

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

**APPLICATION OF ASCENT ENERGY, LLC
FOR A NON-STANDARD OIL
SPACING AND PRORATION UNIT,
COMPULSORY POOLING, AND
ONE UNORTHODOX WELL LOCATION
LEA COUNTY, NEW MEXICO.**

CASE NO. 16232

**APPLICATION OF ASCENT ENERGY, LLC
FOR A NON-STANDARD OIL
SPACING AND PRORATION UNIT,
COMPULSORY POOLING, AND
ONE UNORTHODOX LOCATION,
LEA COUNTY, NEW MEXICO.**

CASE NO. 16233

**APPLICATION OF ASCENT ENERGY, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 16409

**APPLICATION OF ASCENT ENERGY, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 16410

MARATHON'S AMENDED 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

ATTORNEY

Ascent Energy, LLC

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OPPONENTS

Marathon Oil Permian LLC

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STATEMENT OF CASE

In Case No. 16232, Ascent seeks an order approving a 320-acre non-standard spacing and proration unit (project area) in the Wolfcamp formation comprised of the W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 20 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Wolfcamp formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the Gavilon Fed. Com. Well No. 703H and Gavilon Fed. Com. Well No. 704H, horizontal Wolfcamp wells with surface locations in the SW/4 SW/4 of Section 33, and botomhole locations in the NW/4 NW/4 of Section 28. The producing interval of the Gavilon Fed. Com. Well No. 703H will be orthodox, while the Gavilon Fed. Com. Well No. 704H, which will be at an unorthodox location encroaching upon the E/2 W/2 of Section 28 and the E/2 W/2 of Section 33.

In Case No. 16233, Ascent seeks an order approving a 320-acre non-standard spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 W/2 of Section 28 and the W/2 W/2 of Section 33, Township 20 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit. The unit will be dedicated to the Gavilon Fed. Com. Well No. 201H, Gavilon Fed. Com. Well No.

303H, Gavilon Fed. Com. Well No. 304H, Gavilon Fed. Com. Well No. 401H, Gavilon Fed. Com. Well No. 503H, Gavilon Fed. Com. Well No. 504H, and Gavilon Fed. Com. Well No. 602H, horizontal Bone Spring wells with surface locations in the SW/4 SW/4 of Section 33, and botomhole locations in the NW/4 NW/4 of Section 28. The producing interval of each well will be orthodox, except for the Gavilon Fed. Com. Well No. 504H, which will be at an unorthodox location encroaching upon the E/2 W/2 of Section 28 and the E/2 W/2 of Section 33.

In Case No. 16409, Ascent seeks an order pooling mineral interests in the Bone Spring formation underlying a 320-acre horizontal spacing unit, covering the E/2 E/2 of Section 28 and the E/2 E/2 of Section 33, Township 20 South, Range 33 East NMPM.

In Case No. 16410, Ascent seeks an Ascent seeks an order pooling mineral interests in the Wolfcamp formation underlying a 320-acre horizontal spacing unit, covering the E/2 E/2 of Section 28 and the E/2 E/2 of Section 33, Township 20 South, Range 33 East NMPM.

Marathon is in the process of submitting competing well proposals to pooled parties within this area and will file competing applications with the Division. Marathon opposes Ascent's applications in order to protect its correlative rights and to present arguments which promote the prevention of waste.

PROPOSED EVIDENCE

MARATHON:


<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Ryan Gyllenband – Landman	Approx. 40	Approx. 8
Ethan Perry/TBD – Geologist	Approx. 30	Approx. 4
TBD - Engineer	Approx. 20	Approx. 4

PROCEDURAL ISSUES

Marathon requests that Case Nos. 16232 and 16233 be continued to the October 18 docket or to a special docket date.

Respectfully submitted,

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


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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 September 13, 2018:

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