

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

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

**CASE NOS. 20309-20310**

**APPLICATION OF EOG RESOURCES, INC.  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NOS. 20344-20347**

**JOINT STATUS REPORT**

Marathon Oil Permian LLC (“Marathon”) and EOG Resources, Inc. (“EOG”) hereby file this Joint Status Report in preparation for a status conference set on August 19, 2021 in the above-captioned cases. The Parties jointly desire that all of the cases be continued until the first available Division docket in February, 2022. This request is based on the following:

1. Since early 2020, EOG and Marathon have been actively engaged in discussions to exchange various acreage positions that include acreage in the E/2 of Section 17, Township 25 South, Range 34 East, which is involved in Cases 20344-20347 and 20309-20310, as well as acreage in the W/2 of Section 21, Township 22 South, Range 32 East, which is involved in Case 20424, all of which are set for a Status Conference with the NMOCD on August 19, 2021.
2. Beginning in March of 2020, complications from COVID and other market conditions affecting the Oil & Gas industry forced the evaluations of various proposals between EOG and Marathon to be delayed through the remainder of 2020 and during the beginning of 2021.
3. In June of 2021, Land Representatives from each company reached a preliminary

agreement as to the terms of an acreage swap, pending the review and approval of the larger group and management at each company.

4. Between June 3, 2021 and July 27, 2021, more than 26 emails were exchanged between Marathon and EOG, with additional phone calls taking place as well, related to the progress and status of evaluations. The companies have engaged in weekly communication over the last 2 months.

5. On July 27, 2021, unexpected title questions arose related to some of the properties and the parties began to work on restructuring the contemplated transaction.

6. After a phone conversation on August 9, 2021, options were discussed in order to begin preparing a new proposal to take to our respective teams. Marathon received an updated proposal from EOG on August 11, 2021. This proposal requires evaluation for each company's respective technical teams, and approval from the respective management teams.

7. It is both EOG and Marathon's desire to delay any potential Compulsory Pooling Cases until we have had the opportunity to see the current proposals through, which may take several months.

Based on the foregoing, the Parties respectfully request the Division to continue Cases 20344-20347, 20309, 20310 and 20424 until the first available Division docket in February of 2021, at which point the Parties hope to have all commercial differences resolved, and avoid the need for any Contested Hearings.

JOINTLY SUBMITTED BY:

By: /s/ Jennifer L. Bradfute

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