

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

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

CASE NO. 20311

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
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Other Party

MRC Permian Company

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STATEMENT OF CASE

APPLICANT:

In Case No. 20311, Marathon seeks an order from the Division: pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying Sections 32 and 33, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Tiberius 33 WA FC 2H; Tiberius 33 WXY FC 5H; Tiberius 33 WA FC 7H; Tiberius 33 WXY FC 10H; Tiberius 33 WA FC 12H; Tiberius 33 WXY FC 15H; Tiberius 33 WA FC 17H; and Tiberius 33 WXY FC 20H** wells, to be horizontally drilled. The producing area for these wells will be unorthodox. 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 first well is completed.

PROPOSED EVIDENCE

APPLICANT:

| WITNESS | ESTIMATED TIME | EXHIBITS |
|-------------------------|-----------------------|-----------------|
| Landman: Travis Prewett | Approx. 30 minutes | Approx. 8 |
| Geologist: TBD | Approx. 30 minutes | Approx. 6 |

PROCEDURAL ISSUES

If there are no objections to this case, Marathon intends to present it by affidavit.

Respectfully submitted,

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

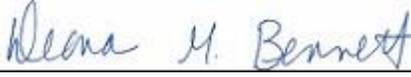
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on April 11, 2019:

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