

**Before the Oil Conservation Division
Examiner Hearing April 20, 2023**

Case No. 23358

Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H



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

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

CASE NO. 23358

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¹ Inadvertently identified as Exhibits C in Declaration.

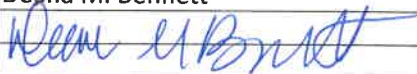
COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23358	APPLICANT'S RESPONSE
Date: April 20, 2023	
Applicant	Marathon Oil Permian LLC
Designated Operator & OGRID (affiliation if applicable)	Marathon Oil Permian LLC OGRID 372098
Applicant's Counsel:	Modrall Sperling
Case Title:	APPLICATION OF MARATHON OIL PERMIAN LLC FOR A NON-STANDARD UNIT, AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	EOG Resources Inc.
Well Family	Goliath
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	WC-025 G-08 S233412K; Bone Spring (96672)
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	800
Building Blocks:	40
Orientation:	North South
Description: TRS/County	E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	N. Seeking approval of E/2 non-standard unit in lieu of 2 standard units (E/2E/2 and W/2E/2). Approval of the non-standard unit IS requested in this application. See also Tab B.7.3 for notice information and Tab D and exhibits.
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	See Exhibit B-3.
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: Goliath 24 Federal Com 603H (API Pending)	SHL: 266' FNL & 1431' FEL, Section 24, T-26-S R-34-E FTP: 100' FNL & 2310' FEL Section 24, T-26-S R-34-E BHL: 100' FSL & 2309' FEL Section 36, T-26-S R-34-E Orientation: North South Completion Target: Bone Spring Completion Status: Standard TVD: 12,600', MVD: 25350'



Well #2: Goliath Federal Com 604H (API Pending)	SHL: 267' FNL & 1381' FEL, Section 24, T-26-S R-34-E FTP: 100' FNL & 990' FEL, Section 24, T-26-S R-34-E BHL: 100' FSL & 990' FEL Section 36, T-26-S R-34-E Orientation: North South Completion Status: Standard Completion Target: Bone Spring TVD: 12,600', MVD: 25350'
Horizontal Well First and Last Take Points	See above cells and Exhibit B-2 (C-102s)
Completion Target (Formation, TVD and MD)	See above cells and Exhibit B-5 (proposal letter)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	See Exhibit B Paragraph 30
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B-7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B-7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit B-7
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B-3
Tract List (including lease numbers and owners)	Exhibit B-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to	Exhibit B-3.2 and Exhibit B-7.3
Pooled Parties (including ownership type)	Exhibit B-3
Unlocatable Parties to be Pooled	Exhibit B-3
Ownership Depth Severance (including percentage above & below)	NA
Joinder	
Sample Copy of Proposal Letter	Exhibit B-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B-3
Chronology of Contact with Non-Joined Working Interests	Exhibit B-4
Overhead Rates In Proposal Letter	Exhibit B-5
Cost Estimate to Drill and Complete	Exhibit B-6
Cost Estimate to Equip Well	Exhibit B-6
Cost Estimate for Production Facilities	Exhibit B-6
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit C-2
Well Orientation (with rationale)	Exhibit C-7
Target Formation	Exhibits C-3 to C-6
HSU Cross Section	Exhibit C-5
Depth Severance Discussion	NA
Forms, Figures and Tables	
C-102	Exhibit B-2
Tracts	Exhibit B-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B-3

General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-3
Structure Contour Map - Subsea Depth	Exhibit C-3
Cross Section Location Map (including wells)	Exhibit C-4
Cross Section (including Landing Zone)	Exhibit C-5
Additional Information	
Special Provisions/Stipulations	NA
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	
Date:	20-Apr-23

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

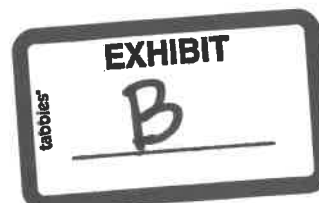
**APPLICATION OF MARATHON OIL PERMIAN
LLC FOR A NON-STANDARD UNIT,
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 23358

SELF AFFIRMED DECLARATION OF SAMUEL COX

Samuel Cox hereby states and declares as follows:

1. I am over the age of 18, I am a landman for Marathon Oil Permian LLC and have personal knowledge of the matters stated herein.
2. I have not previously testified before the Oil Conservation Division (“Division”).
3. I graduated from the University of Oklahoma in 2012 with a bachelor’s in business administration. I have worked as a landman with Marathon since 2019. Before joining Marathon, I worked as a landman with Apache Corporation from 2012 to 2019. My resume is attached as **Exhibit B.8.**
4. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
5. I am familiar with the application filed by Marathon in this case, which is attached as **Exhibit B.1.**
6. I am familiar with the status of the lands that are subject to the application.
7. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling application.



