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

RECEIVED

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

OIL CONSERVATION DIVISION

CASE NO. 10269

APPLICATION OF MARATHON OIL COMPANY, FOR A WATERFLOOD PROJECT AND TWELVE UNORTHODOX INJECTION WELL LOCATIONS, LEA COUNTY, NEW MEXICO

## PRE-HEARING STATEMENT

This pre-hearing statement is submitted by MARATHON OIL COMPANY as required by the Oil Conservation Division.

#### APPEARANCE OF PARTIES

APPLICANT (name, address, phone and contact person)

ATTORNEY

Marathon Oil Company P.O. Box 552 Midland, TX 79702 Attn: Tom Lowry (915) 687-8148

W. Thomas Kellahin KELLAHIN, KELLAHIN & AUBREY P.O. Box 2265 Santa Fe, New Mexico 87504 (505) 982-4285

OPPOSITION OR OTHER PARTY ATTORNEY (name, address, phone and contact person)

#### STATEMENT OF CASE

## APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Marathon Oil Company seeks authority to institute a waterflood project on its McDonald State A/C 2 Lease underlying the E/2, SE/4NW/4, and SW/4 of Section 16, T22S, R36E, by the injection of water into the South Eunice Seven Rivers-Queen Pool, through the perforated interval from 3500 feet to 3800 feet in 12 injection wells, each to be drilled at unorthodox locations (five of which could be considered as Lease line injection wells). Further, the applicant seeks authorization to inject water under pressure in said project in excess of the NMOCD guideline of 0.2 psi per foot of depth.

#### OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

## PROPOSED EVIDENCE

## APPLICANT

WITNESSES (name and expertise)	EST.	TIME	EXHIBITS
Eric Carlson (geologist)	30	Min.	4
Scott Bush (PE)	20	Min.	4

# OPPOSITION OR OTHER PARTY

WITNESSES EST. TIME EXHIBITS (name and expertise)

## PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to the hearing)

KELLAHIN, KELLAHIN & AUBREY

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

889/phst315.092

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