

Mr. M.E. Stogner  
October 28, 1996  
Page 2

This unorthodox Atoka/Lower Morrow location encroaches on Section 35, T-16-S, R-34-E, Lea County, New Mexico. A plat showing the offsetting ownership to the proposed well is attached as Attachment "A". On this date, a copy of the application, and the plat required by Rule 104.F.(3) attached have been sent by certified mail to the following affected parties:

Mallon Oil Company  
999 18th Street  
Denver, Colorado 80202

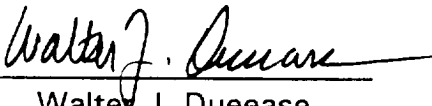
Intercoast Oil & Gas  
2709 N. Big Spring  
Suite 202  
Midland, Texas 79702

Each of these affected parties has been advised that if they have an objection to this application, it must be filed in writing with the Division within twenty (20) days from this date.

Thank you for your attention to this application.

Very truly yours,

MARATHON OIL COMPANY

By:   
Walter J. Dueease

Enclosure

xc: Mr. Jerry Sexton  
P. O. Box 1980  
Hobbs, New Mexico 88241-1980