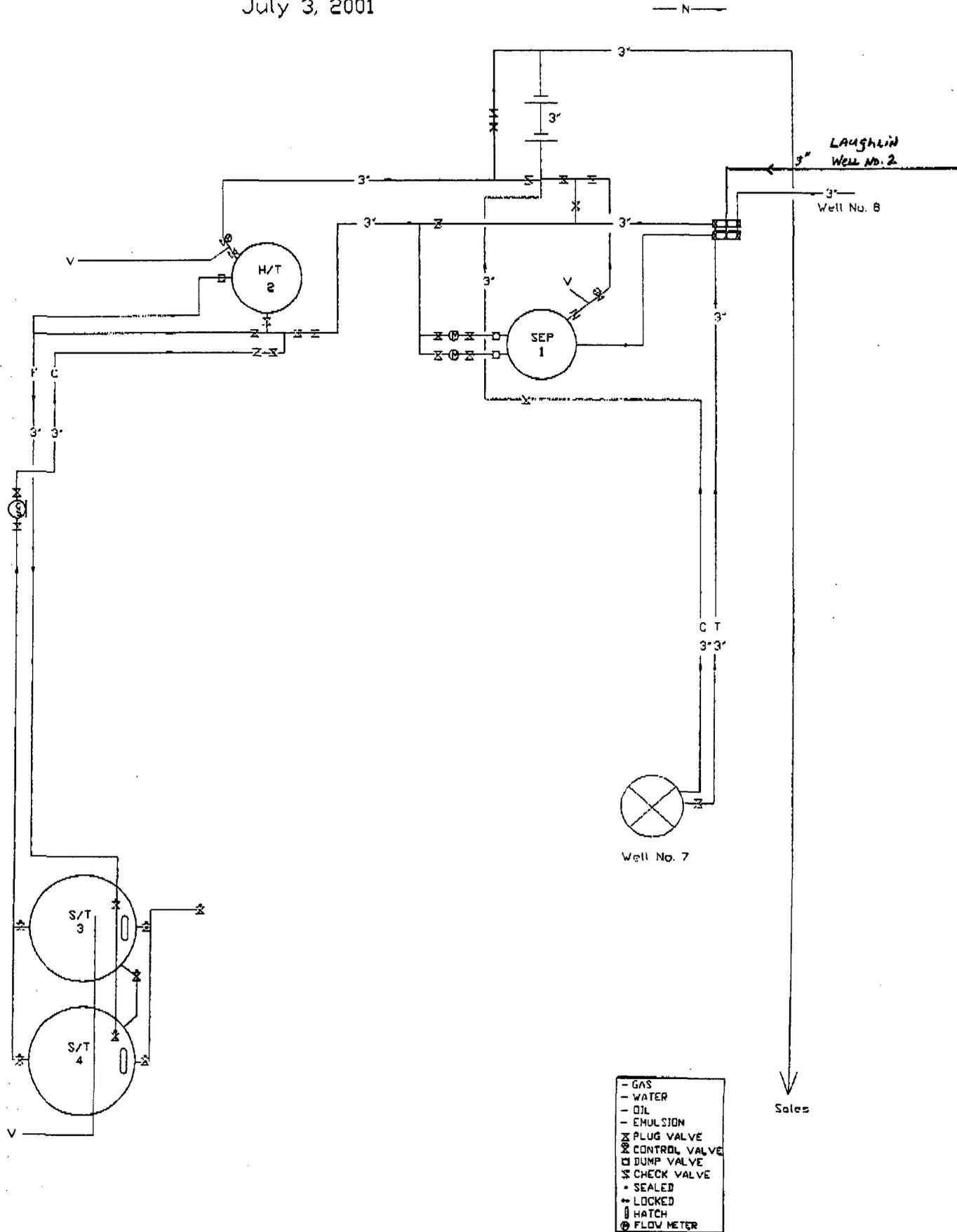
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

