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## Exhibit "A"

Applicant: <u>Marathon Oil Permain LLC</u>

Operator: <u>Marathon Oil Permian LLC (OGRID 372098)</u>

Spacing Unit: Horizontal Oil

Building Blocks: quarter-quarter section equivalents

Spacing Unit Size: <u>160</u> acres (more or less)

Orientation of Unit: North/South

## **Spacing Unit Description:**

E/2 E/2 of Section 35,

Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation

Depth Severance? (Yes/No): No

Pool: Willow Lake; Bone Spring, West (Pool code 96415)

Pool Spacing Unit Size: <a href="quarter-quarter sections">quarter-quarter sections</a>
Governing Well Setbacks: <a href="Horizontal Oil Well Rules">Horizontal Oil Well Rules</a>
Pool Rules: <a href="Latest Horizontal Rules Apply">Latest Horizontal Rules Apply</a>.

Proximity Tracts: <u>None Included</u>

Monthly charge for supervision: While drilling: \$7000 While producing: \$700 As the charge for risk, 200 percent of reasonable well costs.

## **Proposed Well:**

## Ripley 35 SB Fed Com 11H, API No. Pending

SHL: 720 feet from the South line and 1,296 feet from the East line, (Unit P) of Section 35, Township 24 South, Range 28 East, NMPM. BHL: 100 feet from the North line and 660 feet from the East line, (Unit A) of Section 35, Township 24 South, Range 28 East, NMPM.

Completion Target: Upper 2nd Bone Spring Sand at approx 8,358 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard