

**Exhibit "A"**

Applicant: Marathon Oil Permian LLC  
Operator: Marathon Oil Permian LLC (OGRID 372098)

Spacing Unit: Horizontal oil  
Building Blocks: quarter/quarter sections  
Spacing Unit Size: 160 acres (more or less)  
Orientation of Unit: North to South

Spacing Unit Description:

W/2 W/2 of Section 18, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico

Pooled Depth Interval: From +/- 11,051' MD as show in the logs for the Government "L" No. 1 well (API No. 30-025-25604) to the base of the Bone Spring formation.

Depth Severance? (Yes/No): Yes – See above.

Pool: Red Hills; Bone Spring, North Pool (Pool code 96434)  
Pool Spacing Unit Size: quarter-quarter sections  
Governing Well Setbacks: horizontal oil well rules – 19.15.16.15.C NMAC

Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$7,000; While producing: \$700  
As the charge for risk, 200 percent of reasonable well costs.

**Proposed Well:**

**Ned Pepper Fed 18 TB Federal Com 1H, API No. Pending**

SHL: 722 feet from the South line and 581 feet from the West line,  
(Unit M) of Section 18, Township 24 South, Range 34 East, NMPM.

BHL: 100 feet from the North line and 330 feet from the West line,  
(Unit D) of Section 18, Township 24 South, Range 34 East, NMPM.

Completion Target: 3rd Bone Spring Formation, at approximately 16,842 feet TVD  
Well Orientation: South to North  
Completion Location expected to be: Standard