RECEIVED Land Dept.

Mid-Continent Region Production United States



P.O. Box 2409 Hobbs, NM 88241-2409 Telephone 505/393-7106

March 5, 1996

Meridian Oil Inc. P. O. Box 4289 Farmington, NM 87401-4289

Re: Request for Exception to Rule 303-A Downhole Commingling

Jicarilla Apache No. 16 UL "I", 1,600' FSL & 900' FEL Section 34, T-26-N, R-5-W Mesa Verde and Basin Dakota Pools

Jicarilla Field Rio Arriba County, New Mexico

Gentlemen:

Marathon Oil Company has filed an application with the New Mexico Conservation Division to downhole commingle the above referenced well. Please find enclosed a copy of the application as outlined in Rule 303-A.

If you are in agreement and waive all objections to the downhole commingling, please sign below and mail the original to the NMOCD, 2040 South Pacheco, Santa Fe, NM 87505, Attn: David Catanach.

Sincerely

Ricky D. Gaddis

Advanced Production Engineer

Agreed and accepted this 20 day of March, 1996

by Man Lack Serior Kandina, as representative of Mendair Oil Tree.

A subsidiary of USX Corporation