

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

NOTICE OF REVISED EXHIBIT

Marathon Oil Permian, LLC (collectively "Marathon"), applicant in above-referenced case, gives notice that it is filing the attached revised exhibit for acceptance into the record.

Revised Exhibit C-2 is an updated pooling exhibit reflecting that Occidental Permian Limited Partnership, owns 100% of the interest in Tract 3.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
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ATTORNEYS FOR MARATHON OIL PERMIAN, LLC

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MARCH 26, 2026**

CASE NO. 25961

*VALKYRIE FED COM 501H, 502H, 551H & 552H
CP & NSP WELLS*

EDDY COUNTY, NEW MEXICO



Marathon Oil®

**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

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 - MRO *Revised* Exhibit C-2: Land Tract Map / Uncommitted Interest Owners
 - MRO Exhibit C-3: NSP Tract Map / Affected Parties
- **MRO Exhibit D:** Self-Affirmed Statement of Preston Dupree, Geologist
 - MRO Exhibit D-1: Locator Map
 - MRO Exhibit D-2: Subsea Structure Map
 - MRO Exhibit D-3: Cross-Section Map
 - MRO Exhibit D-4: Stratigraphic Cross-Section
- **MRO Exhibit E:** Self-Affirmed Statement of Notice
- **MRO Exhibit F:** Affidavit of Publication for the Case

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25961	APPLICANT'S RESPONSE
Date	March 26, 2026
Applicant	Marathon Oil Permian, LLC
Designated Operator & OGRID (affiliation if applicable)	Marathon Oil Permian, LLC [OGRID 372098]
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MARATHON OIL PERMIAN, LLC FOR APPROVAL OF A NON-STANDARD SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Valkyrie Fed Com wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code (Only if NSP is requested):	Culebra Bluff; Bone Spring, South [15011]
Well Location Setback Rules (Only if NSP is Requested):	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	634.72-acre more or less
Building Blocks:	40 acres
Orientation:	Laydown
Description: TRS/County	<p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Marathon Oil Permian, LLC Hearing Date: March 26, 2026 Case No. 25961</p> <p>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</p>
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Non-standard approval requested
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

Well #1	Valkyrie Federal Com 501H (API No. Pending) SHL: 2,376' FSL & 537' FEL (Unit I) of Section 11 BHL: 670' FSL & 50' FEL (Unit P) of irregular Section 7 Completion Target: Bone Spring formation Well Orientation: Laydown Completion Location expected to be: Standard
Well #2	Valkyrie Federal Com 502H (API No. Pending) SHL: 2,460' FSL & 569' FEL (Unit I) of Section 11 BHL: 1,990' FSL & 50' FEL (Unit I) of irregular Section 7 Completion Target: Bone Spring formation Well Orientation: Laydown Completion Location expected to be: Standard
Well #3	Valkyrie Federal Com 551H (API No. Pending) SHL: 2,348' FSL & 526' FEL (Unit I) of Section 11 BHL: 330' FSL & 50' FEL (Unit P) of irregular Section 7 Completion Target: Bone Spring formation Well Orientation: Laydown Completion Location expected to be: Standard
Well #4	Valkyrie Federal Com 552H (API No. Pending) SHL: 2,432' FSL & 558' FEL (Unit I) of Section 11 BHL: 1,740' FSL & 50' FEL (Unit I) of irregular Section 7 Completion Target: Bone Spring formation Well Orientation: Laydown Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2

If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit C-2 and C-3
Pooled Parties (including ownership type)	Exhibit C-2
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	N/A
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-4
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	03/17/26

**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

APPLICATION

Marathon Oil Permian, LLC (“Marathon” or “Applicant”) (OGRID No. 372098), through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (a) approving a non-standard 634.72-acre, more or less, horizontal well spacing unit in the Bone Spring formation 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. In support of this application, Marathon states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant 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-

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Marathon Oil Permian, LLC
Hearing Date: March 26, 2026
Case No. 25961

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.

3. 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.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

5. Approval of this non-standard horizontal well spacing unit and the pooling of interests therein will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 5, 2026, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the proposed non-standard horizontal well spacing unit and pooling the uncommitted interest owners therein;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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ATTORNEYS FOR MARATHON OIL PERMIAN, LLC

CASE _____: **Application of Marathon Oil Permian, LLC for Approval of a Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order (a) approving a non-standard 634.72-acre, more or less, horizontal well spacing unit in the Bone Spring formation 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. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the **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. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 4 miles northeast of Loving, New Mexico.

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

SELF-AFFIRMED STATEMENT OF JEFF STOUT

1. My name is Jeff Stout, and I am a Landman with Marathon Oil Permian, LLC (“MRO” or “Marathon”).

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. I am familiar with the application filed by MRO in this case and the status of the lands in the subject area.

4. In **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 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.

5. 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.

6. 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

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Marathon Oil Permian, LLC
Hearing Date: March 26, 2026
Case No. 25961

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.

7. **MRO Exhibit C-1** contains C-102s for each of the proposed wells. This form demonstrates that the completed interval for the wells will comply with the statewide oil rules. The wells are dedicated to the Culebra Bluff; Bone Spring, South [15011].

8. **MRO Exhibit C-2** identifies the tracts of land comprising the proposed spacing unit, the ownership interests in each tract, ownership interests on a spacing unit basis, and the commitment status (unhighlighted means committed and unhighlighted means uncommitted) and type (noted as CA, JOA or CA ratification) for each interest owner. The subject area consists of federal acreage. MRO has reached voluntary agreement with all of the working interest owners and is seeking to pool the overriding royalty interests highlighted in yellow.

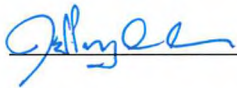
9. Because the interest MRO seeks to pool is a non-cost bearing interest, MRO is not requesting to assess a proportionate share of costs, risk charges, or overhead and administrative costs for drilling and producing the proposed wells.

10. MRO has provided the law firm of Holland & Hart LLP with the names and addresses of the parties MRO seeks to pool. In providing names and addresses, MRO has examined the county records, conducted computer searches and engaged in other good faith efforts to locate the most recent addresses for all of the parties that it seeks to pool.

11. **MRO Exhibit C-3** is a plat identifying the tracts that adjoin the proposed non-standard spacing unit and a list of the affected parties in those tracts. I instructed the law firm of Holland & Hart, LLP to provide notice of this hearing to these additional affected parties. A sample copy of the notice, and mailing report, is included in Exhibit E.

12. **MRO Exhibit C-1 through C-3** were either prepared by me or compiled under my direction and supervision.

13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Jeff Stout

3/18/2026

Date

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024 Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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WELL LOCATION INFORMATION

API Number 30-015-57022	Pool Code 15011	Pool Name Culebra Bluff; Bone Spring, South
Property Code 337450	Property Name VALKYRIE FED COM	
OGRID No. 372098	Operator Name MARATHON OIL PERMIAN LLC	Well Number 501H
Ground Level Elevation 2,992'		
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,376' FSL	537' FEL	32.319393°	-104.051172°	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	7	23S	29E		670' FSL	50' FEL	32.314220°	-104.015508°	EDDY

Dedicated Acres 634.72	Infill or Defining Well Defining	Defining Well API 30-015-57022	Overlapping Spacing Unit (Y/N)	Consolidation Code Com
Order Numbers.			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,376' FSL	537' FEL	32.319393°	-104.051172°	EDDY


First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	12	23S	28E		670' FSL	100' FWL	32.314702°	-104.049168°	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	7	23S	29E		670' FSL	100' FEL	32.314225°	-104.015670°	EDDY

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</p>	<p>SURVEYOR CERTIFICATIONS</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <div style="text-align: center;">  <p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-1 Submitted by: Marathon Oil Permian, LLC Hearing Date: March 26, 2026 Case No. 25961</p> <p>Date: 1/15/2026</p> </div>			
Signature <i>Stan Wagner</i>	Date 1/20/26	Signature and Seal of Professional Surveyor		
Printed Name Stan Wagner	Email Address	Certificate Number 12177	Date of Survey 1/15/2026	Revision Number 1

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
		Submittal Type:
	<input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled	

WELL LOCATION INFORMATION

API Number 30-015-57023	Pool Code 15011	Pool Name Culebra Bluff; Bone Spring, South
Property Code 337450	Property Name VALKYRIE FED COM	
OGRID No. 372098	Operator Name MARATHON OIL PERMIAN LLC	
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,460' FSL	569' FEL	32.319624°	-104.051273°	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	7	23S	29E		1,990' FSL	50' FEL	32.317854°	-104.015664°	EDDY

Dedicated Acres 634.72	Infill or Defining Well Defining	Defining Well API 30-015-57023	Overlapping Spacing Unit (Y/N)	Consolidation Code Com
Order Numbers.			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,460' FSL	569' FEL	32.319624°	-104.051273°	EDDY

