P. O. Box 1324 Artesia, New Mexico 88210 Telephone (505) 457-2621



September 3, 1997

Oil Conservation Division 811 S. 1st Street Artesia, NM 88210-2834

Dear Sir:

Marathon Oil Company respectfully requests the change from two stand-up 320 acre proration units to two lay-down 320 acre proration units in section 1, T-21-S, R-23-E for the South Dagger Draw Upper Penn. Associated Pool.

This request will open the possibility of drilling a horizontal well in the north half of the section. In addition, this change will better balance the well density in the respective proration units.

Sincerely,

Thomas MInice AtVanced ENG Tech.

STP - 3 55 in gi si din Ngangan Sa

ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR 9-22-97