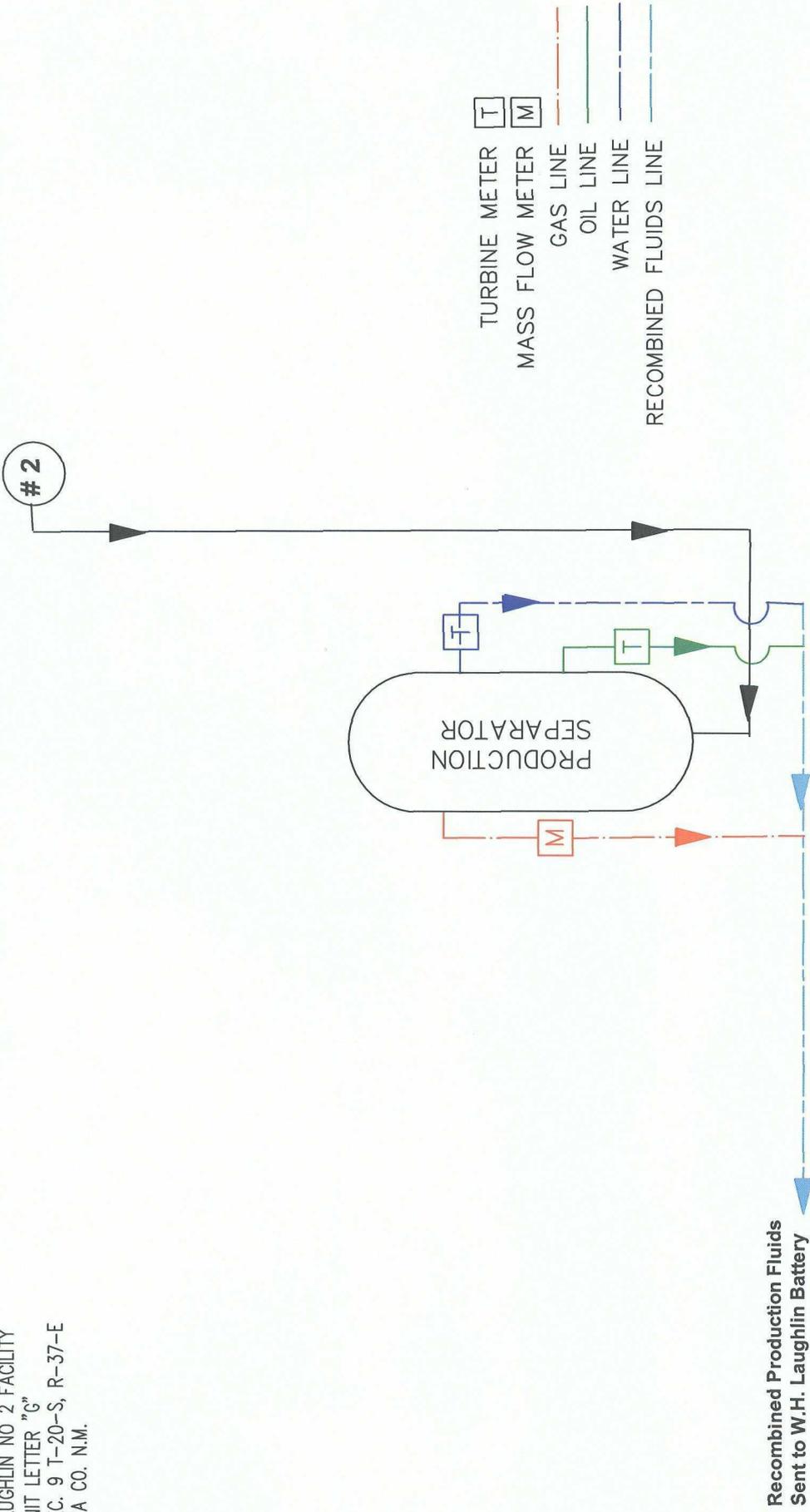
SIGNATURE: Charles E. Kendrick TITLE: Regulatory Compliance Rep DATE: 08/20/07
TYPE OR PRINT NAME Charles E. Kendrick TELEPHONE NO.: 713-296-2096
E-MAIL ADDRESS: cekendrix@marathonoil.com

W. H. Laughlin Well No. 7 Battery
 2310' FNL & 940 FWL'
 Sec. 9, T-20S, R-35E
 Monument Field, NM
 July 3, 2001



MARATHON OIL COMPANY
 LAUGHLIN NO 2 FACILITY
 UNIT LETTER "G"
 SEC. 9 T-20-S, R-37-E
 LEA CO. N.M.

