

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

**APPLICATIONS OF MARATHON OIL
PERMIAN LLC FOR COMPUSLORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 22950, 22951

MARATHON OIL PERMIAN LLC'S PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Marathon Oil Permian LLC

ATTORNEY

Deana M. Bennett
Bryce H. Smith
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
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STATEMENT OF CASE

APPLICANT:

In Case No. 22950, Marathon seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 26 and 35, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Ripley 35-26 WXY Fed Com 3H** and the **Ripley 35-26 WXY Fed Com 5H** wells to be horizontally drilled. The producing area for the wells will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.6 southeast of Malaga, New Mexico.

In Case No. 22951, Marathon seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 26 and 35, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the

Ripley 35-26 SB Fed Com 201H, Ripley 35-26 SB Fed Com 202H, and Ripley 35-26 SB Fed Com 203H wells to be horizontally drilled. The producing area for the wells will be orthodox. The completed interval for the **Ripley 35-26 SB Fed Com 202H** well will be less than 330' from the adjoining tracts to allow inclusion of proximity tracts within the proposed standard horizontal spacing unit. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Marathon Oil Permian LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 3.6 southeast of Malaga, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Chase Rice	Approx. 10 minutes	Approx. 8
Geologist: Elizabeth Scully	Approx. 10 minutes	Approx. 8

PROCEDURAL ISSUES

If there are no objections to these matters, Marathon intends to present them by affidavit and to consolidate them for hearing purposes.

Respectfully submitted,

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

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

QUESTIONS

Action 129520

QUESTIONS

Operator: MARATHON OIL PERMIAN LLC 990 Town & Country Blvd. Houston, TX 77024	OGRID: 372098
	Action Number: 129520
	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>