

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF MARATHON OIL
PERMIAN LLC TO AMEND ORDER
NO. R-20996-A, EDDY COUNTY, NEW MEXICO**

**CASE NO. _____
ORDER NO. R-20996-A
(Re-Open)**

APPLICATION

Marathon Oil Permian LLC (“Marathon”), OGRID Number 372098, through its undersigned attorney, files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-20996-A to allow for a second extension of time for Marathon to commence drilling the initial well under the Order. In support of this application, Marathon states as follows:

1. Order No. R-20996 pooled uncommitted interest owners in a 1280-acre (more or less) spacing unit underlying Sections 7 and 8, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico.
2. Order No. R-20996 designated Marathon as the operator of the wells and the unit.
3. The Division Hearing for Case No. 16381 was held on September 19, 2019.
4. The Division entered Order No. R-20996 in Case No. 16381 on January 9, 2020.
5. Order R-20996-A was entered on May 7, 2020 (in Case No. 21213) and pooled previously unidentified interest owners and provided that Order R-20996 remains in effect.
6. In December 2020, by written letter to the Division, Marathon requested that Order No. R-20996-A be amended to allow Marathon additional time to commence drilling the initial well under the Order.

7. On December 21, 2020, by letter, the Division granted Marathon's written request to extend the period of time to commence drilling under the Order until January 31, 2022.

8. Good cause exists for Marathon's request for a second extension of time.

9. As Marathon explained in its first extension request, there have been changes in Marathon's drilling schedule due to COVID-19 and the then-existing market conditions.

10. Marathon's operations and drilling activity continue to be impacted by COVID-19 and oil and gas market conditions, which continue to delay Marathon's drilling plans.

11. Under Order No. R-20996-A, Marathon would be required to commence drilling the well by January 31, 2022.

12. Marathon asks that the deadline to commence drilling the initial well be extended for one year from January 31, 2022 to January 31, 2023.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on October 7, 2021, and after notice and hearing as required by law, the Division:

A. Amend Order No. R-20996-A to extend the time for Marathon to commence drilling the initial well under the Order for a year, through January 31, 2023.

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

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CASE NO. _____: (Re-Open) Application of Marathon Oil Permian LLC to Amend Order No. R-20996-A, Eddy County, New Mexico. Applicant seeks an order from the Division for the limited purposes of amending Order No. R-20996-A to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20996 pooled uncommitted interest owners in a 1280-acre (more or less) spacing unit underlying Sections 7 and 8, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico. Said area is located approximately 4 miles Northeast of Loving, New Mexico. Said area is located approximately 8 miles southwest of Carlsbad, New Mexico.