

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

**APPLICATION OF MARATHON OIL PERMIAN, LLC
FOR APPROVAL OF A NON-STANDARD SPACING
UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 25961

MARATHON’S PRE-HEARING STATEMENT

Marathon Oil Permian, LLC (“MRO” or “Marathon” or “Applicant”), the applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Marathon Oil Permian, LLC
 (“Marathon”)

ATTORNEY

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
Holland & Hart, LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile

APPLICANT’S STATEMENT OF THE CASE

Under **Case No. 25961**, Marathon seeks an order (a) approving a non-standard 634.72-acre, more or less, horizontal well spacing unit in the Bone Spring formation (Culebra Bluff; Bone Spring, South [15011]) underlying the S/2 of Section 12, Township 23 South, Range 28 East, and Lots 3 & 4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 7, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interest owners in this acreage.

MRO seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Valkyrie Fed Com 501H** and **Valkyrie Fed Com 551H** wells, both to be drilled from surface locations in the NE/4 SE/4 (Unit I) of Section 11, T23S-R28E, first take points in the SW/4 SW/4 (Unit M) of Section 12, T23S-R28E, and last take points in the SE/4 SE/4 (Unit P) of irregular Section 7, T23S-R29E; and **Valkyrie Fed Com 502H** and **Valkyrie Fed Com 552H** wells, both to be drilled from surface locations in the NE/4 SE/4 (Unit I) of Section 11, T23S-R28E, first take points in the NW/4 SW/4 (Unit L) of Section 12, T23S-R28E, and last take points in the NE/4 SE/4 (Unit I) of irregular Section 7, T23S-R29E.

Approval of a non-standard unit will allow Applicant to efficiently locate surface facilities for the recovery of oil and gas underlying the subject lands, reduce surface disturbance, lower operating costs and allow for efficient well spacing.

The completed interval for the wells will comply with the statewide oil rules. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject acreage.

APPLICANT’S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Jeff Stout, Landman	Self-Affirmed Statement	Approx. 3
Preston Dupree, Geologist	Self- Affirmed Statement	Approx. 4

PROCEDURAL MATTERS

Marathon intends to present this case by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
Post Office Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421
(505) 983-6043 Facsimile
agrarkin@hollandhart.com
pmvance@hollandhart.com
arstarnes@hollandhart.com

ATTORNEYS FOR MARATHON OIL PERMIAN, LLC

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 564816

QUESTIONS

Operator: MARATHON OIL PERMIAN LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 372098
	Action Number: 564816
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>