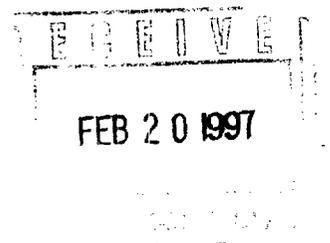


**COLLINS & WARE, INC.**508 WEST WALL AVENUE, SUITE 1200  
MIDLAND, TEXAS 79701-5076

(915) 687-3435

February 12, 1997



Mr. William J. LeMay, Director  
State of New Mexico Energy, Minerals  
and Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Re: NMOCD Allowables Hearing  
Proposed Blinebry Pool Allowables

Dear Mr. LeMay,

Collins & Ware, Inc. wishes to support Marathon Oil Company in their effort to increase the monthly allocation factor (F1 factor) for the Blinebry Pool from 46,800 MCF per month to 70,200 MCF per month for the upcoming allocation period of April, 1997 - September, 1997.

The Collins & Ware operated A. B. Baker No. 4 located in Section 10, T-22-S, R-37-E, produces at less than its capacity due to allowable restrictions in the Blinebry Field. This well is capable of producing an estimated 400 MCFPD greater than current allowable. Collins & Ware, Inc. has been very active in Lea county, New Mexico and is currently drilling the A. B. Baker No. 6 on this same lease. This high level of activity has been made possible by successful work in combination with improved product prices. Oil Conservation Division support of Marathon's request for increased allowables will have a positive impact on profitability which in the past has translated into increased spending in the area. As you well know, this results in economic benefit to local contractors and economy, as well as to the State of New Mexico.

Collins & Ware, Inc. has been active and hopefully will continue to be active in Southeastern New Mexico. We are hopeful that Marathon's petition will be accepted by the Oil Conservation Division so that all operators in the pool and contractors that provide services in that area will benefit from improved financial performance. Your consideration in this matter is greatly appreciated.

Sincerely,

James E. Orseth

Vice-president, Operations