8. The purpose of the application is to force pool all uncommitted interests into the horizontal spacing unit described below, and in the wells to be drilled in the unit.

9. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells.

10. In this case, Marathon seeks an order from the Division (1) approving a non-standard unit, and (2) 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.

11. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.

12. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

13. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

14. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

15. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.

16. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

17. Marathon is also submitting a declaration from a reservoir engineer providing additional detail regarding the need for a non-standard unit.

18. The spacing unit will be dedicated to the **Goliath 24 Federal Com 603H and Goliath 24 Federal Com 604H** wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.

19. Attached as **Exhibit B.2** are the proposed C-102s for the wells.

20. The C-102s identify the proposed surface hole locations, first take point, and bottom hole locations. The C-102s also identify the pool and pool code.

21. These wells will be located within the WC-025 G-08 S233412K; Bone Spring (96672).

22. There are no depth severances within the proposed spacing unit.

23. **Exhibit B.3** includes a lease tract map outlining the unit being pooled. Exhibit B.3 also includes the parties being pooled, the nature, and the percent of their interests.

24. Exhibit B.3 also includes tract map comparing what a standard unit would be to Marathon's proposed non-standard unit, a tract map showing the general location of the Goliath 24 Federal Com 603H and Goliath 24 Federal Com 604H within the proposed non-standard unit, and a list of the wells with the pool code.

25. Marathon has conducted a diligent search of the public records in the county where the wells are located, and conducted phone directory and computer searches to locate contact

information for parties entitled to notification, and mailed well proposals to all parties entitled to well proposals, including an Authorization for Expenditure.

26. In my opinion, Marathon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

27. **Exhibit B.4** is a summary of contacts with the working interest owners.

28. **Exhibit B.5** is a sample of the well proposal letter that was sent to all working interest owners. The proposal letter identifies the proposed surface hole and bottom hole locations and approximate TVD/MD for the wells.

29. **Exhibit B.6** contains the Authorization for Expenditure for the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

30. Marathon requests overhead and administrative rates of \$8000.00/month for drilling a well and \$800.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Marathon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

31. Marathon requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

32. Marathon requests that it be designated operator of the wells.

33. Marathon seeks to pool overriding royalty interest owners, and they were provided notice of this hearing.

34. The parties Marathon is seeking to pool were notified of this hearing.

35. Marathon also provided notice to offsetting operators and working interest owners for purposes of Marathon's non-standard unit application, including in Texas.

36. **Exhibit B.7** is an affidavit of notice prepared by counsel for Marathon that shows the parties who were notified of this hearing, the status of whether they received notice, and an affidavit of publication from the Carlsbad Current Argus, confirming that notice of the originally scheduled March 2, 2023 hearing was published on February 15, 2023, and additional notice was published on March 22, 2023.

37. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

38. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: April 17, 2023



Samuel Cox

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

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

CASE NO. 23358

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill **Goliath 24 Federal Com 603H and Goliath 24 Federal Com 604H** wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.



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5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.,* Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

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B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;

C. Designating Marathon as operator of this unit and the wells to be drilled thereon;

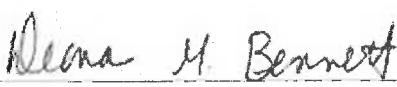
D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: 
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
Attorneys for Applicant

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CASE NO. 23358 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 96672	³ Pool Name WC-025 G-08 S263412K; BONE SPRING
⁴ Property Code	⁵ Property Name GOLIATH 24 FED COM	⁶ Well Number 603H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC.	⁹ Elevation 3222'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	24	26S	34E		266	NORTH	1431	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L 2	36	26S	34E		100	SOUTH	2309	EAST	LEA