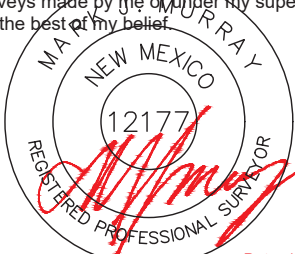
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
L	12	23S	28E		1,990' FSL	100' FWL	32.318330°	-104.049123°	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	7	23S	29E		1,990' FSL	100' FEL	32.317859°	-104.015826°	EDDY

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</p>	<p>SURVEYOR CERTIFICATIONS</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <div style="text-align: center;">  <p>Date: 1/15/2026</p> </div>			
Signature <i>Stan Wagner</i>	Date 1/20/26	Signature and Seal of Professional Surveyor		
Printed Name Stan Wagner	Email Address	Certificate Number 12177	Date of Survey 1/15/2026	Revision Number 1

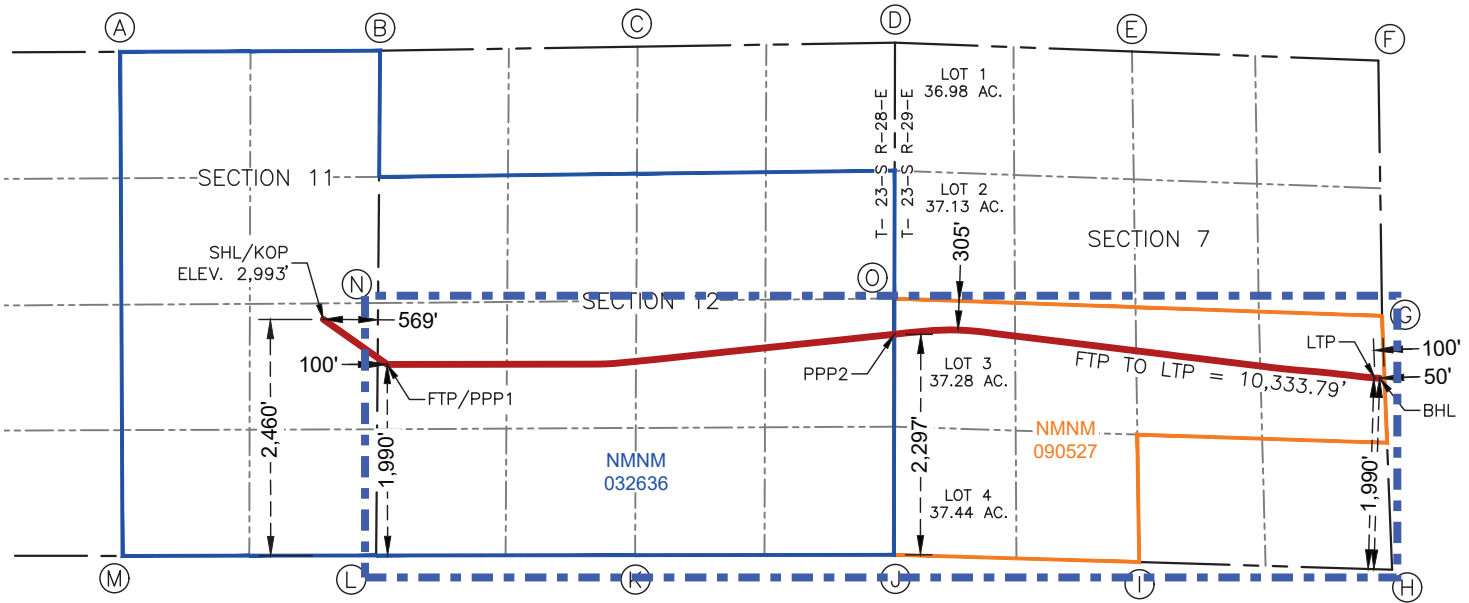
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

VALKYRIE FED COM 502H



SURFACE HOLE LOCATION & KICK-OFF POINT
 2,460' FSL & 569' FEL
 ELEV.=2,993'

NAD 83 X = 628,468.40'
 NAD 83 Y = 480,126.16'
 NAD 83 LAT = 32.319624°
 NAD 83 LONG = -104.051273°

FIRST TAKE POINT & PENETRATION POINT 1
 1,990' FSL & 100' FWL

NAD 83 X = 629,133.73'
 NAD 83 Y = 479,657.26'
 NAD 83 LAT = 32.318330°
 NAD 83 LONG = -104.049123°

PENETRATION POINT 2
 2,297' FSL & 0' FWL

NAD 83 X = 634,414.65'
 NAD 83 Y = 479,971.14'
 NAD 83 LAT = 32.319153°
 NAD 83 LONG = -104.032025°

LAST TAKE POINT
 1,990' FSL & 100' FEL

NAD 83 X = 639,420.20'
 NAD 83 Y = 479,514.67'
 NAD 83 LAT = 32.317859°
 NAD 83 LONG = -104.015826°

BOTTOM HOLE LOCATION
 1,990' FSL & 50' FEL

NAD 83 X = 639,470.30'
 NAD 83 Y = 479,512.89'
 NAD 83 LAT = 32.317854°
 NAD 83 LONG = -104.015664°

**CORNER COORDINATES
 NEW MEXICO EAST - NAD 83**

A	N:482,913.27' E:626,359.83'
B	N:482,925.02' E:629,059.50'
C	N:482,966.63' E:631,741.28'
D	N:483,007.92' E:634,422.58'
E	N:482,916.72' E:636,890.24'
F	N:482,821.70' E:639,456.31'
G	N:480,162.43' E:639,494.75'
H	N:477,518.50' E:639,598.93'
I	N:477,598.98' E:636,964.45'
J	N:477,674.42' E:634,409.91'
K	N:477,670.11' E:631,715.39'
L	N:477,667.13' E:629,018.02'
M	N:477,662.44' E:626,376.12'
N	N:480,296.05' E:629,041.43'
O	N:480,343.16' E:634,418.08'

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION INFORMATION

API Number 30-015-	Pool Code 15011	Pool Name Culebra Bluff; Bone Spring, South
Property Code 337450	Property Name VALKYRIE FED COM	Well Number 551H
OGRID No. 372098	Operator Name MARATHON OIL PERMIAN LLC	Ground Level Elevation 2,992'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,348' FSL	526' FEL	32.319316°	-104.051137°	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	7	23S	29E		330' FSL	50' FEL	32.313284°	-104.015468°	EDDY

Dedicated Acres 634.72	Infill or Defining Well Infill	Defining Well API 30-015-57022	Overlapping Spacing Unit (Y/N)	Consolidation Code Com
Order Numbers.			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,348' FSL	526' FEL	32.319316°	-104.051137°	EDDY

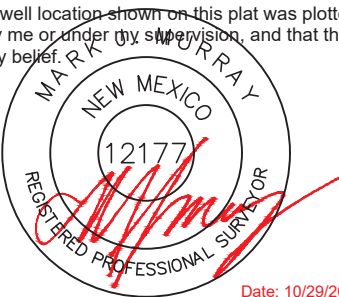
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
M	12	23S	28E		330' FSL	100' FWL	32.313767°	-104.049180°	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
P	7	23S	29E		330' FSL	100' FEL	32.313288°	-104.015630°	EDDY

