



MODRALL SPERLING
L A W Y E R S

November 12, 2019

Via Fed Ex and e-mail to ocd.hearings@state.nm.us

New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico, 87505

Re: Support for Novo Oil & Gas Northern Delaware LLC's Astrodog cases, Case Numbers 20916 and 20917, located in the N/2 of Section 8 and the N/2 of Section 9, Township 23 South, Range 29, Eddy County, New Mexico

Ladies and Gentlemen,

Marathon Oil Permian LLC ("Marathon") submits this letter in support of Novo Oil & Gas Northern Delaware LLC's ("Novo") "Astrodog" cases, Case Numbers 20916 and 20917, which are set for hearing on November 14, 2019. Novo has proposed a two-mile development plan that would traverse Sections 8 and 9, of Township 23 South, Range 29 East, Eddy County, New Mexico.

Marathon has proposed a two-mile development plan ("Valkyrie") being represented by Case Number 20866 that would traverse the N/2 of Section 12 of Township 23 South, Range 28 East and the N/2 of Section 7 of Township 23 South, Range 29 East, Eddy County, New Mexico, as well as a two-mile development plan being represented by Case Number 20865 that would traverse the S/2N/2 of Section 12 of Township 23 South, Range 28 East and the S/2N/2 of Section 7 of Township 23 South, Range 29 East, Eddy County, New Mexico, also set for hearing on November 14, 2019.

It is Marathon's opinion that the Novo Astrodog and the Marathon Valkyrie development plans represent an efficient use of the surface in and around the Potash Area, as well an efficient development of the subsurface minerals. Accordingly, Marathon supports the designation of Novo of operator and its planned development of the lands proposed to be included in the spacing units devoted to the Astrodog wells.

BTA Oil Producers, LLC ("BTA") has stated some concerns with respect to Novo's Astrodog planned development and Marathon's Valkyrie planned development for the N/2 of the relevant sections, including that BTA has a development plan for the N/2 of Section 7 and the NW/4 of Section 8.

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Marathon's opinion is that Novo's and Marathon's proposals will lead to more efficient development than those of BTA. Marathon also notes that BTA has not filed competing applications with the NM OCD.

If you have any further questions, please contact Chase Rice at Marathon. Mr. Rice's phone number is 713-296-3055. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Deana M. Bennett". The signature is written in a cursive style with a light blue background behind the text.

Deana M. Bennett