¹² Dedicated Acres 789.34	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

18 SURVEYOR CERTIFICATION
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.

DECEMBER 19, 2022
Date of Survey

Signature and Seal of Professional Surveyor: *Lloyd P. Short*

LLOYD P. SHORT 21653
Certificate Number

EXHIBIT
B.2

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99985482 Convergence Angle: 0°29'26.30000"

Horizontal Spacing Unit

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 96672	³ Pool Name WC-025 G-08 S263412K; BONE SPRING
⁴ Property Code	⁵ Property Name GOLIATH 24 FED COM	⁶ Well Number 604H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC.	⁹ Elevation 3222'

¹⁰ Surface Location

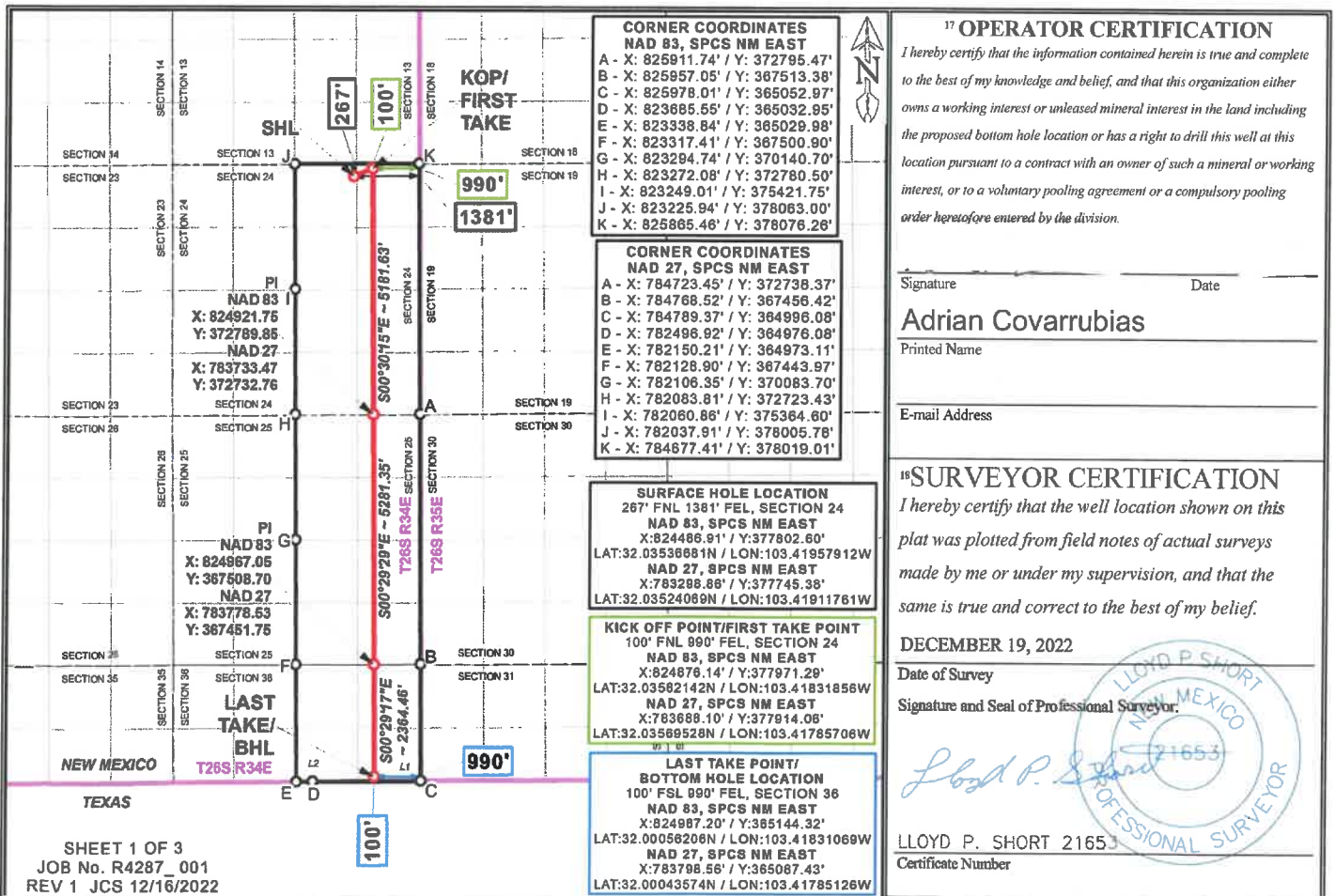
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	24	26S	34E		267	NORTH	1381	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L 1	36	26S	34E		100	SOUTH	990	EAST	LEA