Laughlin No 2



Recombined Production Fluids
 Sent to W.H. Laughlin Battery



Marathon
 Oil Company

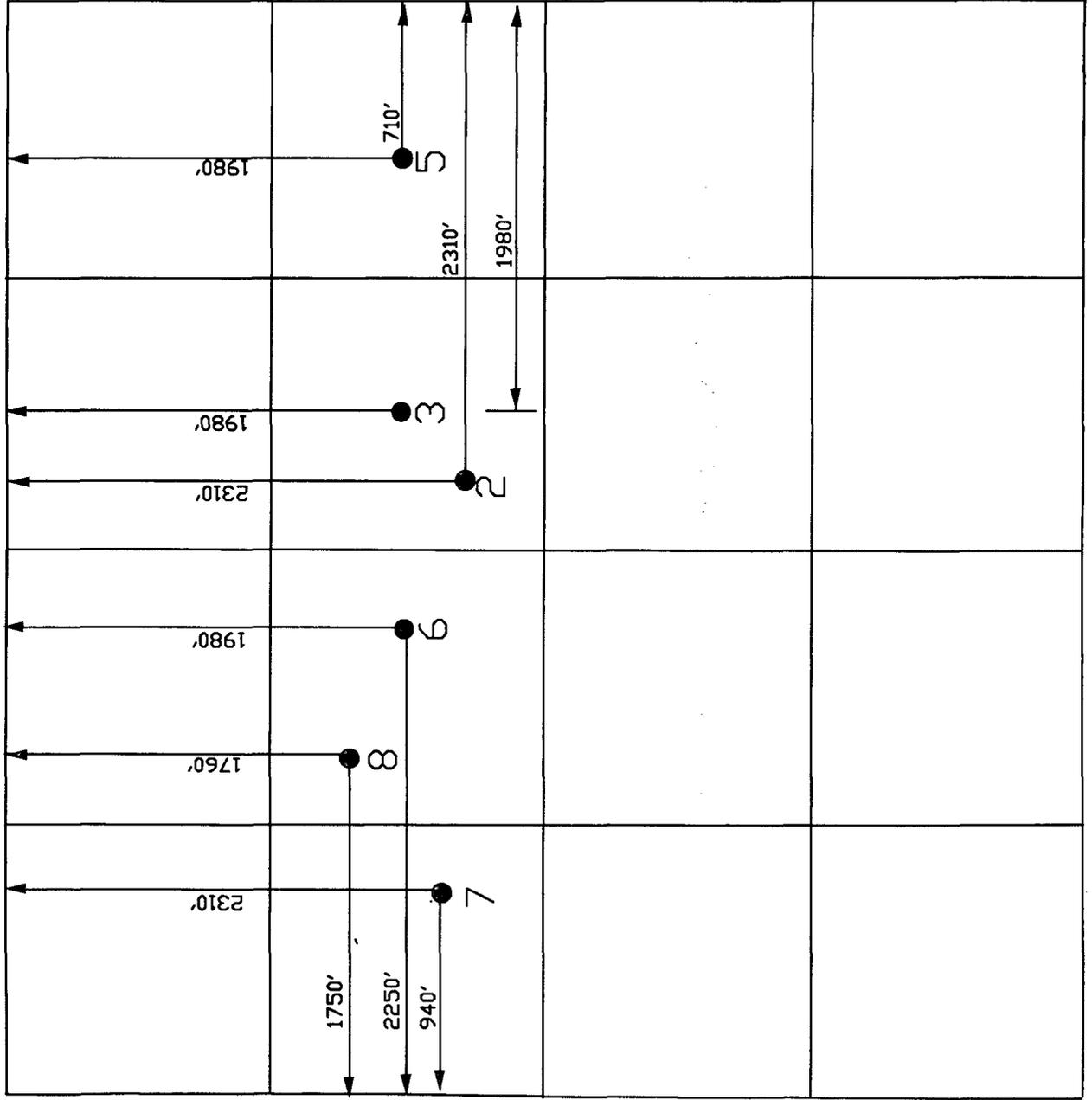
US Production Operations

FACILITY DESCRIPTION: Laughlin No 2 Facility

MOC FILENAME
 Laughlin No 2 Facility

SCALE	DWN: C. KENDRIX	DATE: 06/20/07	AFE/PROJ. NO.	FIELD/AREA	SYSTEM	PROJECT AREA	DRAWING NO.	SHT NO	REV
NONE	REV: C. KENDRIX	DATE: 06/20/07					1	1	A

Laughlin #2 & W.H. Laughlin Wells 3, 5, 6, 7, & 8
 UL's E,F,G, & H, Section 9, T-20-S, R-37-E





Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096

FAX: (713) 499-6750

August 20, 2007

Ms. Mary Bowden
1910 Airport Road
Rifle, Colorado 81650

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Ms. Bowden,

You are receiving this letter because you own an interest in both of the leases listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

A handwritten signature in cursive script that reads 'Charles E. Kendrix'.

Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487

Houston, TX 77253-3487

5555 San Felipe Road

Houston, TX 77056-2799

Telephone: (713) 296-2096

FAX: (713) 499-6750

August 20, 2007

Mr. Ron Laughlin

P.O. Box 164

Angel Fire, New Mexico 87710-0164

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Mr. Laughlin,

You are receiving this letter because you own an interest in both of the leases listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

A handwritten signature in cursive script that reads 'Charles E. Kendrix'.

Charles E. Kendrix

Marathon Oil Company

Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096
FAX: (713) 499-6750

August 20, 2007

Mr. James D. Laughlin
7216 Wren Drive
Prescott Valley, Arizona 86314-5348

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Mr. Laughlin,

You are receiving this letter because you own an interest in both of the leases listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

A handwritten signature in cursive script that reads 'Charles E. Kendrix'.

Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096
FAX: (713) 499-6750

August 20, 2007

Ms. Geneva Laughlin
4139 Laughlin Road
Casa Grande, Arizona 85222-8503

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Ms. Laughlin,

You are receiving this letter because you own an interest in both of the leases listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

Charles E. Kendrix
Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096

FAX: (713) 499-6750

August 20, 2007

Ms. Elsie Reeves
P.O. Box 90706
White Mountain Lake, Arizona 85912

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Ms. Reeves,

You are receiving this letter because you own an interest in both of the leases listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

A handwritten signature in cursive script that reads 'Charles E. Kendrix'.

Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096

FAX: (713) 499-6750

August 20, 2007

Ms. Dorothy Higginbotham
P.O. Box 1207
Coolidge, Arizona 85228-1207

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Ms. Higginbotham,

You are receiving this letter because you own an interest in both of the leases listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

A handwritten signature in cursive script that reads 'Charles E. Kendrix'.

Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096
FAX: (713) 499-6750

August 20, 2007

Ms. Margaret E. Willey
P.O. Box 912
Coolidge, Arizona 85228-0912

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Ms. Willey,

You are receiving this letter because you own an interest in both of the leases listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

Charles E. Kendrix
Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096

FAX: (713) 499-6750

August 20, 2007

Mr. W. H. Laughlin
P.O. Box 91084
White Mountain Lake, Arizona 85912-1084

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Mr. Laughlin,

You are receiving this letter because you own an interest in both of the leases listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

A handwritten signature in cursive script that reads 'Charles E. Kendrix'.

Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487
5555 San Felipe Road
Houston, TX 77056-2799
Telephone: (713) 296-2096
FAX: (713) 499-6750

August 20, 2007

Penroc Oil Corporation
P.O. Box 2769
Hobbs, New Mexico 88241-2769

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

To: Manager of Outside Operated Properties, Penroc Oil Corp,

You are receiving this letter because your company owns an interest in the Laughlin lease listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,


Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative



Southern Business Unit

P. O. Box 3487
Houston, TX 77253-3487

5555 San Felipe Road
Houston, TX 77056-2799

Telephone: (713) 296-2096
FAX: (713) 499-6750

August 20, 2007

Mr. Damian Barrett
2818 Maxwell Drive
Midland, Texas 79705-4804

RE: Application to New Mexico Oil Conservation Division for Laughlin and
W.H. Laughlin lease / pool commingling.

Dear Mr. Barrett,

You are receiving this letter because you own an interest in the Laughlin lease listed above. This letter is to inform you of Marathon Oil Company's application to commingle production from the W.H. Laughlin wells No's 3 through 8 with production from the Laughlin well No 2.

If this application is approved by the New Mexico Oil Conservation Division, Marathon will be setting production equipment on the Laughlin No 2 location that will measure the production from that well before it is commingled via pipeline with the production from the W.H. Laughlin lease. The metered volumes of the No 2 will provide the monthly basis for allocation of production to that well. All production volumes exceeding the monthly metered volume reading will be deemed to have been produced at the W.H. Laughlin lease and thus allocated to wells 3 through 8 based on well tests. A complete copy of Marathon Oil Company's filing with the NMOCD is attached with this letter.