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 2,992'
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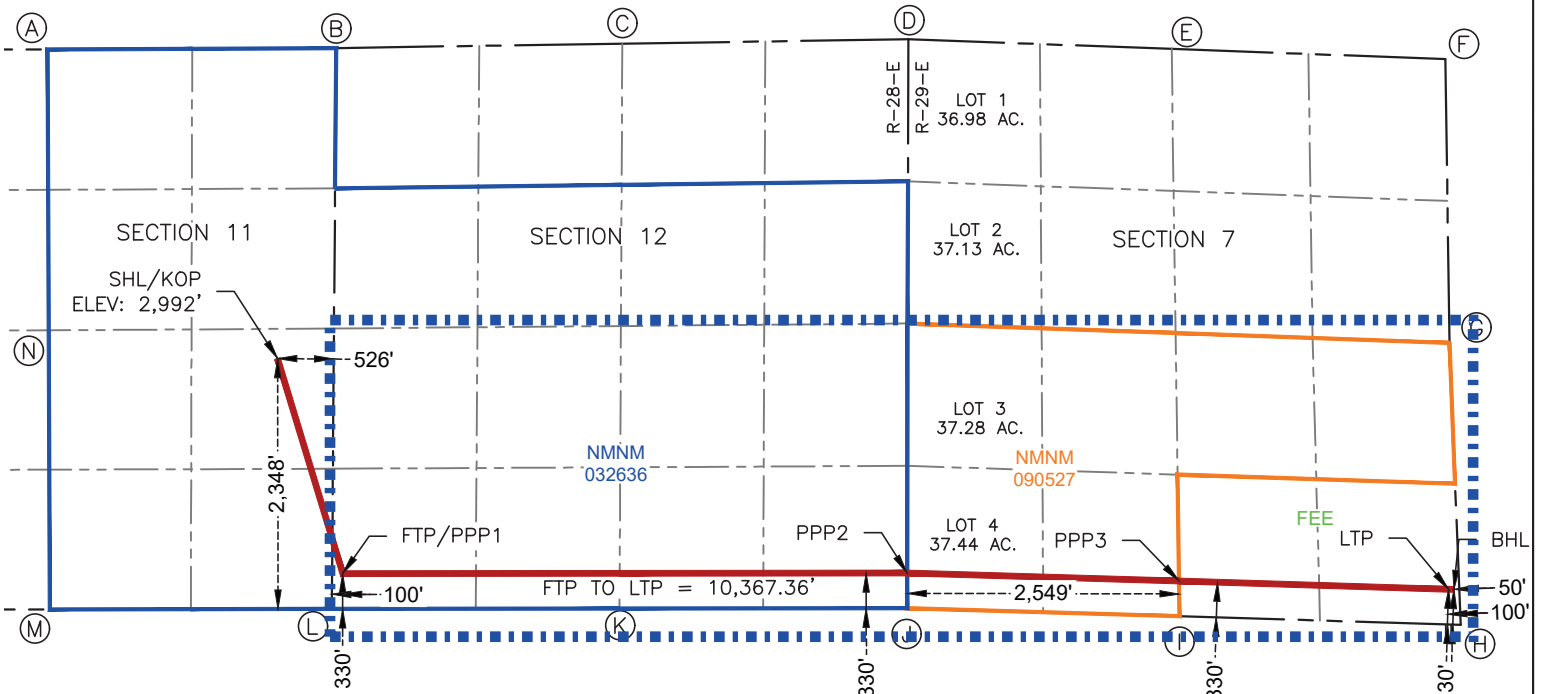
<p>OPERATOR CERTIFICATIONS</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</p>	<p>SURVEYOR CERTIFICATIONS</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <div style="text-align: center;">  <p>Date: 10/29/2025</p> </div>			
Signature <i>Stan Wagner</i>	Date 12/03/25	Signature and Seal of Professional Surveyor		
Printed Name Stan Wagner	Email Address	Certificate Number 12177	Date of Survey 10/29/2025	Revision Number 0

Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



VALKYRIE FED COM 551H

SURFACE HOLE LOCATION & KICK-OFF POINT
 2,348' FSL & 526' FEL
 ELEV. = 2,992'
 NAD 83 X = 628,510.52'
 NAD 83 Y = 480,014.23'
 NAD 83 LAT = 32.319316°
 NAD 83 LONG = -104.051137°

FIRST TAKE POINT & PENETRATION POINT 1
 330' FSL & 100' FWL
 NAD 83 X = 629,120.63'
 NAD 83 Y = 477,997.24'
 NAD 83 LAT = 32.313767°
 NAD 83 LONG = -104.049180°

PENETRATION POINT 2
 330' FSL & 0' FEL
 NAD 83 X = 634,410.59'
 NAD 83 Y = 478,004.42'
 NAD 83 LAT = 32.313747°
 NAD 83 LONG = -104.032056°

PENETRATION POINT 3
 330' FSL & 2,549' FWL
 NAD 83 X = 636,959.84'
 NAD 83 Y = 477,928.95'
 NAD 83 LAT = 32.313520°
 NAD 83 LONG = -104.023805°

LAST TAKE POINT
 330' FSL & 100' FEL
 NAD 83 X = 639,485.70'
 NAD 83 Y = 477,852.11'
 NAD 83 LAT = 32.313288°
 NAD 83 LONG = -104.015630°

BOTTOM HOLE LOCATION
 330' FSL & 50' FEL
 NAD 83 X = 639,535.80'
 NAD 83 Y = 477,850.58'
 NAD 83 LAT = 32.313284°
 NAD 83 LONG = -104.015468°

CORNER COORDINATES NEW MEXICO EAST - NAD 83	
POINT	NORTHING/EASTING
A	N:482,913.27' E:626,359.83'
B	N:482,925.02' E:629,059.50'
C	N:482,966.63' E:631,741.28'
D	N:483,007.92' E:634,422.58'
E	N:482,916.72' E:636,890.24'
F	N:482,821.70' E:639,456.31'
G	N:480,162.43' E:639,494.75'
H	N:477,518.50' E:639,598.93'
I	N:477,598.98' E:636,964.45'
J	N:477,674.42' E:634,409.91'
K	N:477,670.11' E:631,715.39'
L	N:477,667.13' E:629,018.02'
M	N:477,662.44' E:626,376.12'
N	N:480,279.05' E:626,368.00'

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024			
		Submittal Type: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input type="checkbox"/> Initial Submittal</td> </tr> <tr> <td><input checked="" type="checkbox"/> Amended Report</td> </tr> <tr> <td><input type="checkbox"/> As Drilled</td> </tr> </table>	<input type="checkbox"/> Initial Submittal	<input checked="" type="checkbox"/> Amended Report	<input type="checkbox"/> As Drilled
<input type="checkbox"/> Initial Submittal					
<input checked="" type="checkbox"/> Amended Report					
<input type="checkbox"/> As Drilled					

WELL LOCATION INFORMATION

API Number 30-015-57025	Pool Code 15011	Pool Name Culebra Bluff; Bone Spring; South
Property Code 337450	Property Name VALKYRIE FED COM	
OGRID No. 372098	Operator Name MARATHON OIL PERMIAN LLC	Well Number 552H
Ground Level Elevation 2,993'		
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,432' FSL	558' FEL	32.319547°	-104.051238°	EDDY

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	7	23S	29E		1,740' FSL	50' FEL	32.317167°	-104.015634°	EDDY

Dedicated Acres 634.72	Infill or Defining Well Infill	Defining Well API 30-015-57023	Overlapping Spacing Unit (Y/N)	Consolidation Code Com
Order Numbers.			Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	11	23S	28E		2,432' FSL	558' FEL	32.319547°	-104.051238°	EDDY


First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
L	12	23S	28E		1,740' FSL	100' FWL	32.317643°	-104.049132°	EDDY

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
I	7	23S	29E		1,740' FSL	100' FEL	32.317171°	-104.015796°	EDDY

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p>OPERATOR CERTIFICATIONS</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</p>	<p>SURVEYOR CERTIFICATIONS</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <div style="text-align: center;">  <p>Date: 1/15/2026</p> </div>			
Signature <i>Stan Wagner</i>	Date 1/20/26	Signature and Seal of Professional Surveyor		
Printed Name Stan Wagner	Email Address	Certificate Number 12177	Date of Survey 1/15/2026	Revision Number 1

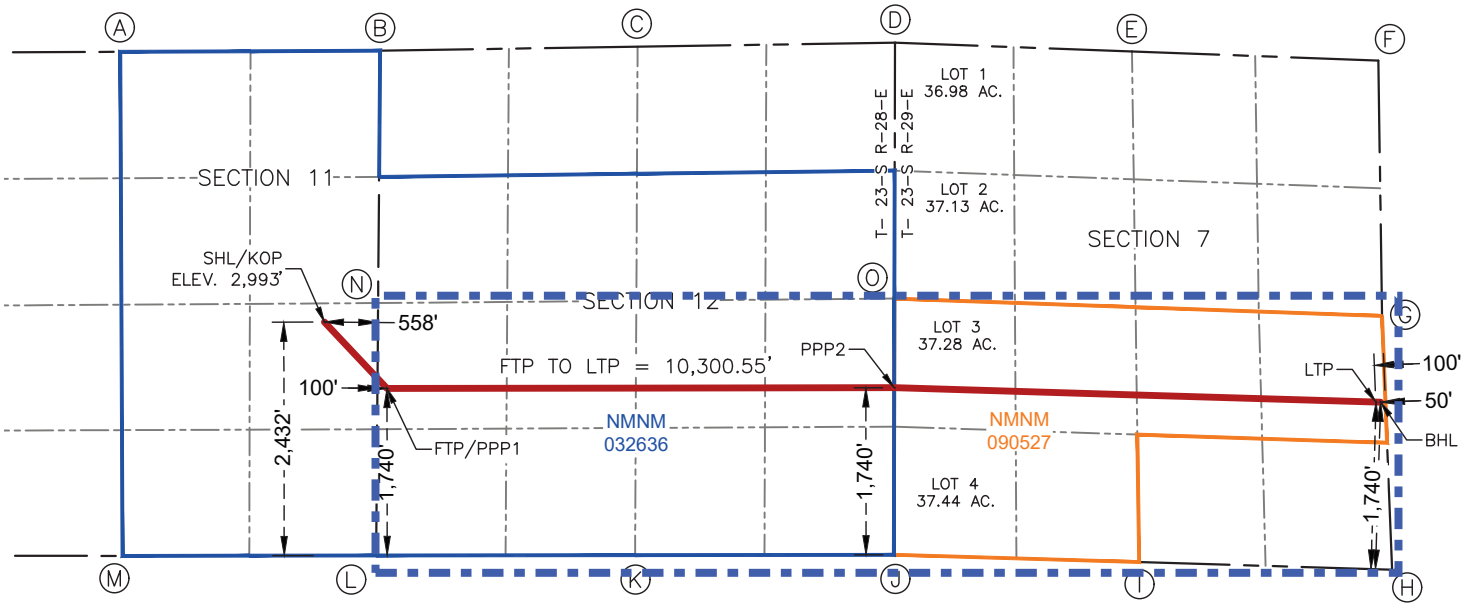
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

