

February 15, 2000

Sent Via Fax at 915/687-8431 & Certified Return Receipt Requested

Mr. John Kloosterman Marathon Oil Company PO Box 552 Midland, Texas 79702

RE: Replacement Letter Request for Waiver of Objection to Unorthodox Well Location West Indian Basin Unit Well No. 5, 680' FNL & 1690' FEL of Section 20, T21S-R23E, N.M.P.M., Eddy County, New Mexico

Gentlemen:

Kerr-McGee Oil & Gas Onshore LLC requests offset working interest owner's approval of a non-standard Indian Basin, Upper Pennsylvanian Gas Pool location for the West Indian Basin Unit Well No. 5 to be located 680' FNL & 1690' FEL of Section 20, T21S, R23E, N.M.P.M., Eddy County, New Mexico. Pool rules for the Indian Basin, Upper Pennsylvanian Gas Pool require wells to be spaced no closer than 1650' from the outer boundaries nor closer than 330 feet from any governmental quarter-quarter section line or subdivision inner boundary. The proration unit for the proposed well will be a previously approved 640 acre standard proration unit consisting of Section 20, T21S, R23E, Eddy County, New Mexico.

Should you have no objection to this request for waiver, please sign and date this letter in the space provided below and return it to my attention at the address on this letterhead. Also, we would appreciate being furnished a copy via fax at 972/715-4012.

Thank you, and if you should have any questions, please feel free to call me at 972/715-4608.