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

APPLICATIONS OF MARATHON OIL PERMIAN LLC FOR A NON-STANDARD UNIT, AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 23355 – 23358

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

<u>APPLICANT</u> ATTORNEY

Marathon Oil Permian LLC Deana M. Bennett

MODRALL, SPERLING, ROEHL,

HARRIS & SISK, P.A.

P. O. Box 2168

Albuquerque, New Mexico 87103-2168

(505) 848-1800

<u>OTHER PARTIES</u> ATTORNEY

EOG Resources, Inc. Jordan L. Kessler

125 Lincoln Avenue, Suite 213

Santa Fe, NM 87501

jordan_kessler@eogresources.com

STATEMENT OF CASE

APPLICANT:

In Case No. 23355, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Goliath 24 Federal Com 703H** and Goliath 24 Federal Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23356, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Goliath 24 Federal Com 701H** and Goliath 24 Federal Com 702H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23357, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23358, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Goliath 24 Federal Com 603H**, **and Goliath 24 Federal Com 604H** wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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 14.5 miles Southwest of Jal, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Samuel Cox, CPL	Approx. 15 minutes	Approx. 8
Geologist: Elizabeth Scully	Approx. 15 minutes	Approx. 7
Reservoir Engineer: Rohit Sinha	Approx. 10 minutes	Approx. 5

PROCEDURAL ISSUES

If there are no objections to these matters, Marathon intends to present them by affidavit.

Respectfully submitted,

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

Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Deana.bennett@modrall.com

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on April 12, 2023:

Jordan L. Kessler 125 Lincoln Avenue, Suite 213 Santa Fe, NM 87501 jordan_kessler@eogresources.com

By: Deena M. Bennett

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

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

QUESTIONS

Action 207007

QUESTIONS

Operato	re	OGRID:
	MARATHON OIL PERMIAN LLC	372098
	990 Town & Country Blvd.	Action Number:
	Houston, TX 77024	207007
		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.	