

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

**APPLICATION OF MARATHON OIL PERMIAN LLC FOR A SPACING UNIT AND  
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NO. 20135**

**APPLICATION OF MARATHON OIL PERMIAN LLC FOR A SPACING UNIT AND  
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NO. 20136**

**APPLICATION OF MARATHON OIL PERMIAN LLC FOR A SPACING UNIT AND  
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NO. 20137**

**APPLICATION OF MARATHON OIL PERMIAN LLC FOR A SPACING UNIT AND  
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NO. 20138**

**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  
Zoe E. Lees  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK, P.A.  
P. O. Box 2168  
Albuquerque, New Mexico 87103-2168  
(505) 848-1800

## **STATEMENT OF CASE**

### **APPLICANT:**

In Case No. 20135, Marathon seeks an order from the Division: (1) to the extent necessary, approving the creation of a Wolfcamp spacing unit; and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the underlying the E/2 of Sections 28 and 33, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Tomahawk 33 WXY Fed 14H, Tomahawk 33 WA Fed 26H, Tomahawk 33 WA Fed 18H and Tomahawk 33 WXY Fed 21H wells. All these wells will be horizontally drilled. The producing area for these wells will be orthodox. 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, and allowing a one year period between when the wells are drilled and when the wells are completed.

In Case No 20136, Marathon seeks an order from the Division: (1) to the extent necessary, approving the creation of a Bone Spring spacing unit; and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the underlying the W/2 E/2 of Sections 28 and 33, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Tomahawk 33 SB Fed 15H well, which will 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, and allowing a one year period between when the well is drilled and when the well is completed.

In Case No. 20137, Marathon seeks an order from the Division: (1) to the extent necessary, approving the creation of a Wolfcamp spacing unit; and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the underlying the E/2 of Sections 28 and 33, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Tomahawk 33 WD Fed 19H and Tomahawk 33 WD Fed 27H wells and both wells will be horizontally drilled. The producing area for these wells will be orthodox or Marathon will obtain separate non-standard location approvals from the Division through administrative applications. 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, and allowing a one year period between when the wells are drilled and when the wells are completed.

In Case No. 20138, Marathon seeks an order from the Division: (1) to the extent necessary, approving the creation of a Bone Spring spacing unit; and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the underlying the E/2 E/2 of Sections 28 and 33, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Tomahawk 33 SB Fed 22H well, which will 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, and allowing a one year period between when the well is drilled and when the well is completed.

### **PROPOSED EVIDENCE**

#### **APPLICANT:**

<b>WITNESS</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Landman: Ryan Gyllenband	Approx. 45 minutes	Approx. 8
Geologist: Ethan Perry	Approx. 45 minutes	Approx. 6
Engineer: TBD	Approx. 45 minutes	Approx. 4

Respectfully submitted,

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

By: Deana M. Bennett  
Deana M. Bennett  
Zoe E. Lees  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800