¹² Dedicated Acres 789.34	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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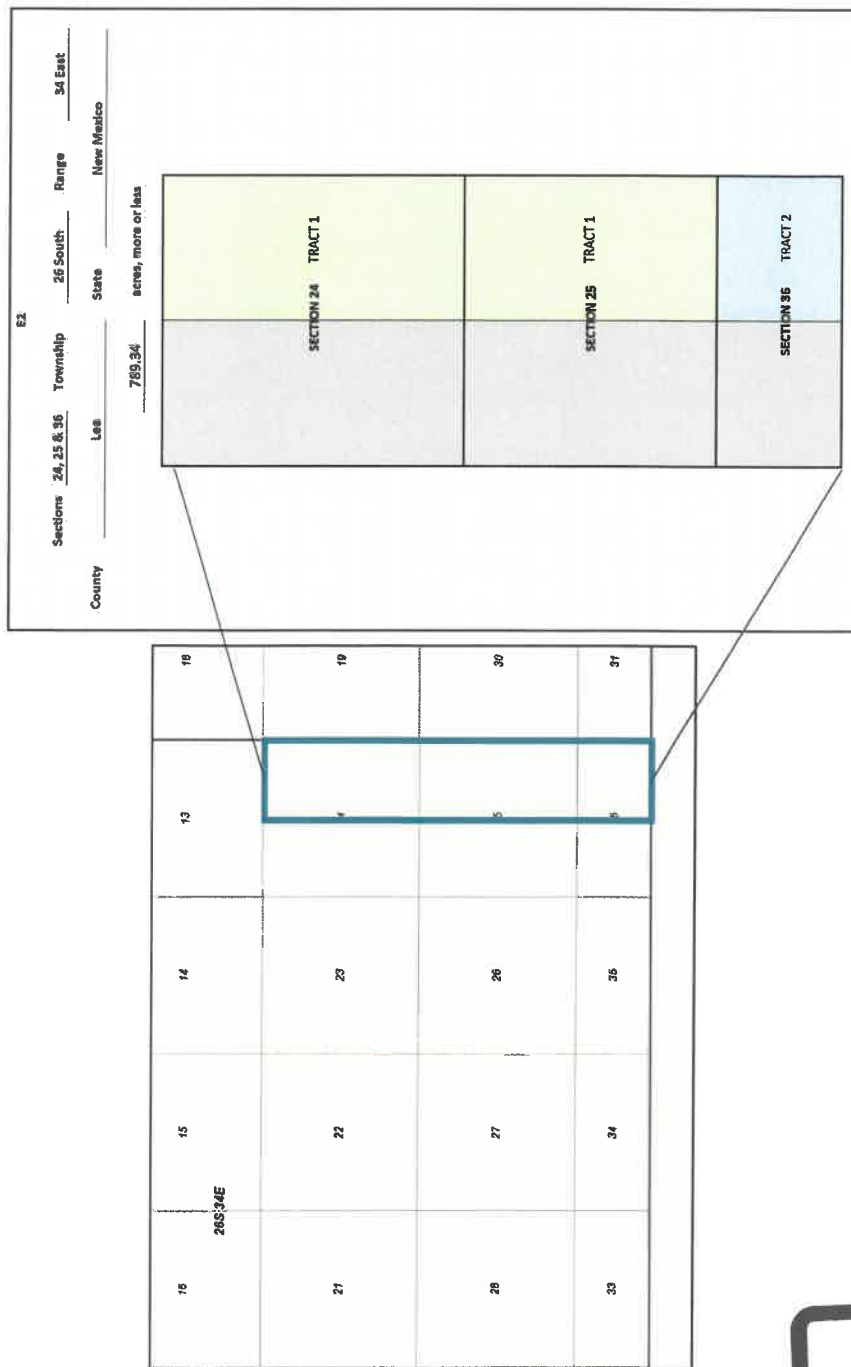
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.99985482 Convergence Angle: 0°29'26.30000"