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VALKYRIE FED COM 552H



**SURFACE HOLE LOCATION
& KICK-OFF POINT**
2,432' FSL & 558' FEL
ELEV.=2,993'

NAD 83 X = 628,479.18'
NAD 83 Y = 480,098.17'
NAD 83 LAT = 32.319547°
NAD 83 LONG = -104.051238°

**FIRST TAKE POINT &
PENETRATION POINT 1**
1,740' FSL & 100' FWL

NAD 83 X = 629,131.75'
NAD 83 Y = 479,407.25'
NAD 83 LAT = 32.317643°
NAD 83 LONG = -104.049132°

PENETRATION POINT 2
1,740' FSL & 0' FWL

NAD 83 X = 634,413.50'
NAD 83 Y = 479,414.42'
NAD 83 LAT = 32.317623°
NAD 83 LONG = -104.032034°

LAST TAKE POINT
1,740' FSL & 100' FEL

NAD 83 X = 639,430.05'
NAD 83 Y = 479,264.47'
NAD 83 LAT = 32.317171°
NAD 83 LONG = -104.015796°

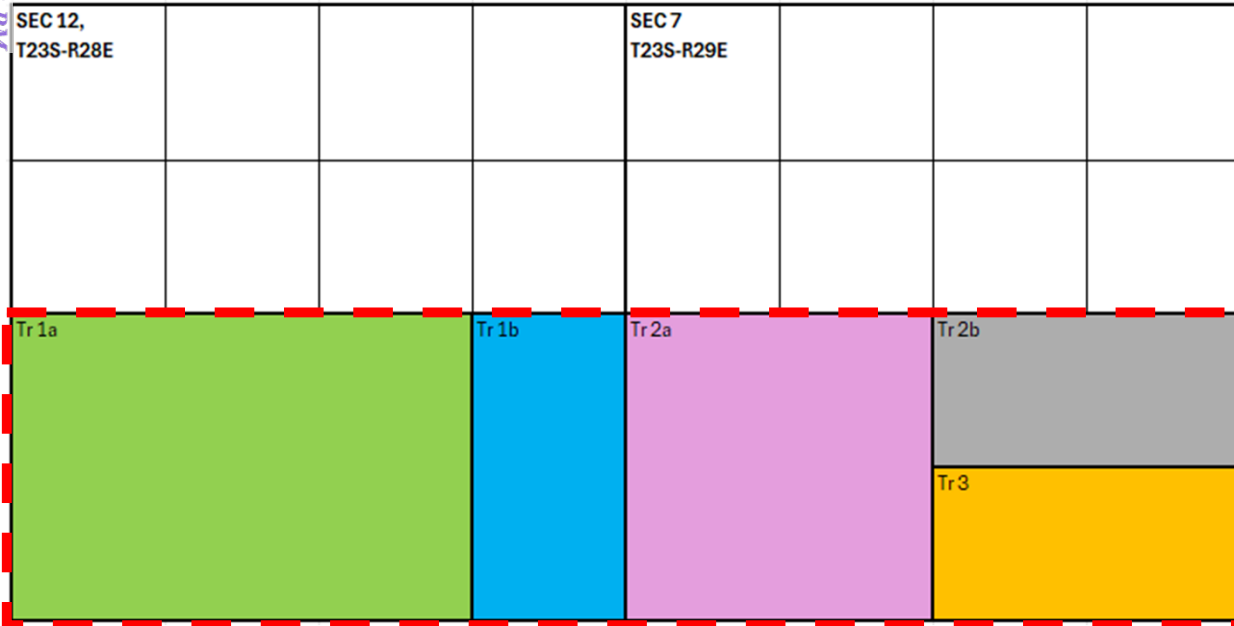
BOTTOM HOLE LOCATION
1,740' FSL & 50' FEL







NAD 83 X = 639,480.15'
NAD 83 Y = 479,262.94'
NAD 83 LAT = 32.317167°
NAD 83 LONG = -104.015634°

CORNER COORDINATES NEW MEXICO EAST - NAD 83	
A	N:482,913.27' E:626,359.83'
B	N:482,925.02' E:629,059.50'
C	N:482,966.63' E:631,741.28'
D	N:483,007.92' E:634,422.58'
E	N:482,916.72' E:636,890.24'
F	N:482,821.70' E:639,456.31'
G	N:480,162.43' E:639,494.75'
H	N:477,518.50' E:639,598.93'
I	N:477,598.98' E:636,964.45'
J	N:477,674.42' E:634,409.91'
K	N:477,670.11' E:631,715.39'
L	N:477,667.13' E:629,018.02'
M	N:477,662.44' E:626,376.12'
N	N:480,296.05' E:629,041.43'
O	N:480,343.16' E:634,418.08'

Valkyrie Fed Com – Bone Spring

S2 Section 12, T23S-R28E, & S2 Section 7, T23S-R29E, Eddy County, NM



-  Tr 1a – SW4 & W2 SE4 Section 12
Federal Lease NMNM 032636
-  Tr 1b – E2 SE4 Section 12
Federal Lease NMNM 032636
-  TR 2a – SW4 Section 7
Federal Lease NMNM 090527
-  Tr 2b – N2 SE4 Section 7
Federal Lease NMNM 090527
-  Tr 3 – S2 SE4 Section 7
Fee Lease
-  Bone Spring Spacing
Unit – 634.72 Acres
(501H, 502H, 551H, 552H)

Valkyrie Fed Com – Bone Spring

S2 Section 12, T23S-R28E, & S2 Section 7, T23S-R29E, Eddy County, NM



SEC 12, T23S-R28E				SEC 7 T23S-R29E			
Tr 1a				Tr 1b	Tr 2a		Tr 2b
							Tr 3

Tract 1a Ownership		
Record Title	Occidental Permian, LLC (CA)	100.000000%
Operating Rights/Working Interest	Marathon Oil Permian LLC (JOA)	100.000000%
Overriding Royalty Interest	Pegasus Resources, LLC (CA Rat)	3.833333%
	Charmar, LLC (CA Rat)	2.125000%
	Winston Resources, LLC (CA Rat)	2.083333%
	Kenneth Ray Reynolds	0.781250%
	Wing Resources VI, LLC (CA Rat)	0.781250%
	Charles Randall Hicks (CA Rat)	1.562500%
	Vikki L. Hicks (CA Rat)	0.500000%
	MSH Family Real Estate Partnership II, LLC (CA Rat)	0.047619%
	SMP Sidecar Titan Mineral Holdings LP (CA Rat)	0.166667%
	SMP Titan Flex LP (CA Rat)	0.023810%
	SMP Titan Mineral Holdings LP (CA Rat)	0.095238%
	Terri L. Simpson (CA Rat)	0.250000%
	John D. Hamiga (CA Rat)	0.250000%

All Highlighted Parties Are To Be Pooled

- (CA) Signed Communitization Agreement
- (JOA) Signed Joint Operating Agreement
- (CA Rat) Signed Communitization Agreement Ratification

Valkyrie Fed Com – Bone Spring

S2 Section 12, T23S-R28E, & S2 Section 7, T23S-R29E, Eddy County, NM



C 12, T23S-R28E		SEC 7 T23S-R29E	
Tr 1a	Tr 1b	Tr 2a	Tr 2b
			Tr 3

Tract 1b Ownership		
Record Title	Occidental Permian, LLC (CA)	100.000000%
Operating Rights/Working Interest	Marathon Oil Permian LLC (JOA)	87.500000%
	Mark L. Shidler, Inc. (JOA)	12.500000%
Overriding Royalty Interest	Pegasus Resources, LLC (CA Rat)	3.833333%
	Charmar, LLC (CA Rat)	2.125000%
	Winston Resources, LLC (CA Rat)	2.083333%
	Kenneth Ray Reynolds	0.781250%
	Wing Resources VI, LLC (CA Rat)	0.781250%
	Charles Randall Hicks (CA Rat)	1.562500%
	Vikki L. Hicks (CA Rat)	0.500000%
	MSH Family Real Estate Partnership II, LLC (CA Rat)	0.047619%
	SMP Sidecar Titan Mineral Holdings LP (CA Rat)	0.166667%
	SMP Titan Flex LP (CA Rat)	0.023810%
	SMP Titan Mineral Holdings LP (CA Rat)	0.095238%
	Terri L. Simpson (CA Rat)	0.250000%
	John D. Hamiga (CA Rat)	0.250000%

