

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

**AMENDED APPLICATION OF  
MARATHON OIL PERMIAN LLC FOR  
COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16214

**MARATHON'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**

Earl E. DeBrine, Jr.  
Jennifer L. Bradfute  
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**STATEMENT OF CASE**

**APPLICANT:**

In Case No. 16214, Marathon seeks an order from the Division: (1) creating a non-standard 480-acre, more or less, spacing and proration unit in the Bone Spring formation limited in depth from 7,300' to 9,560', comprised of the E/2 of Section 36 and the SE/4 of Section 25, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing unit. This proposed spacing unit will be the project area for the **Southern Comfort State 24-28-25 TB 6H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as

well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 11.5 miles south of Malaga, New Mexico.

This application was amended in order to allow for the 480-acre spacing unit and to limit the vertical depths of the spacing unit after an objection was raised by a party that would be pooled under the order. Marathon's amendment was made to resolve that objection.


### **PROPOSED EVIDENCE**

#### **APPLICANT:**

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Matt Tate – Landman	Approx. 15	Approx. 4
Tucker Keren – Geologist	Approx. 15	Approx. 6
Engineer - TBD	Approx. 15	Approx. 5

Respectfully submitted,

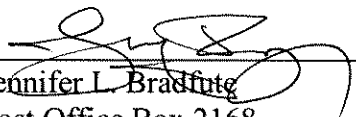
**MODRALL, SPERLING, ROEHL, HARRIS  
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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on August 30, 2018:

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