Horizontal Spacing Unit

**Lease Tract Map:
 Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H
 E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E , Lea County, NM**



Tract	Fee/Fed/State	Acres
Tract 1	Fed	640.00
Tract 2	State	149.34
Total		789.34

- Total Federal Acres: 640.00
- Total State Acres: 149.34



**Summary of Working Interests:
 Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H
 E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E , Lea County, NM (789.34 Acre Spacing Unit)**

<u>Committed Working Interest:</u>	
Marathon Oil Permian LLC	43.429167% 43.429167%
<u>Uncommitted Working Interest:</u>	
EOG Resources, Inc	56.570833% 32.416517%
Tumbler Operating Partners, LLC	8.959384%
Cimarex Energy Co.	3.633415%
Red Dirt Energy LLC	3.227612%
Walsh & Watts, Inc.	3.010110%
FHW, Jr. - Oil, Ltd	1.689115%
Cronus Mineral Holdings, LLC.	0.760129%
Minerva Resources, LLC	0.753071%
Ed Davis	0.190032%
Wellbark Resources Group, LLC	0.315749%
Lapetco	0.309840%
Swan Exploration	0.218012%
Maltay Investment Partners, Ltd.	0.165599%
John M. McCormack and wife, Maryanne McCormack	0.121621%
The Hamblin Living Trust u/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees	0.040500%
H.E. Davis Family Partnership, Ltd.	0.190032%
Isramco Energy, L.L.C.	0.484582%
Legacy Income Fund I, Ltd.	0.085514%



WIOSTO BE POOLED
Goliath 24 Federal Com 703H & Goliath 24 Federal Com 704H
E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E , Lea County, NM

Uncommitted Working Interest Owners To Be

Pooled

- EOG Resources, Inc
- Tumbler Operating Partners, LLC
- Cimarex Energy Co.
- Red Dirt Energy LLC
- Walsh & Watts, Inc.
- FHW, Jr. - Oil, Ltd
- Cronus Mineral Holdings, LLC.
- Minerva Resources, LLC
- Ed Davis
- Wellbark Resources Group, LLC
- Lapetco
- Swan Exploration
- Maltay Investment Partners, Ltd.
- John M. McCormack and wife, Maryanne McCormack
- The Hamblin Living Trust u/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees
- H.E. Davis Family Partnership, Ltd.
- Isramco Energy, L.L.C.
- Legacy Income Fund I, Ltd.



**ORRIS to Be Pooled:
Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H
E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E , Lea County, NM**

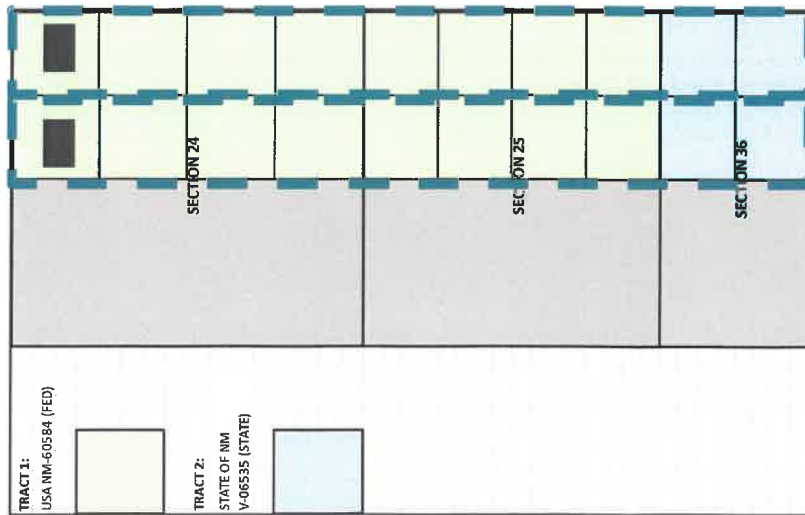
ORRLOwners:

