

P.O. Box 2490 Hobbs, New Mexico 88240 Telephone 505/393-7106

April 6, 1999

Application to Simultaneously Dedicate Blinebry Oil & Gas Pool Production

Lou Worthan Well No. 5 Unit Letter 'C', 660' FNL & 1980' FWL Section 11, T-22-S, R-37-E Lea County, New Mexico

Lou Worthan Well No. 19 Unit Letter 'D", 680' FNL & 880' FWL Section 11, T-22-S, R-37-E Lea County, New Mexico

Mr. Michael Stogner State of New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Lou Worthan Well No. 9 Unit Letter 'E', 1905' FNL & 440' FWL Section 11, T-22-S, R-37-E Lea County, New Mexico

Marathon Oil Company respectfully requests authorization to simultaneously dedicate Blinebry Oil & Gas Pool Production to a 160 acre gas proration unit. This gas proration unit will be comprised of the NW/4 of Section 11, T-22-S, R-37-E in Lea County, New Mexico.

Currently Administrative Order NSL-1261 apply to Lou Worthan Well No. 9 for a non-standard location of a gas well. A recent workover/recompletion on Lou Worthan Well No. 19 has made it a Blinebry gas well. The wells on this lease to be simultaneously dedicate to this standard gas proration unit for the Blinebry Oil & Gas Pool Production are:

Lou Worthan Well No. 5 API No. 30-025-10214 Lou Worthan Well No. 9 API No. 30-025-10218 Lou Worthan Well No. 19 API No. 30-025-29469

This lease has 320 acres. A Blinebry Pool oil well (Lou Worthan Well No. 4, API No. 30-025-10213) has 40 acres dedicated to it in the SW portion of the NE/4 portion of Section 11. The other 120 acres in the NE/4 of Section 11, is simultaneously dedicated to another Blinebry Gas Proration Unit Pool which includes Lou Worthan Well No. 12, API No. 30-025-10221 and Lou Worthan Well No. 21, API No. 30-025-33426.

Marathon also request a 30 day exception for theses well while awaiting approval. Attached are C-102's for each well showing the locations and footage for the three wells. Also we have sent this same information to the offset operators. If you have any questions or have need of additional data, please contact me at (505) 393-7106 ext. 201.

Sincerely,

Thomas P. Kacir

Production Engineer