If you desire to comment on these proceedings you have 21 days in which to contact the NMOCD in writing at the following address:

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: David Catanach

If you need further information please feel free to contact me at 713-296-2096 or through email at cekendrix@marathonoil.com.

Sincerely,

Charles E. Kendrix
Charles E. Kendrix
Marathon Oil Company
Regulatory Compliance Representative

CERTIFIED MAIL

91 7108 2133 3931 5810 9934

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature Agent Addressee

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Elsie Reeves
P.O. Box 90706

White Mountain Lake, Arizona 85912-03

Service Type

- Certified Mail
- Registered
- Insured Mail
- Restricted Delivery? (Extra Fee) Yes

Express Mail

Return Receipt for Merchandise

C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from certificate label)

91 7108 2133 3931 5810 9934

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

es
6
in Lake, Arizona 85912-0706

CERTIFIED MAIL

91 7108 2133 3931 5810 9941

Ms. Dorothy Higginbotham
P.O. Box 1207
Coolidge, Arizona 85228-1207

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Dorothy Higginbotham
P.O. Box 1207
Coolidge, Arizona 85228-1207

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

Agent
 Addressee

D. Is delivery address different from item 1?
If YES, enter delivery address below: Yes No

3. Service Type

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

91 7108 2133 3931 5810 9941

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

CERTIFIED MAIL

91 7108 2133 3931 5810 9958

E. Wiley
izona 85228-0912

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Margaret E. Wiley
Box 912
Coolidge, Arizona 85228-0912

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) | B. Date of Delivery

C. Signature Agent
 Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

91 7108 2133 3931 5810 9958

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

CERTIFIED MAIL

91 7108 2133 3931 5810 9965

W. H. Laughlin
Box 91084
Mountain Lake, Arizona 85912-1084

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. W. H. Laughlin
P.O. Box 91084
White Mountain Lake, Arizona 85912-

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature Agent
 Addressee Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

91 7108 2133 3931 5810 9965

CERTIFIED MAIL

91 7108 2133 3931 5810 9972

James D. Laughlin
Wanda L. Laughlin Rev Tr 11/15/00
7216 Wren Drive
Prescott Valley, Arizona 86314-5348

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. James D. Laughlin
Wanda L. Laughlin Rev Tr 11/15/00
7216 Wren Drive
Prescott Valley, Arizona 86314-5348

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature Agent
 Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

91 7108 2133 3931 5810 9972

CERTIFIED MAIL

91 7108 2133 3931 5810 9989

OIL CORP
2769
NEW MEXICO 88241-2769

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature Agent
 Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

PENROC OIL CORP
P.O. BOX 2769
HOBBS, NEW MEXICO 88241-2769

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

91 7108 2133 3931 5810 9989

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

CERTIFIED MAIL

91 7108 2133 3931 5810 9996

Damian Barrett
Maxwell Drive
and, Texas 79705-4804

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Damian Barrett
2818 Maxwell Drive
Midland, Texas 79705-4804

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature _____ Agent
 Addressee Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

2. Article Number (Copy from service label)

91 7108 2133 3931 5810 9996

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

CERTIFIED MAIL

91 7108 2133 3931 5811 0008

Ron Laughlin
Box 164
Angel Fire, New Mexico 87710-0164

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Ron Laughlin
P.O. Box 164
Angel Fire, New Mexico 87710-0164

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature Agent
 Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

91 7108 2133 3931 5811 0008

PS Form 3811, July 1999

102595-00-M-0952

CERTIFIED MAIL

91 7108 2133 3931 5810 9514

Ms. Mary Bowden
1910 Airport Road
Rifle, Colorado 81650

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Mary Bowden
1910 Airport Road
Rifle, Colorado 81650

2. Article Number (From service label)

91 7108 2133 3931 5810 9514

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature _____ Agent Addressee

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below: _____

3. Service Type

Certified Mail Express Mail

Registered Return Receipt for Merchandise

Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

CERTIFIED MAIL

91 7108 2133 3931 5810 9927

Ms. Geneva Laughlin
4139 E. Laughlin Rd.
Casa Grande, Arizona 85222-8503

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature _____ Agent
 Addressee

D. Is delivery address different from item 1? Yes
if YES, enter delivery address below: No

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Geneva Laughlin
4139 E. Laughlin Rd.
Casa Grande, Arizona 85222-8503

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

91 7108 2133 3931 5810 9927

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952