Fortis Minerals II, LLC
 Charles R. Wiggins and wife, Deborah Wiggins
 Bascom Mitchell Family Partnership, LP
 Brigham Minerals, LLC
 Christine V. Grim Merchant, as her sole and separate property
 Enerstar Resources Oil & Gas, LLC
 KMF Land, LLC
 Frannfin Minerals, LLC
 Galley NM Assets, LLC
 Hoshi Kanri, LLC
 James Baker Oil & Gas
 Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Trust
 Katherine Rogers Allen, as her sole and separate property
 Kellie M. Kross, as her sole and separate property
 Louis A. Oswald, III, Trustee of the Oswald Family Trust, dated April 27, 1998
 Matthew N. Sorenson, as his sole and separate property
 MerPei, LLC
 Michelle R. Hannifin
 Mitchell Exploration Inc.
 Motowi, LLC
 MW Oil Investment Company, Inc.
 Newkumet Ltd.
 Oak Valley Mineral and Land, LP
 Pegasus Resources II, LLC
 Penasco Petroleum, LLC
 Post Oak Crown Minerals, LLC
 Pumpkin Buttes, LLC
 Richardson Mineral & Royalty, LLC
 Rolla R. Hinkle III
 Shackelford Oil Company
 Sortida Resources, LLC
 TD Minerals, LLC
 The EMG Revocable Trust u/a dated 11-1-2004 Eileen M. Grooms, Trustee
 The George Ann Pollard
 Family Trust, Bryan Pollard as Trustee
 Viper Energy Partners, LLC

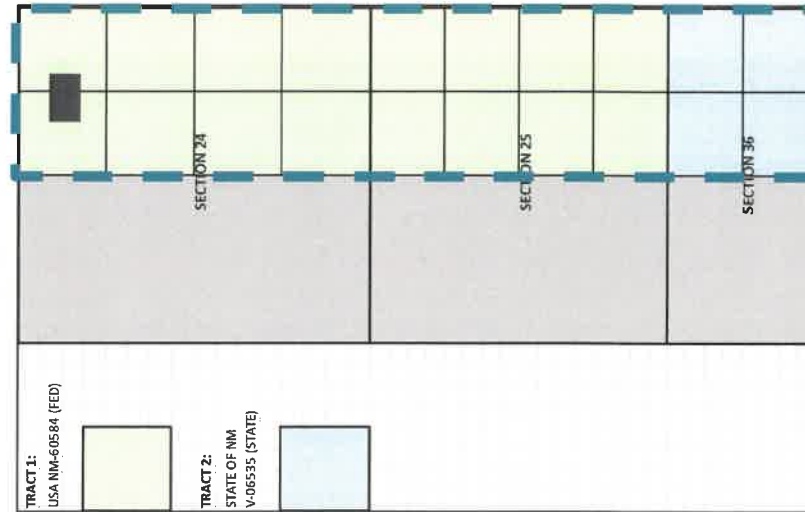


Standard Spacing Unit vs Non Standard Spacing Unit:
Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H
E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E, Lea County, NM

