

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

**APPLICATION OF MARATHON OIL PERMIAN, LLC  
TO EXTEND THE DRILLING DEADLINE UNDER  
ORDER NO. R-23223 AND ADD ADDITIONAL POOLED  
PARTIES, EDDY COUNTY, NEW MEXICO.**

CASE NO. \_\_\_\_\_  
ORDER NO. R-23223

**APPLICATION**

Marathon Oil Permian, LLC (“Marathon” or “Applicant”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to extend the drilling deadline under compulsory pooling Order No. R-23223 (“Order”) and to add additional mineral interest owners to the pooling order. In support of its application, Marathon states:

1. Division Order No. R-23223, entered on May 22, 2024, in Case No. 24150, created a standard 640-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Marathon as operator of the Unit.
2. Order No. R-23223 further pooled the uncommitted mineral owners in the Bone Spring formation (Cass Draw; Bone Spring [10380]) in the Unit and dedicated the Unit to the proposed initial **Magellan BS Fee #501H** (API No. 30-015-PENDING) and **Magellan BS Fee #502H** (API No. 30-015-PENDING).
3. Applicant requests that Order No. R-23223 be re-opened and amended to allow Applicant additional time to commence drilling the wells under the Order.
4. There is good cause for Applicant’s request for an extension of time to drill. Marathon was recently acquired by ConocoPhillips and necessarily paused its drilling program

pending closing of the acquisition. Now that the acquisition has closed, Marathon requires additional time to drill the wells.

5. Under the Order, Applicant would be required to commence drilling the wells by May 23, 2025, and therefore, asks for the deadline to commence drilling the wells be extended for a year, to May 23, 2026.

6. Applicant has also discovered additional mineral interest owners in the pooled acreage that were not subject to the pooling proceedings giving rise to Order R-23223.

7. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from these additional mineral interest owners.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 8, 2025, and, after notice and hearing as required by law, the Division enter an order extending the time for Marathon to commence drilling the proposed initial wells and add additional pooled parties under the Order.

Respectfully submitted,

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CASE \_\_\_\_\_ : **Application of Marathon Oil Permian, LLC to Amend Order No. R-23223 to Extend the Drilling Deadline and Add Additional Pooled Parties, Eddy County, New Mexico.** Applicant in the above-styled cause seeks a year extension of time for drilling the wells under Order No. R-23223 and to add additional mineral interest owners to the pooling order. Order No. R-23223 in Case No. 24150 pooled uncommitted mineral interest owners in the Bone Spring formation (Cass Draw; Bone Spring [10380]) underlying the S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard 640-acre horizontal well spacing unit is currently dedicated to the proposed initial **Magellan BS Fee #501H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 29, T22S-R27E, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 28, T22S-R27E, and **Magellan BS Fee #502H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 29, T22S-R27E, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 28, T22S-R27E. Said area is located 3.5 miles southeast of Carlsbad, New Mexico.