



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

September 6, 1994

Certified Mail
Return Receipt Requested

Mailing list attached

Re: Off-lease Storage

- Marathon lease NM 1832 - State of New Mexico lease K-1877
- State of New Mexico Lease E-10170-2
- State of New Mexico Lease E-7906-2
- Federal Lease NM-05607
- Federal Lease NM-05608
- Federal Lease NM-05607
- Federal Lease NM-051107
- Federal Lease NM-05551
- Federal Lease NM-05551-A
- Federal Lease NM-05551-B
- Federal Lease NM-051107
- Federal Lease NM-0926
- Federal Lease NM-0926-A
- Federal Lease NM-04827-B
- Marathon Lease NM 5722 - Federal Lease NM-04827-B
- Marathon Lease NM 1718 - State of New Mexico Lease K-1877
- State of New Mexico Lease E-10169
- Marathon Lease Nm 5758 - Federal Lease NM-05551-A
- Federal Lease NM-05608
- Federal Lease NM-81677

Sections 1,2,11,12, T21-S, R-23-E
36, T20^{1/2}-S, R-23-E
Eddy County, New Mexico

Gentlemen:

Marathon Oil Company is proposing off lease metering and storage of production from the North Indian Basin Unit, Stinking Draw, Bone Flats Federal 12 and MOC Federal wells, with all production being metered prior to commingling. Our records indicate that you are an interest owner in one of the subject wells and as such, pursuant to NMOCD rules and regulations, are required to provide your consent to the proposed commingling of production from the separate leases. Marathon believes that the commingling of production will result in economies of scale that will serve to lower operating cost and benefit all interest owners.

Please indicate your approval by signing in the space below and returning one copy of this letter to this office in the enclosed envelope. The second copy is for your files. Your prompt attention to this matter will be greatly appreciated.

Sincerely,

R.A. Biernbaum

Indian Basin Business Unit Supervisor

Executed subject to there being no charge, costs or fees charged for storage to the interest owners signing heretc

Approved this 28th day of Sept. 1994

By: Sara S. Jones
Title:
Company:

JLP
CC: T.M. Price
W.L. Ransbottom