



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

May 17, 1999

New Mexico Oil Conservation Division
811 South First Street
Artesia, New Mexico 88210
Attention Mr. Tim Gum

Re: Indian Basin 32 State # 4
U.L. .D. 660' FNL & 810' FWL
Section 32, T-21-S, R-24-E
Eddy County, New Mexico



Dear Mr. Gum,

Marathon proposes to drill the above referenced well within the next 10 days and requests permission to change the proposed surface hole size from 14.75" to 12.25". In The Guidelines For Cementing in all Fresh Water Basins. and General Information Relating to the Drilling of Oil and Gas Wells in the Roswell and Carlsbad Artesian Basins. it is recommended that the drilled hole must be at least 2" larger in diameter than the casing coupling set through the artesian zone. In support for Marathon's request for this variance I am including the following offset well information from sundry notices and our daily drilling reports.

Indian Hills Unit # 10 - 2080' FNL & 660' FWL, Sec. 28, T-21-S, R-24-E

Drilled 12.25" hole to 1221', ran 9.625" casing, did not circulate cement on primary job. Ran 1" tubing to TOC 255' and circulated cement in three stages.

Indian Hills Unit # 18 - 409' FSL & 2324' FEL, Sec. 20, T-21-S, R-24-E

Drilled 12.25" hole to 1210', ran 9.625" casing to 1210', did not circulate cement on primary job. Ran 1" tubing to TOC @ 288' and circulated cement after five stages

Indian Hills Unit # 14 - 2300' FSL & 2000' FEL, Section 29, T-21-S, R-24-E

Drilled 12.25" hole to 1230', ran 9.625" casing to 1230'. Did not circulate cement on primary job. Ran 1" tubing to 768' and circulated cement after five stages.

We feel that in the unconsolidated surface hole there is a significant amount of washout that will allow the passage of 1" tubing in the casing - hole annulus to facilitate a competent cement job. Marathon requests this variance only for this well and is not seeking a field wide change at this time.

If anything additional is required please contact me at (800) 351-1417.

Very truly yours,

A handwritten signature in black ink that reads 'Walter Dueease'.

Walter Dueease