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STATE OF NEW MEXICO

ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NOS. 21600, 21601, 21602, 21603, 21604

Application of Marathon Oil Permian, LLC to Amend Orders R-21099, R-21127, R-21169 R-21126, R-21165, Lea County, New Mexico

THURSDAY, JANUARY 7, 2020

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Hearing Examiner, Dylan Rose-Coss, Technical Examiner, Dean McClure, Techical Examiner, via Cisco Webex Virtual Meeting Platform

Reported by: Mary Therese Macfarlane New Mexico CCR No. 122 PAUL BACA PROFESSIONAL COURT REPORTERS 500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102 (505) 843-9241

Page 2 1 APPEARANCES 2 For Applicant Marathon Oil Permian, LLC: 3 Deana Bennett, Esq. Modrall, Sperling 500 4th Street NW, Suite 1000 4 Albuquerque, NM 87102 5 (505) 848-1834 deana.bennett@modrall.com б 7 CONTENTS 8 CASE NOS. 21600, 21601, 21602, 21603, 21604 PAGE 9 CASES CALLED: 3 STATEMENT BY MS. BENNETT: 3 10 4 11 TESTIMONY OF LANDMAN (BY AFFIDAVIT): 5 12 TAKEN UNDER ADVISEMENT 13 14 EXHIBIT INDEX 15 APPLICANT MARATHON OIL PERMIAN, LLC EXHIBITS ADMITTED 16 Landman Exhibits A-E 5 1 17 2 OCD letter 5 3 Notice Affidavit 5 18 19 20 21 22 23 24 25

Page 3 1 (Time noted 9:14 a.m.) 2 HEARING EXAMINER BRANCARD: Moving on to case 3 21600, No. 20 on our sheet. Marathon Oil. 4 MS. BENNETT: Good morning, Deana Bennett on behalf of Marathon Oil Permian, LLC. And I would like to 5 consolidate the four cases for hearing today this 21600, б 7 21601, 21602 -- sorry, it's five cases. 21603 and 21604. And I have prepared a single exhibit packet 8 for those cases. 9 HEARING EXAMINER BRANCARD: Okay. Do we've any 10 other appearances in here of these five cases, 21600, 11 21601, 21602, 21603, 21604 12 13 Hearing none, you may proceed, Ms. Bennett. 14 MS. BENNETT: Thank you. These applications that I filed on behalf 15 16 of Marathon are similar to the applications I have been 17 discussing, in that these applications seek to reopen the Orders is that the Division previously issued in these 18 five cases for the limited purpose of amending or 19 conforming the form of Order to the new Order template and 20 21 to allow additional time for drilling the wells under the 22 Orders. 23 These Orders were issued in 2019 and they 24 designated, uhm, the -- they designated Marathon as the 25 operator of all the wells in the units.

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Page 4 1 In these Orders they all relate to 2 Marathon's Ender Wiggins cases, and so that's why they are 3 consolidated. These are all part of the Ender Wiggins 4 unit. 5 And I apologize. These Orders were actually issued in Feruary of 2020. I misspoke when I б said 2019. 7 8 What I have included is Mr. Gyllenband's affidavit. Mr. Gyllenband is a landman from Marathon, and 9 he's previously testified before the Division and his 10 qualifications have been accepted as a matter of record. 11 12 Behind his affidavit as Exhibits 1-A through -E are the five applications that I filed on Marathon's behavior for 13 the Division's convenience. 14 15 Exhibit 2 contains the OCD April 9, 2020 16 letter describing how to seek an amendment of prior forms of Order. 17 And Exhibit 3 is the Notice Affidavit that 18 I prepared. And Exhibit 3 in these five cases is a bit 19 bulky because we ended up sending out three different sets 20 21 of Notice Letters because the interest owners were 22 different as between the cases, and so that's why there are three Notice Letters that went to different Notice --23 24 different parties entitled to Notice. But each of the 25 parties entitled to Notice received actual Notice, but

Page 5 again we published out of an abundance of caution, so our 1 Affidavit of Publication is included as well 2 3 But you will see from Exhibit 3 that all 4 parties entitled to Notice received actual Notice, and 5 that Notice was timely sent. So with that I would ask that the exhibits б for Case No. 21600, 21601, 21602, 21603, and 21604 be 7 8 taken under advisement. 9 HEARING EXAMINER BRANCARD: Thank you. Do we have any questions from examiners? 10 11 EXAMINER ROSE-COSS: No questions from Examiner 12 Coss. 13 EXAMINER McCLURE: No questions here either. 14 HEARING EXAMINER BRANCARD: Okay. Just -- all 15 right. 16 So we have five cases in front of us. I'll 17 go through them again: 21600, 21601, 21601, 21603, 21604. Are there any other comments from any other parties on any 18 of these cases? 19 Hearing none, these cases will be 20 21 consolidated, the exhibits will be admitted, and the cases will be taken under advisement 22 23 Thank you. 24 MS. BENNETT: Thank you. 25 (Time noted 9:16 a.m.)

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1	STATE OF NEW MEXICO)
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5	REPORTER'S CERTIFICATE
б	I, MARY THERESE MACFARLANE, New Mexico Reporter
7	CCR No. 122, DO HEREBY CERTIFY that on Thursday,
8	January 7, 2021, the proceedings in the above-captioned
9	matter were taken before me; that I did report in
10	stenographic shorthand the proceedings set forth herein,
11	and the foregoing pages are a true and correct
12	transcription to the best of my ability and control.
13	I FURTHER CERTIFY that I am neither employed by
14	nor related to nor contracted with (unless excepted by the
15	rules) any of the parties or attorneys in this case, and
16	that I have no interest whatsoever in the final
17	disposition of this case in any court.
18	/s/ Mary Macfarlane
19	
20	Mary Therese Macfarlane, CCR NM Certified Court Reporter No. 122
21	License Expires: 12/31/2021
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