



January 12, 1996

State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

RE: Application for Administrative Approval of Non-Standard
Proration Unit
Maralo SV "16" State #1, Reeves; Queen, West Pool
Sec. 16, T18S, R35E, Lea County, New Mexico

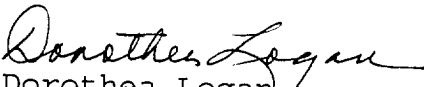
Gentlemen:

In accordance with provisions of Rule 104 (D) (II), Maralo, Inc., hereby requests administrative approval for a 120 acre non-standard proration unit for the above captioned well. Amended Form C-102 and map are enclosed.

Waiver requests from offset operators, who have been notified by certified mail of intent to form such non-standard unit, will be forwarded when received.

Thank you for your assistance.

Sincerely,


Dorothea Logan
Regulatory Analyst
Maralo, Inc.

encls. (2)

cc: J. Sexton, OCD Hobbs

