

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION DIVISION**

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

**CASE NO. 20468**

**PRE-HEARING STATEMENT**

S.K. WARREN RESOURCES, LLC provides this Pre-Hearing Statement as required by the rules of the Division.

**APPEARANCES**

**APPLICANT**

MARATHON OIL PERMIAN, LLC

APPLICANT'S ATTORNEY:

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**OPPONENT**

S.K. WARREN RESOURCES, LLC

S.K. WARREN RESOURCES' ATTORNEYS:

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**OTHER PARTY**

## STATEMENT OF THE CASE

Applicant Marathon Oil Permian, LLC (“Marathon”) seeks an order pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Section 22, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

Marathon seeks to dedicate the W/2 of Section 22, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, to form a 320-acre, more or less, spacing unit.

In this proposed unit, Marathon plans to drill eight horizontal wells within the Purple Sage Wolfcamp Gas Pool, pool code 98220, including the **Honey Mustard Federal Com WA 2H, Honey Mustard Federal Com WD 3H, Honey Mustard Federal Com WD 5H, Honey Mustard Federal Com WXY 6H, Honey Mustard Federal Com WXY 8H, Honey Mustard Federal Com WA 9H, Honey Mustard Federal Com WD 10H & Honey Mustard Federal Com WD 11H** wells, to a depth sufficient to test the Wolfcamp formation.

S.K. Warren Resources, LLC is owner of an interest in these proposed wells. SK Warren would like to participate in development of this acreage, but is concerned that the cost of participation will be prohibitive due to the number of proposed wells. Among other things, SK Warren further questions whether eight proposed wells are necessary to develop this acreage.

## PROPOSED EVIDENCE

### APPLICANT:

WITNESSES

EST. TIME

EXHIBITS

### OPPONENT S.K. WARREN RESOURCES, LLC

WITNESSES

EST. TIME

EXHIBITS

Steve Warren

15 mins.

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## PROCEDURAL MATTERS

None

Respectfully submitted,

**MONTGOMERY & ANDREWS, PA.**

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## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on April 25, 2019:

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/s/Sharon T. Shaheen  
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