

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

**APPLICATION OF MARATHON OIL PERMIAN
LLC FOR COMPULSORY POOLING AND, TO THE EXTENT
NECESSARY, APPROVAL OF AN OVERLAPPING SPACING UNIT,
EDDY COUNTY, NEW MEXICO**

CASE NO. 24336

MARATHON OIL PERMIAN LLC'S PRE-HEARING STATEMENT

Marathon Oil Permian LLC ("Marathon") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Marathon Oil Permian LLC

ATTORNEY

Deana M. Bennett
Earl E. DeBrine
Yarithza Peña
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800

OTHER PARTIES

Northern Oil and Gas Inc.

ATTORNEY

Blake C. Jones
1780 Hughes Landing Blvd., Suite 750
The Woodlands, TX 77380
(281) 203-5700

MRC Permian Company

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421

STATEMENT OF CASE

APPLICANT:

In Case No. 24336, seeks an order from the Division pooling all uncommitted mineral interests within a standard 1,280-acre, more or less, Wolfcamp horizontal spacing unit underlying all of Section 36, Township 22 South, Range 27 East, and all of Section 31, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will target the Purple Sage Wolfcamp Gas Pool (Code 98220) and be dedicated to the **Olmec Federal Com 701H** and **Olmec Federal Com 801H** wells to be horizontally drilled with proposed first take points in the SW/4 SW/4 (Unit M) of Section 36 and proposed last take points in the SE/4 SE/4 (Unit P) of Section 31; the **Olmec Federal Com 702H**, **Olmec Federal Com 802H**, and **Olmec Federal Com 805H** wells to be horizontally drilled with proposed first take points in the NW/4 SW/4 (Unit L) of Section 36 and proposed last take points in the NE/4 SE/4 (Unit I) of Section 31; the **Olmec Federal Com 703H**, **Olmec Federal Com 803H** wells to be horizontally drilled with proposed first take points in the SW/4 NW/4 (Unit E) of Section 36 and proposed last take points in the SE/4 NE/4 (Unit H) of Section 31; and the **Olmec Federal Com 704H**, **Olmec Federal Com 804H** and **Olmec Federal Com 806H** wells to be horizontally drilled with proposed first take points in the NW/4 NW/4 (Unit D) of Section 36 and proposed last take points in the NE/4 NE/4 (Unit A) of Section 31. The producing area for the wells is expected to be orthodox. The completed intervals for the Olmec Federal Com 702H and Olmec Federal Com 803H are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Applicant also seeks, to the extent necessary, approval of an overlapping spacing unit. The proposed spacing unit will partially overlap a 160-acre horizontal well Wolfcamp spacing unit comprised of the S/2 S/2 of Section 36, Township 22 South, Range 27 East, dedicated to Matador Production Company’s Scott Walker State 36 22S 27E RB #204H well (API: 30-015-43162). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 5.45 miles northwest of Loving, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Samuel Cox	Approx. 15 minutes	Approx. 8
Geologist: Matthew Baker	Approx. 15 minutes	Approx. 8

PROCEDURAL ISSUES

MRC Permian Company has withdrawn its objection to this matter going forward by affidavit. If there are no objections to this matter, Marathon intends to present it by affidavit.

Respectfully submitted,

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

By: Deana M. Bennett

Deana M. Bennett
Earl E. DeBrine, Jr.
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
Deana.bennett@modrall.com
Earl.debrine@modrall.com
Yarithza.pena@modrall.com

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on May 9, 2024.

Blake C. Jones
1780 Hughes Landing Blvd., Suite 750
The Woodlands, TX 77380
Blake.Jones@Step toe-Johnson.com
ATTORNEY FOR NORTHERN OIL & GAS, INC.

Michael H. Feldewert
Adam G. Rankin
Paula M. Vance
Post Office Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
pmvance@hollandhart.com
ATTORNEYS FOR MRC PERMIAN COMPANY



Deana M. Bennett

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 342647

QUESTIONS

Operator: MARATHON OIL PERMIAN LLC 990 Town & Country Blvd. Houston, TX 77024	OGRID: 372098
	Action Number: 342647
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.