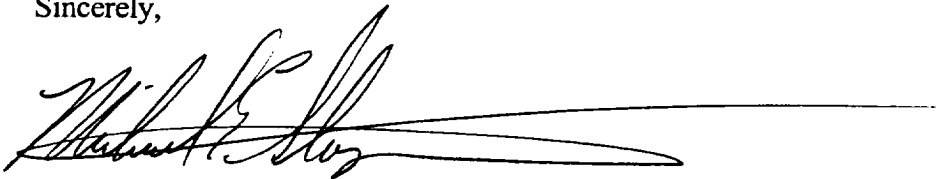


standard within the Morrow formation, 2093 feet from the North line and 707 feet from the East line (Lot 8/Unit H) of Section 20; and

- Marathon's existing Indian Hills Unit Well No. 30 (**API No. 30-015-31655**), which has recently drilled directionally into the Morrow formation from a surface location 1494 feet from the South line and 688 feet from the West line (Unit L) of Section 20 to a bottomhole location 1364 feet from the North line and 1578 feet from the West line (Lot 6/Unit F) of Section 20.

It is understood by the Division that Marathon will abide by all existing rules, regulations, policies, and procedures applicable to this pool and that Marathon intends to operate the aforementioned Indian Hills Unit Wells No. 25 and 30 and the existing 631.54-acre standard gas spacing and proration unit in accordance therein.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael E. Stogner", with a long horizontal line extending to the right.

Michael E. Stogner  
Chief Hearing Officer/Engineer

LW/mes

cc: New Mexico Oil Conservation Division - Artesia /  
U. S. Bureau of Land Management - Carlsbad