State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

Governor

Sarah Cottrell Propst Cabinet Secretary Adrienne Sandoval, Director Oil Conservation Division



Todd E. Leahy, JD, PhD Deputy Secretary

December 16, 2020

Marathon Oil Permian, LLC c/o Deana M. Bennett, Attorney deana.bennett@modrall.com P.O. Box 2168 Albuquerque, New Mexico 87102

RE: Request for Time Extension to Commence drilling

Case No. 20949, R-21054 approved date January 29, 2020 Deadline to commence drilling January 31, 2021 Applicant/Operator: Marathon Oil Permian, LLC

Proposed Well:

Mead West 32 SB State Well No. 2H, API No. 30-025-Pending

Dear Sir or Madam:

The following pertains to your request received by the Division on December 14th, 2020 and to the requirements in the captioned hearing order.

You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud this well due to "changes in Marathon's drilling schedule due to COVID-19 and current market conditions". There was no opposition in the captioned case. You are requesting an additional year in which to spud this well. The spud date is now extended to, **January 31**, **2022**.

The requested additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely,

ADRIENNE SANDOVAL

Director AS/jag

CC: Oil Conservation Division



L A W Y E R S

December 14, 2020

Via E-mail

Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Ocd.engineer.nm.us

Re: Drilling Extension Request for:

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

CASE NO. 20949 ORDER NO. R-21054

Deana M. Bennett Deana.bennett@modrall.com 505-848-1834 (direct) 505.848.1800 (office)

Dear OCD:

Marathon Oil Permian, LLC ("Marathon") respectfully requests a one (1) year extension to drilling the well under Order No. R-21054 (the "Order"). This extension is being requested because there have been changes in Marathon's drilling schedule due to COVID-19 and current market conditions. The well and lands impacted by this extension are the following:

WELL: Mead West 32 SB State 2H, API No. Pending

LANDS: 160-acre (more or less) spacing unit underlying the E/2

W/2 of Section 32, Township 19 South, Range 35 East,

NMPM, Lea County, New Mexico

The Order was issued on January 29, 2020, and requires Marathon to commence drilling on or before January 31, 2021. Order R-21054, p. 3, \P 4. Marathon requests an additional one-year period in which to commence drilling the listed well, the extended period to expire January 31, 2022.

The Order states that Marathon may request a written extension of time from the Division Director "pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence." See Order R-21054, p. 3, \P 5.

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103 The Order also states that Marathon "shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request." *See* Order R-21054, p. 3, ¶ 7. Marathon has reviewed its records and there are no pooled working interest owners who have elected to participate in the drilling of the wells subject to this order and therefore no notice is required under the terms of the Order.

Sincerely, Delma M. Bennett

Deana M. Bennett

Attorney for Marathon Oil Permian LLC