



**Marathon
Oil Company**

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

March 5, 1992

Yates Petroleum Corporation
C/O Sanders, Bruin, Coll and Worley, P.A.
Post Office Box 550
Roswell, NM 88202-0550

Attn: Damon Richards

RECEIVED
CLERK OF DISTRICT COURT
YPC
6
CASE NO. 10453

RE: Application for Unorthodox Location
Mojave "AJY" Com No. 1
Wildcat (Morrow)
990' FNL and 660' FEL
Section 35, T-20 1/2-S, R-23-E
Eddy County, New Mexico

Gentlemen:

Marathon has received, as an offset operator, a notice of hearing for the above referenced unorthodox location along with a waiver request for Marathon's signature.

Marathon hereby waives all objection to this application provided all logs and test information on the Upper Penn are sent to Marathon within 25 days of acquisition. Marathon also reserves the right to drill a well in Section 36 of same township and range at a similar unorthodox location.

If you are in agreement with this stipulation, please sign below and return one copy to Marathon.

Sincerely,

A handwritten signature in cursive script, appearing to read 'T. N. Tipton'.

T. N. Tipton
Engineering Manager
Midland Operations

Agreed and accepted this 16 day of March, 1992

by as representative of

Yates Petroleum Corporation.

DJL/RJF/045.274/sk

A subsidiary of USX Corporation

An Equal Opportunity Employer