

Sections 1,2,11,12, T21-S, R-23-E

Eddy County, New Mexico

36, T20<sub>1/2</sub>-S, R-23-E

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

September 6, 1994

Mailing list attached

Certified Mail Return Receipt Requested

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 --- RIDER - Federal Lease NM-05608 - Federal Lease NM-0560 First Interstate Bank of Denver, N.A. executes the foregoing - Federal Lease NM-0511 q istrument solely in its capacity as Succ. Co.-Trustee with F. W. - Federal Lease NM-0555 Collopy & John Meran, Jr. U/A of Virginia V. Hill - Foundation, and - Federal Lease NM-0555 hour its individual corporate capacity, makes no warranties of title - Federal Lease NM-0511 either express or implied, and any hability asserted against said - Federal Lease NM-0926 Bank because of its execution of this instrument shall be satisfied - Federal Lease NM-0926 shely from assets held by it as such Co-Trustee. 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

## 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

CC:

T.M. Price

W.L. Ransbottom

By: Terry L. Oliver

this

Approved

Title: Assistant Vice President/Trust Officer Company: First Interstate Bank of Denver, N.A.

day of 9