All Highlighted Parties Are To Be Pooled

(CA) Signed Communitization Agreement
 (JOA) Signed Joint Operating Agreement
 (CA Rat) Signed Communitization Agreement Ratification

Valkyrie Fed Com – Bone Spring

S2 Section 12, T23S-R28E, & S2 Section 7, T23S-R29E, Eddy County, NM



SEC 12, T23S-R28E				SEC 7 T23S-R29E			
Tr 1a				Tr 1b	Tr 2a		Tr 2b
							Tr 3

Tract 2a Ownership		
Record Title	Devon Energy Production Company, LP (CA)	100.000000%
Operating Rights/Working Interest	Marathon Oil Permian LLC (JOA)	87.500000%
	Westall Oil and Gas, L.L.C. (JOA)	12.500000%
Overriding Royalty Interest	Devon Energy Production Company, LP (CA)	2.500000%
	Civitas DE Basin Minerals LP	6.312500%
	C&W Acquisition LLC (CA Rat)	0.562500%
	Hardrock Exploration LLC	0.187500%
	Curtis A. Anderaso & Edna I Anderson, Trustees of the Edna and Curtis Anderson Revocable Trust dtd August 31, 2021	0.750000%

All Highlighted Parties Are To Be Pooled

- (CA) Signed Communitization Agreement
- (JOA) Signed Joint Operating Agreement
- (CA Rat) Signed Communitization Agreement Ratification

Valkyrie Fed Com – Bone Spring

S2 Section 12, T23S-R28E, & S2 Section 7, T23S-R29E, Eddy County, NM



SEC 12, T23S-R28E		SEC 7 T23S-R29E	
Tr 1a		Tr 1b	Tr 2a
			Tr 2b
			Tr 3

Tract 2b Ownership		
Record Title	Devon Energy Production Company, LP (CA)	100.000000%
Operating Rights/Working Interest	Marathon Oil Permian LLC (JOA)	87.500000%
	Westall Oil and Gas, L.L.C. (JOA)	12.500000%
Overriding Royalty Interest	WPX Energy Permian, LLC (CA Rat)	4.250000%
	Devon Energy Production Company, LP (CA Rat)	2.500000%
	Civitas DE Basin Minerals LP	1.562500%
	C&W Acquisition LLC (CA Rat)	0.562500%
	Hardrock Exploration LLC	0.187500%
	Curtis A. Anderson & Edna I Anderson, Trustees of the Edna and Curtis Anderson Revocable Trust dtd August 31, 2021	0.750000%

All Highlighted Parties Are To Be Pooled

- (CA) Signed Communitization Agreement
- (JOA) Signed Joint Operating Agreement
- (CA Rat) Signed Communitization Agreement Ratification



Valkyrie Fed Com – Bone Spring

S2 Section 12, T23S-R28E, & S2 Section 7, T23S-R29E, Eddy County, NM

SEC 12, T23S-R28E				SEC 7 T23S-R29E			
Tr 1a				Tr 1b	Tr 2a		Tr 2b
							Tr 3

Tract 3 Ownership		
Record Title	N/A - Fee Lease	
Operating Rights/Working Interest	Occidental Permian Limited Partnership (JOA)	100.000000%
Overriding Royalty Interest		

(CA) Signed Communitization Agreement
 (JOA) Signed Joint Operating Agreement
 (CA Rat) Signed Communitization Agreement Ratification

Valkyrie Fed Com – Bone Spring

S2 Section 12, T23S-R28E, & S2 Section 7, T23S-R29E, Eddy County, NM



C 12, 3S-R28E		SEC 7 T23S-R29E	
Tr 1a	Tr 1b	Tr 2a	Tr 2b Tr 3

All Highlighted Parties Are To Be Pooled

(CA) Signed Communitization Agreement
(JOA) Signed Joint Operating Agreement
(CA Rat) Signed Communitization Agreement Ratification

Valkyrie Federal Com - Recapitulation		
Record Title		
	Occidental Permian, LLC (CA)	50.415931%
	Devon Energy Production Company, LP (CA)	39.980086%
		90.396017%
Operating Rights/Working Interest	Marathon Oil Permian LLC (JOA)	81.198009%
	Mark L. Shidler, Inc. (JOA)	4.6225110%
	Westall Oil and Gas, L.L.C. (JOA)	1.5754970%
	Occidental Permian Limited Partnership (JOA)	12.6039830%
		100.0000000%
Overriding Royalty Interest	Pegasus Resources, LLC (CA Rat)	1.932611%
	Charmar, LLC (CA Rat)	1.071338%
	Winston Resources, LLC (CA Rat)	1.050332%
	Kenneth Ray Reynolds	0.393874%
	Wing Resources VI, LLC (CA Rat)	0.393874%
	Charles Randall Hicks (CA Rat)	0.787749%
	Vikki L. Hicks (CA Rat)	0.252080%
	MSHF Family Real Estate Partnership II, LLC (CA Rat)	0.024008%
	SMP Sidecar Titan Mineral Holdings LP (CA Rat)	0.084026%
	SMP Titan Flex LP (CA Rat)	0.012004%
	SMP Titan Mineral Holdings LP (CA Rat)	0.048015%
	Terri L. Simpson (CA Rat)	0.126040%
	John D. Hamiga (CA Rat)	0.126040%
	Devon Energy Production Company, LP (CA)	0.924502%
	Civitas DE Basin Minerals LP	1.735679%
	C&W Acquisition LLC (CA Rat)	0.208013%
	Hardrock Exploration LLC	0.069338%
	Curtis A. Anderaso & Edna I Anderson, Trustees of the Edna and Curtis Anderson Revocable Trust dtd August 31, 2021	0.277351%
	WPX Energy Permian, LLC (CA Rat)	0.535669%
		10.052543%

Valkyrie Fed Com – Bone Spring

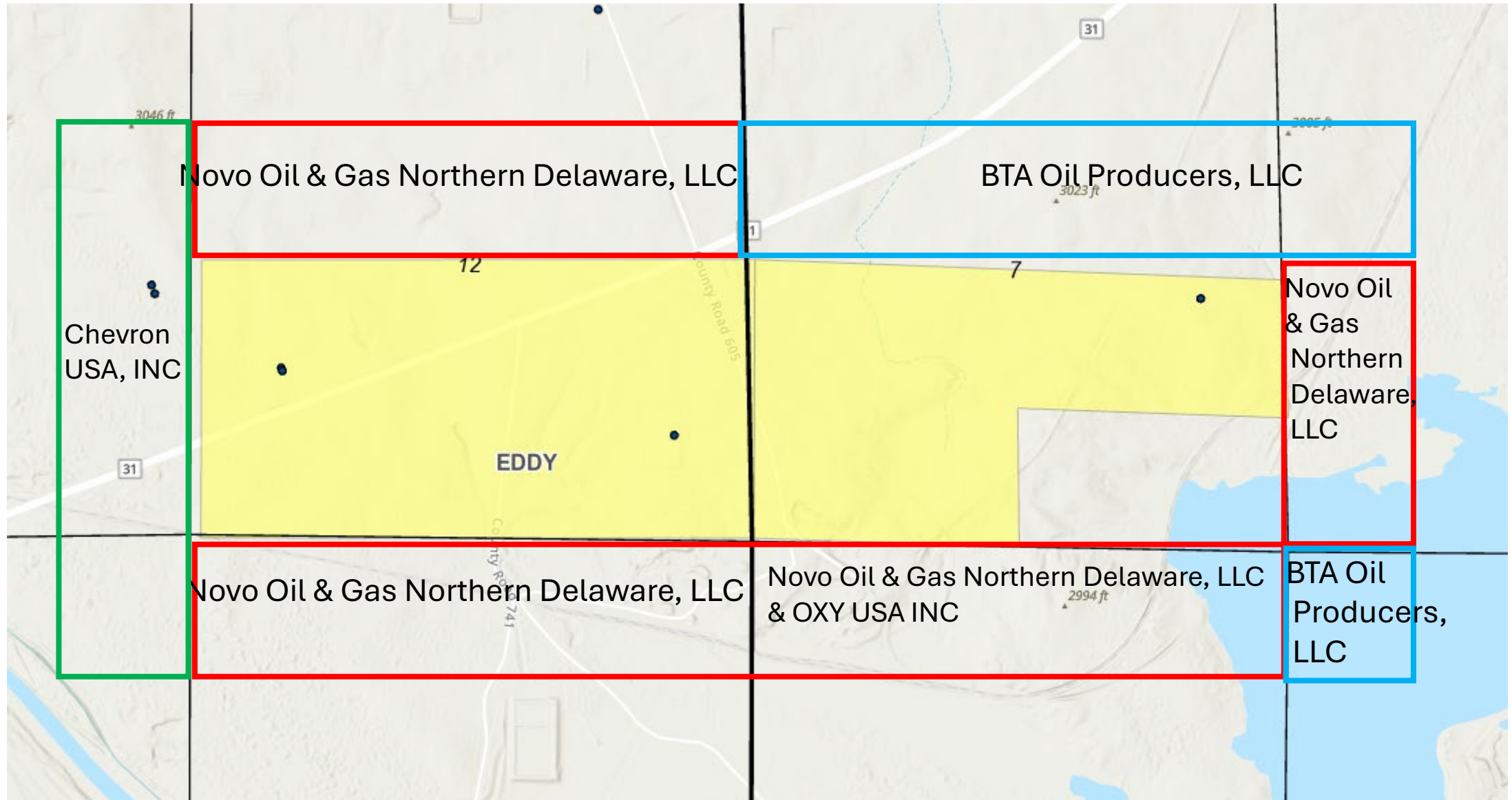
S2 Section 12, T23S-R28E, & S2 Section 7, T23S-R29E, Eddy County, NM



