

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

**APPLICATIONS OF MARATHON OIL PERMIAN LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NOS. 20822 AND 20823

MARATHON OIL PERMIAN LLC'S PRE-HEARING STATEMENT

Marathon Oil Permian LLC ("Marathon") submits this Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

MARATHON OIL PERMIAN LLC

ATTORNEY

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OTHER PARTIES

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STATEMENT OF CASE

APPLICANT:

In Case Number 20822, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the underlying the E/2 of Sections 15 and 22, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This proposed spacing unit will be dedicated to Frizzle Fry 15 TB FC 14H; Frizzle Fry 15 TB FC 17H; Frizzle Fry 15 FB FC 30H; Frizzle Fry 15 SB FC 15H; Frizzle Fry 15 FB FC 31H; 15 Frizzle Fry SB FC 22H; Frizzle Fry 15 AV FC 26H; Frizzle Fry AV FC 27H wells, to 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 Number 20823, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the underlying the E/2 of Sections 15 and 22, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This proposed spacing unit will be dedicated to the Frizzle Fry 15 WA FC 11H and the Frizzle Fry 15 WXY FC 18H wells, to 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.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: TBD	Approx. 30 minutes	Approx. 8
Geologist: TBD	Approx. 30 minutes	Approx. 6

PROCEDURAL ISSUES

Marathon intends to put these cases on by affidavit and requests that they be consolidated for hearing.

Respectfully submitted,

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

By: Deana M. Bennett

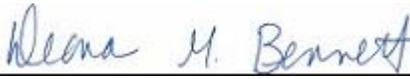
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on October 24, 2019:

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