

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

**APPLICATION OF MARATHON OIL PERMIAN LLC  
FOR (1) TO THE EXTENT NECESSARY,  
APPROVAL OF A NON-STANDARD SPACING UNIT,  
AND (2) COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 22384**

**MARATHON OIL PERMIAN LLC'S PRE-HEARING STATEMENT**

Marathon Oil Permian LLC ("Marathon") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Marathon Oil Permian LLC

**ATTORNEY**

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## STATEMENT OF CASE

### APPLICANT:

In Case No. 22384, Marathon seeks an order from the Division (1) to the extent necessary, approving a non-standard spacing unit, and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the SW/4 of Section 15 and the W/2 of Section 22, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Honey Mustard 22 WXY Fed Com 8H and Honey Mustard 22 WXY Fed Com 6H** wells, to be horizontally drilled. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 2 miles South of Malaga, New Mexico.

## PROPOSED EVIDENCE

### APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Chase F. Rice	Approx. 15 minutes	Approx. 7
Geologist: Matt Baker	Approx. 15 minutes	Approx. 7

## PROCEDURAL ISSUES

MRC Permian Company had objected to this case being submitted by affidavit but withdrew that objection on December 29, 2021, in its Amended Pre-Hearing Statement. Marathon

and S.K. Warren are in discussions and, if they are able to reach agreement, Marathon intends to move forward with the January 6 hearing in this matter and to present this case by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: Deana M. Bennett

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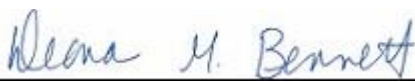
**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on the following counsel by electronic mail on December 30, 2021:

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
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QUESTIONS  
  
Action 69777

QUESTIONS

Operator: MARATHON OIL PERMIAN LLC 990 Town & Country Blvd. Houston, TX 77024	OGRID: 372098
	Action Number: 69777
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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