SEC 12, T23S-R28E		SEC 7 T23S-R29E	
Tr 1a	Tr 1b	Tr 2a	Tr 2b
			Tr 3

Valkyrie Federal Com - All Parties To Be Pooled		
Overriding Royalty Interest	Kenneth Ray Reynolds	0.393874%
	Civitas DE Basin Minerals LP	1.735679%
	Hardrock Exploration LLC	0.069338%
	Curtis A. Anderaso & Edna I Anderson, Trustees of the Edna and Curtis Anderson Revocable Trust dtd August 31, 2021	0.277351%

All Highlighted Parties Are To Be Pooled



- Novo Oil & Gas Northern Delaware, LLC
300 N. Marienfeld St., Suite 1000
Midland, Texas 79701
- BTA Oil Producers, LLC
104 S. Pecos
Midland, Texas 79701
- Chevron USA Inc
6301 Deauville Blvd
Midland, Texas 79706
- OXY USA Inc.
P.O. Box 4294
Houston, Texas 77210-4294

**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

SELF-AFFIRMED STATEMENT OF PRESTON DUPREE

1. My name is Preston Dupree, and I am a Geologist with Marathon Oil Permian, LLC (“MRO” or “Marathon”).
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by MRO in this case, and I have conducted a geologic study of the lands in the subject area.
4. MRO is targeting the Second Bone Spring Sand and Third Bone Spring Carbonate intervals of the Bone Spring formation in this case.
5. **MRO Exhibit D-1** is a general locator map showing the location of MRO’s proposed spacing unit outlined in red in relation to the surrounding area. The map shows the approximate wellbore paths of MRO’s planned wells for the Second Bone Spring Sand (shown as red dashed lines) and Third Bone Spring Carbonate (shown as blue dashed lines). This map also shows existing producers in the surrounding sections that are completed in the Bone Spring formation with horizontal wells completed in the Second Bone Spring Sand (solid orange line) and horizontal wells completed in the Third Bone Spring Carbonate (light blue line).

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Marathon Oil Permian, LLC
Hearing Date: March 26, 2026
Case No. 25961

6. **MRO Exhibit D-2** is a subsea structure map that I prepared for the top of the Second Bone Spring Sand interval. The contour intervals are 50 feet and data points to construct the map are indicated as red crosses. The area comprising the proposed spacing unit is outlined in a red line with the approximate wellbore paths of the proposed wells and existing producing wells depicted as described for Exhibit D-1. The structure map shows the targeted formation gently dipping to the east. The structure appears consistent across the proposed spacing unit, and I do not observe any faulting, pinch outs, or other geologic impediments to drilling horizontal wells.

7. **MRO Exhibit D-3** is a cross-section map that identifies three wells penetrating the targeted intervals used to construct a stratigraphic cross-section from A to A'. This cross-section was compiled under my supervision. The well logs included were selected because they penetrate the targeted intervals, are of good quality and have been subjected to petrophysical analysis of the targeted intervals. In my opinion, these well logs are representative of the geology in the subject area.

8. **MRO Exhibit D-4** is a stratigraphic cross-section that I prepared using the logs from the representative wells shown in MRO Exhibit D-3. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the proposed wells is marked on the cross-section with a red bracket for the Second Bone Spring Sand wells and a blue bracket for the Third Bone Spring Carbonate wells. The cross-section demonstrates that the targeted intervals are continuous across the proposed spacing unit.

9. In my opinion, laydown orientation of the proposed wells is the preferred orientation for horizontal well development in this area and is appropriate to develop the subject acreage efficiently and effectively.

10. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores. I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit proposed.

11. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery, and that approving MRO's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **MRO Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.

13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Preston Dupree

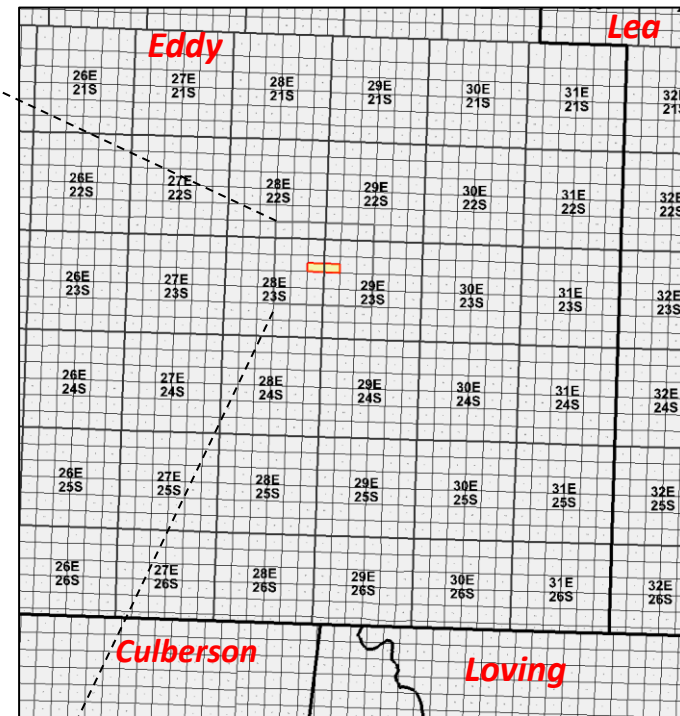
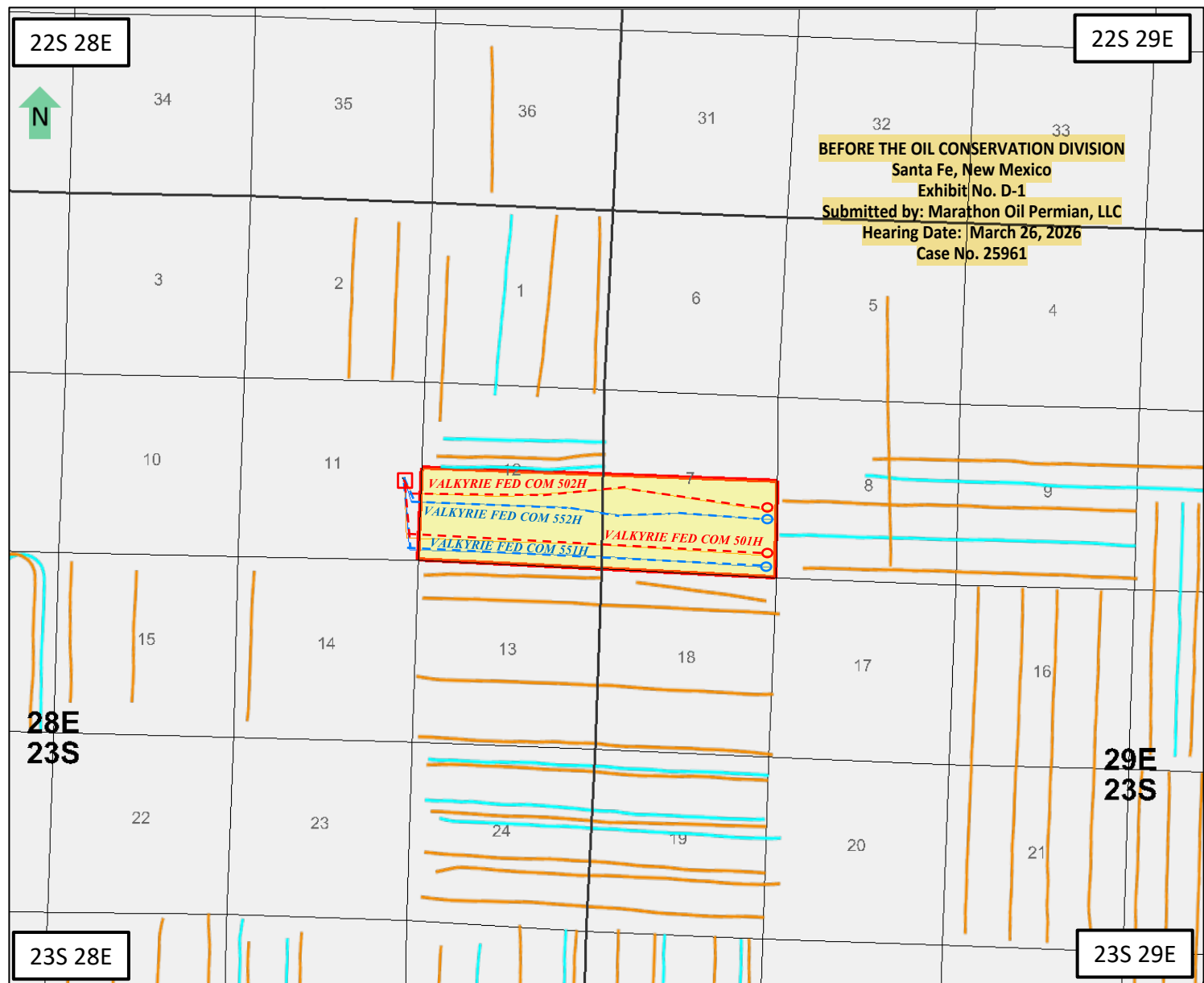
03/17/2026

