



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

September 1, 1998

Application for Non-Standard Gas Proration Unit
and to Simultaneously Dedicate
Blinebry Oil & Gas Pool Production

Lou Worthan Well No. 12
Unit Letter H, 1980' FNL & 560' FEL
Section 11, T-22-S, R-37-E
Lea County, New Mexico

Lou Worthan Well No. 21
Unit Letter B, 660' FNL & 1350' FEL
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:

Marathon Oil Company respectfully requests authorization for Non-Standard Gas Proration Unit and to simultaneously dedicate Blinebry Oil & Gas Pool Production to a 120 acre gas proration unit. This proposed gas proration unit will be comprised of the NE, SE, NW portion of the NE/4 of Section 11, T-22-S, R-37-E in Lea County, New Mexico.

Currently Administrative Order SD-96-7 and NSL-3676 apply Lou Worthan Well No. 4, 12 & 21 for simultaneously dedicate Blinebry gas production in a standard 160 acre proration unit. A recent workover/recompletion on Lou Worthan Well No. 4 has made it a Blinebry oil well. The wells on this lease to be simultaneously dedicate to this proposed non-standard gas proration unit for the Blinebry Oil & Gas Pool Production are:

Lou Worthan Well No. 12 API No. 30-025-10221
Lou Worthan Well No. 21 API No. 30-025-33426

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 160 acres in the NW/4 of Section 11, is simultaneously dedicated to another Blinebry Gas Proration Unit Pool which includes Lou Worthan Well No. 5, API No. 30-025-10214 and Lou Worthan Well No. 9, API No. 30-025-10218.

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 two wells. If you have any questions or have need of additional data, please contact me at (505) 393-7106 ext. 201.

Sincerely,

Handwritten signature of Thomas P. Kacir.
Thomas P. Kacir
Production Engineer