

**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. 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 AMENDED PRE-HEARING STATEMENT

Marathon Oil Permian LLC ("Marathon") submits this **Amended** 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
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HARRIS & SISK, P.A.
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Albuquerque, New Mexico 87103-2168
(505) 848-1800

OPPONENT

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
505-982-2043

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. 20137, 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 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 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. 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:

WITNESS	ESTIMATED TIME	EXHIBITS
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.

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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 January 17, 2018:

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jamesbruc@aol.com

By: 
Deana M. Bennett