NAME

Date

(Exhibit D-1) Valkyrie Fed Com – Bone Spring (BSPG) Location Map:

Second Bone Spring Sand 501H, 502H and Third Bone Spring Carbonate 551H, 552H



Map Legend

SHL	Second Bone Spring Sand	SHL	Third Bone Spring Carbonate
BHL	Horizontal Location	BHL	Horizontal Location
	Existing Second Bone Spring Sand Producer		Existing Third Bone Spring Carbonate Producer
	COP Acreage (hMRO)		Spacing Unit

Valkyrie Fed Com— Top of Second Bone Spring Sand (BS2S) Structure Map: Second Bone Spring Sand 501H, 502H and Third Bone Spring Carbonate 551H, 552H

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-2
Submitted by: Marathon Oil Permian, LLC
Hearing Date: March 26, 2026
Case No. 25961

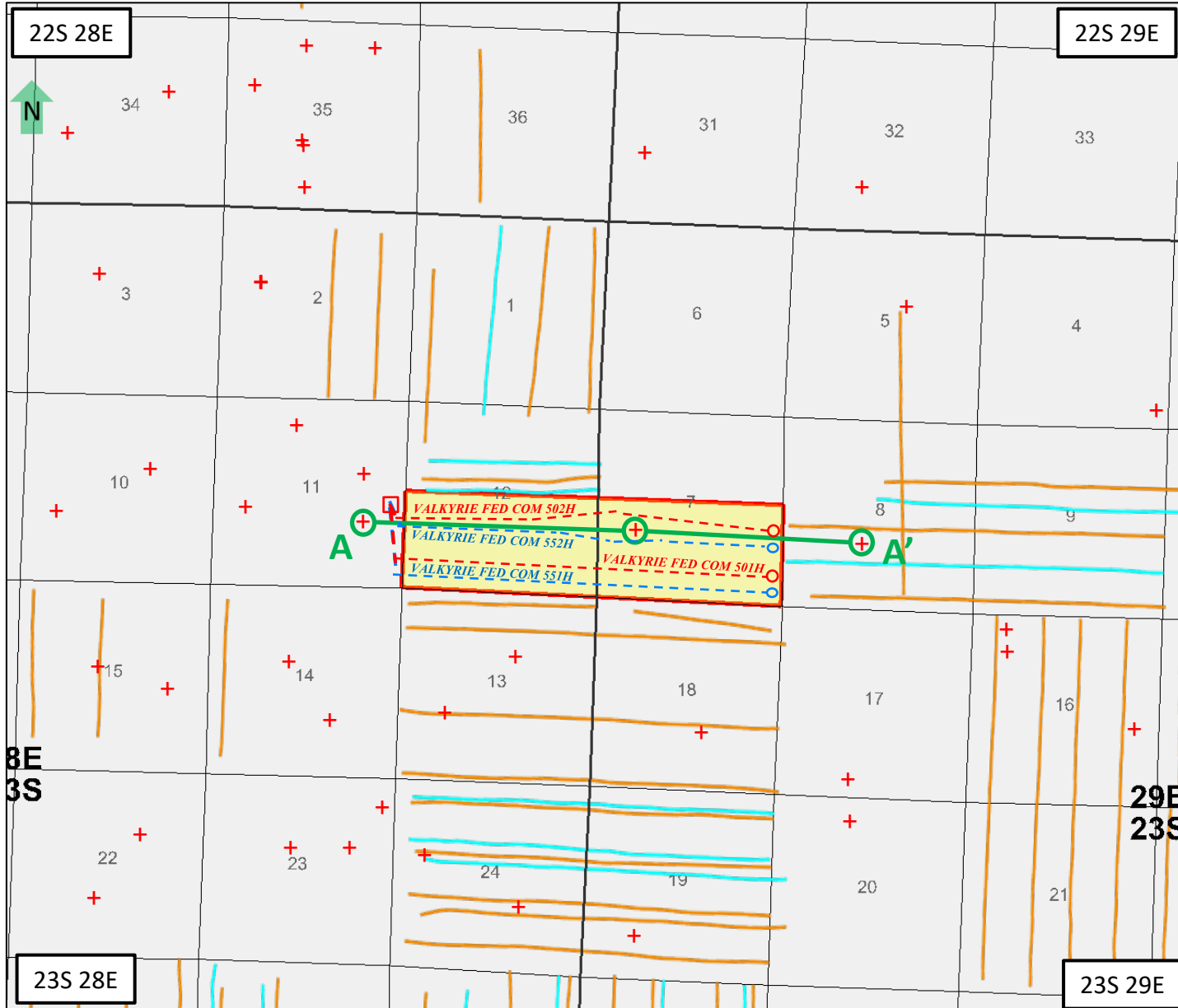


Map Legend

SHL	Second Bone Spring Sand	SHL	Third Bone Spring Carbonate
BHL	Horizontal Location	BHL	Horizontal Location
	Existing Second Bone Spring Sand Producer		Existing Third Bone Spring Carbonate Producer
	Wolfcamp Subsea Structure		
	CI: 50'		
	Structural Data Point		
	COP Acreage (HMRO)		Spacing Unit

(Exhibit D-3) Valkyrie Fed Com – Bone Spring (BSPG) Cross-Section Map: Second Bone Spring Sand 501H, 502H and Third Bone Spring Carbonate 551H, 552H

