

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

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

CASE NO. 20466

MARATHON OIL PERMIAN'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

APPLICANT'S ATTORNEY

Deana M. Bennett
MODRALL, SPERLING,
ROEHL, HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico
87103-2168
(505) 848-1800

OTHER PARTY

OXY U.S.A. Inc.

ATTORNEY

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Holland & Hart, LLP
P.O. Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

STATEMENT OF CASE

APPLICANT:

In Case No. 20466, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Section 5, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Achilles 8 WXY FC 1H; Achilles 8 WA FC 3H; Achilles 8 WXY FC 5H; Achilles 8 WA FC 7H; Achilles 8 WD FC 2H; Achilles 8 WD FC 4H; Achilles 8 WD FC 8H** 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

WITNESSES

EST. TIME

EXHIBITS

Jeffrey Broussard-Landman

Approx. 20 min.

Approx. 5

Matt Baker – Geologist

Approx. 10 min.

Approx. 5

PROCEDURAL ISSUES

Marathon intends to have Mr. Broussard present to testify live before the Division.
Marathon intends to put on Mr. Baker's geology testimony by affidavit.

Respectfully submitted,

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

By: Deana M. Bennett

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

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 25, 2019:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Holland & Hart, LLO
P.O. Box 2208
Santa Fe, New Mexico 87504
(505) 988-4421
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

Counsel for OXY U.S.A. Inc.

By: Deana M. Bennett
Deana M. Bennett