

MARATHON OIL COMPANY  
MID CONTINENT REGION

LEA WOLFCAMP POOL  
LEA COUNTY, NEW MEXICO

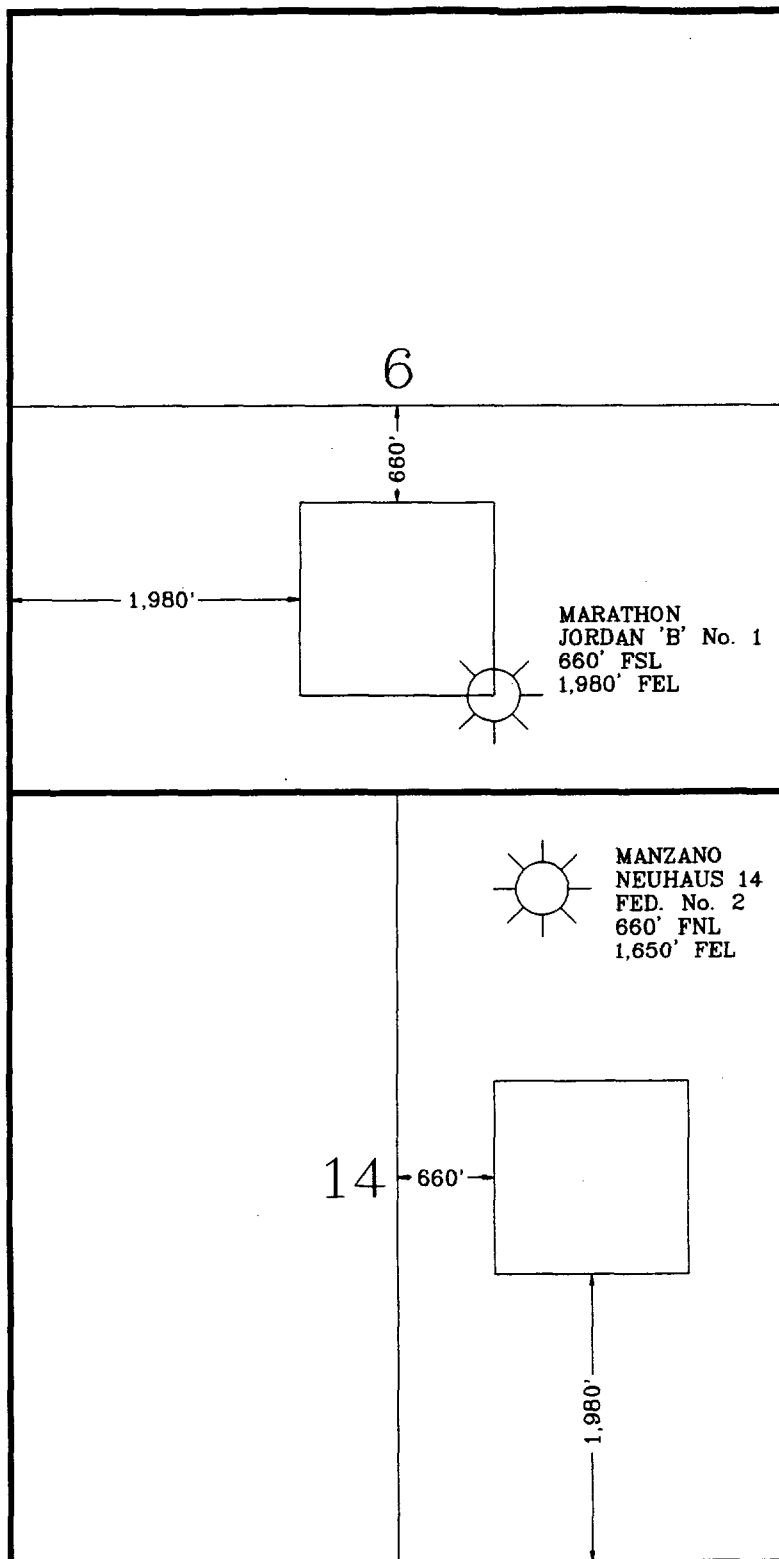
PENALTY CALCULATION

DISTANCE RATIO METHOD

$$\text{ALLOWABLE} = \frac{\text{ACTUAL STANDOFF}}{\text{LEGAL STANDOFF}}$$

$$\text{ALLOWABLE} = \frac{660'}{1,980'}$$

ALLOWABLE = 33%



Before the  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
Marathon Oil Company  
Exhibit No. 14 Case No. 10796  
Hearing Date: October 14, 1993