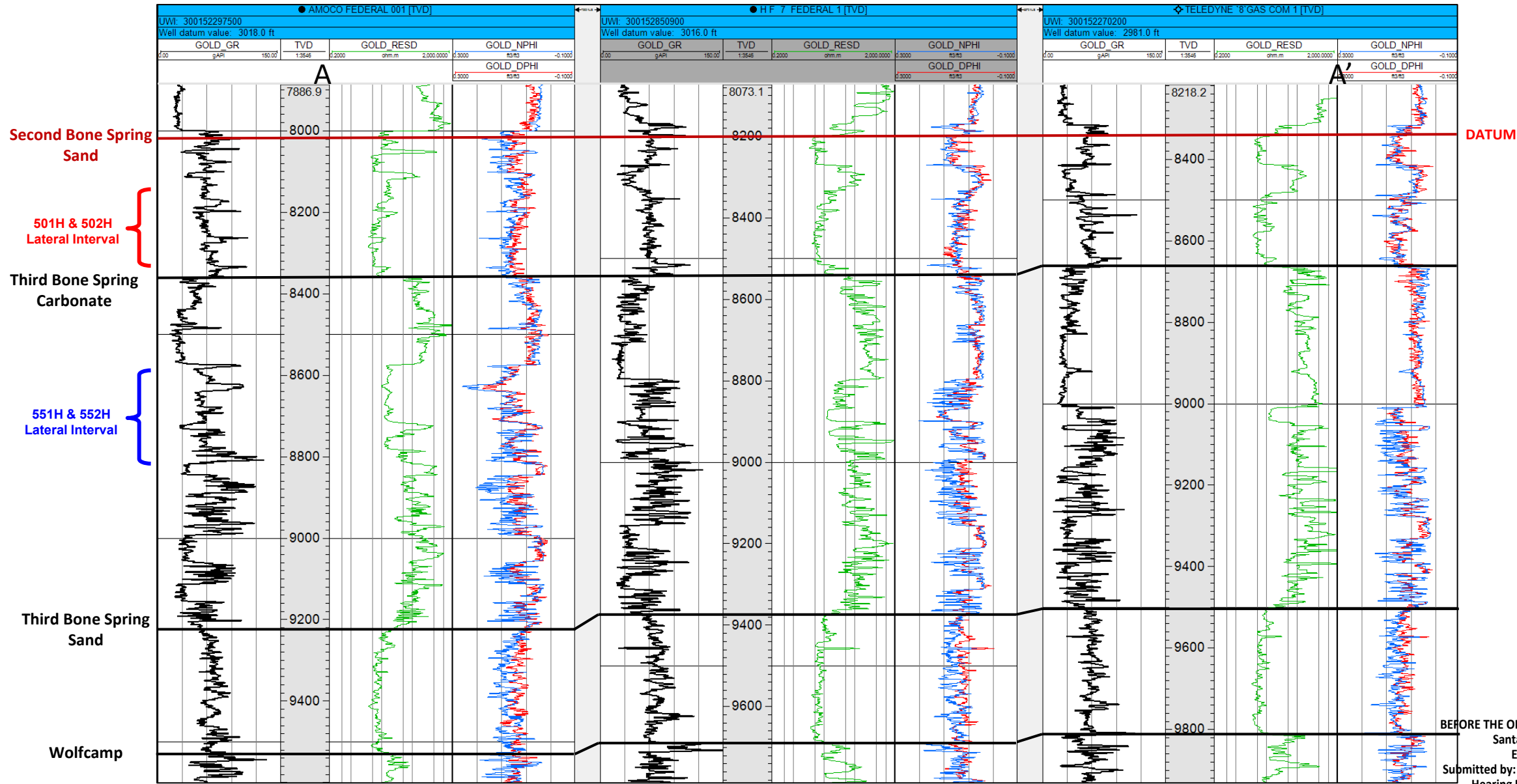
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
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Submitted by: Marathon Oil Permian, LLC
Hearing Date: March 26, 2026
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Map Legend

SHL	Second Bone Spring Sand Horizontal Location	SHL	Third Bone Spring Carbonate Horizontal Location
BHL	Second Bone Spring Sand Horizontal Location	BHL	Third Bone Spring Carbonate Horizontal Location
	Existing Second Bone Spring Sand Producer		Existing Third Bone Spring Carbonate Producer
	Cross Section Line		
	Structural Data Point		
	COP Acreage (hMRO)		Spacing Unit

Stratigraphic Cross Section A – A'



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-4
 Submitted by: Marathon Oil Permian, LLC
 Hearing Date: March 26, 2026
 Case No. 25961

**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

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of Marathon Oil Permian, LLC (“Marathon”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of March 16, 2026.

5. I caused a notice to be published to all parties subject to these proceedings. An affidavit of publication from the publication’s legal clerk with a copy of the notice of publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Marathon Oil Permian, LLC
Hearing Date: March 26, 2026
Case No. 25961**



Paula M. Vance

03/17/26

Date



Paula M. Vance
Associate
Phone (505) 988-4421
Email
pmvance@hollandhart.com

February 13, 2026

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

Re: Application of Marathon Oil Permian, LLC for Approval of a Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico: Valkyrie Fed Com 501H, 502H, 551H, and 552H wells

Ladies & Gentlemen:

This letter is to advise you that Marathon Oil Permian, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on March 5, 2026, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Jeffrey S. Stout at (432) 818-1372 or at jeff.s.stout@conocophillips.com.

Sincerely,

Paula M. Vance
ATTORNEY FOR MARATHON OIL PERMIAN, LLC

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

Marathon - Valkyrie Fed Com 501H, 502H, 551H, 552H CP NSP - Case no. 25961
Postal Delivery Report

9414811898765438901749	BTA Oil Producers, LLC	104 S Pecos St	Midland	TX	79701-5021	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on February 16, 2026 at 11:42 am. The item is currently in transit to the destination.
9414811898765438901787	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Your item was delivered to the front desk, reception area, or mail room at 1:19 pm on February 17, 2026 in CARLSBAD, NM 88220.
9414811898765438901770	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your item was delivered to the front desk, reception area, or mail room at 2:44 pm on February 17, 2026 in SANTA FE, NM 87508.
9414811898765438901916	Chevron USA Inc	6301 Deauville Attn Land Dept	Midland	TX	79706-2964	Your item was delivered to an individual at the address at 10:26 am on February 20, 2026 in MIDLAND, TX 79706.
9414811898765438901954	Civitas De Basin Minerals LP	555 17th St Ste 3700	Denver	CO	80202-3906	Your item arrived at our USPS facility in DENVER CO DISTRIBUTION CENTER on February 13, 2026 at 10:15 pm. The item is currently in transit to the destination.
9414811898765438901961	Curtis A Anderson & Edna I Anderson, Trustees Of The Edna & Curtis Anderson Rev Trust Dtd 08/31/21	9314 Cherry Brook Ln	Frisco	TX	75033-0651	Your item arrived at our USPS facility in ALBUQUERQUE, NM 87101 on March 14, 2026 at 2:57 pm. The item is currently in transit to the destination.
9414811898765438901923	Hardrock Exploration LLC	807 8th St Ste 750	Wichita Falls	TX	76301-3334	Your item was delivered to an individual at the address at 4:30 pm on February 17, 2026 in WICHITA FALLS, TX 76301.
9414811898765438901909	Kenneth Jay Reynolds	PO Box 10847	Midland	TX	79702-7847	Your item was picked up at the post office at 11:20 am on February 26, 2026 in MIDLAND, TX 79701.
9414811898765438901992	MSH Family Real Estate Partnership II LLC	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Your item was delivered to the front desk, reception area, or mail room at 10:04 am on February 18, 2026 in DALLAS, TX 75219.
9414811898765438901947	Novo Oil & Gas Northern Delaware, LLC	300 N Marienfeld St Ste 1000	Midland	TX	79701-4688	Your item was delivered to an individual at the address at 2:16 pm on February 17, 2026 in MIDLAND, TX 79701.
9414811898765438901985	OXY USA Inc.	PO Box 4294	Houston	TX	77210-4294	Your item was picked up at the post office at 7:29 am on February 20, 2026 in HOUSTON, TX 77210.
9414811898765438901930	Pegasus Resources LLC	PO Box 733980	Dallas	TX	75373-3980	Your item has been delivered and is available at a PO Box at 4:48 am on February 17, 2026 in DALLAS, TX 75373.
9414811898765438901978	SMP Sidecar Titan Mineral Holdings LP, SMP Titan Flex LP, SMP Titan Mineral Holdings LP	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Your item was delivered to the front desk, reception area, or mail room at 10:04 am on February 18, 2026 in DALLAS, TX 75219.

Affidavit of Publication

Copy of Publication:

No. 84290

State of New Mexico Publisher

County of Eddy:

Adrian Hedden

being duly sworn, says that he is the Publisher

of the Carlsbad Current Argus, a weekly newspaper of general circulation, published in English at Carlsbad, said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said Carlsbad Current Argus, a weekly newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive weeks/day on the same

day as follows:

First Publication February 14, 2026

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Sixth Publication _____

Seventh Publication _____

Eighth Publication _____

Subscribed ans sworn before me this

16th day of February 2026

LATISHA ROMINE
Notary Public, State of New Mexico
Commission No. 1076338
My Commission Expires
05-12-2027

Latisha Romine

Notary Public, Eddy County, New Mexico

Legal Notice (Publication)
Case No. 25961: Application of Marathon Oil Permian, LLC for Approval of a Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: BTA Oil Producers, LLC; Bureau of Land Management; Chevron USA Inc; Civitas De Basin Minerals LP; Curtis A Anderson & Edna I Anderson, Trustees Of The Edna & Curtis Anderson Rev Trust Dtd 08/31/21; Hardrock Exploration LLC; Kenneth Jay Reynolds; MSH Family Real Estate Partnership II LLC; Novo Oil & Gas Northern Delaware, LLC; OXY USA Inc.; Pegasus Resources LLC; SMP Sidecar Titan Mineral Holdings LP, SMP Titan Flex LP, and SMP Titan Mineral Holdings LP. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division (Division) hereby gives notice that the Division will hold public hearing 8:30 a.m. on March 5, 2026, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks an order (a) approving a non-standard 634.72-acre, more or less, horizontal well spacing unit in the Bone Spring formation 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. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the 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. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the wells, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 4 miles northeast of Loving, New Mexico.
84290-Published in Carlsbad Current Argus Feb. 14, 2026.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Marathon Oil Permian, LLC
Hearing Date: March 26, 2026
Case No. 25961