Standard



Non-Standard

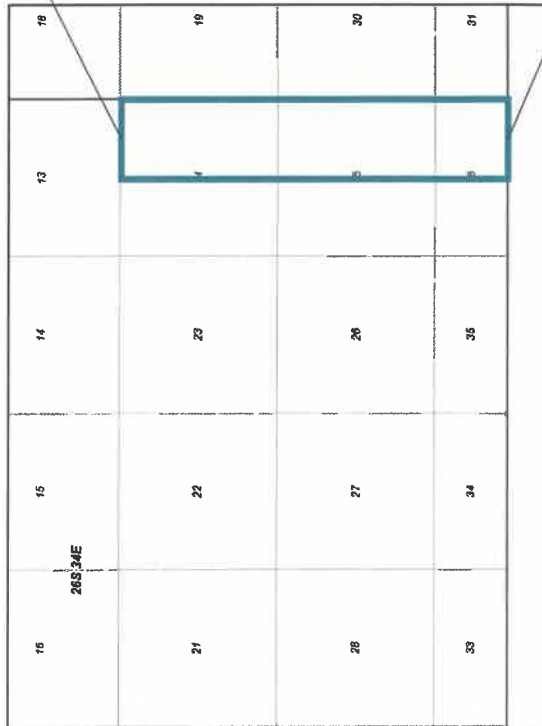
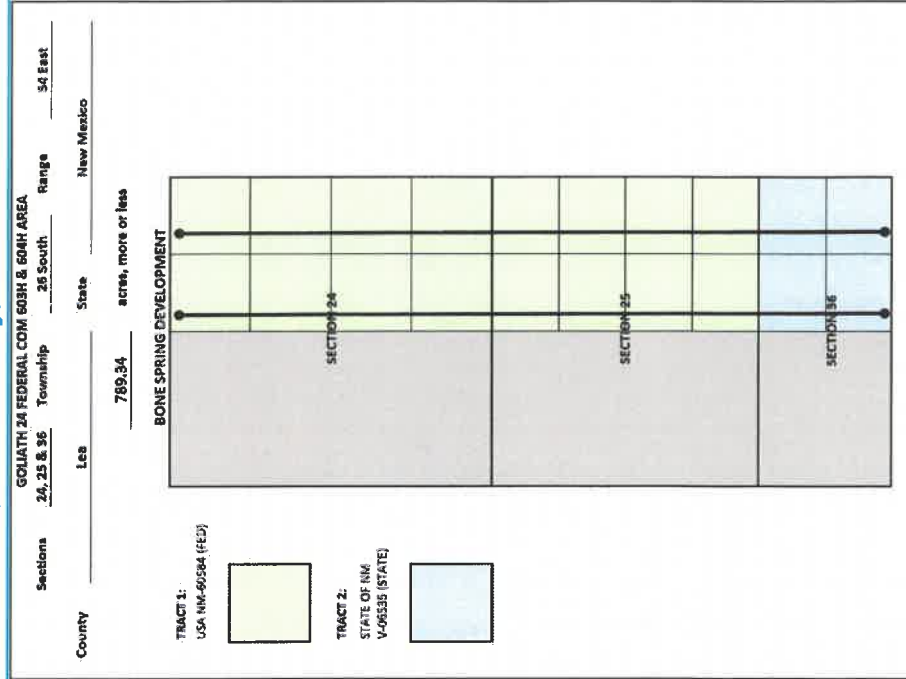


 Tank Battery
 Spacing Unit Boundary

tabbles®
EXHIBIT
B-3.2



**Lease Tract Map:
Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H
E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E, Lea County, NM**



**Well List w/ Pool Code:
Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H
E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E , Lea County, NM**

GOLIATH 24 FEDERAL COM 603H & 604H AREA

BONE SPRING:

POOL CODE: [96672] WC-025 G-08 S263412K:BONE SPRING

GOLIATH 24 FEDERAL COM 603H

GOLIATH 24 FEDERAL COM 604H

(30-025-PENDING)

(30-025-PENDING)



**Summary of Contacts:
Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H
E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E , Lea County, NM**

Summary of Contacts

- Marathon retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Marathon searched public records, phone directory, and various different types of internet searches.
- Marathon sent well proposal letters to the working interest owners on or around January 4, 2023.
- Marathon proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners.
- Marathon sent the working interest owners JOAs.
- Marathon had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Marathon filed the application to force pool working interest owners who had not entered into an agreement.
- Marathon's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted interest owners and also for overriding royalty interest owners.

Marathon also published notice in a newspaper of general circulation in the county where the wells will be located.



**Summary of Contacts:
Goliath 24 Federal Com 603H & Goliath 24 Federal Com 604H
E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E, Lea County, NM**

Summary of Contacts with Working Interest Owners/Unleased Mineral Interest Owners to Be Pooled				
Name	% Interest	Date Proposal Letter Sent	Proposal Letter Received	Follow Up
Cimarex Energy Co.	3.633415%	1/4/2023	1/9/2023	Request verification of their working interest in the Goliath unit on 2/14/2023
Cronus Mineral Holdings, LLC.	0.760129%	1/4/2023	2/14/2023	Discussed development plans and verification of interest on 2/15/2023
Ed Davis	0.190032%	1/4/2023	1/9/2023	Received proposals and no further inquiries received
EOG Resources, Inc	32.419517%	1/4/2023	1/9/2023	Discussed development plans on 2/15/2023
FHW, Jr. - Oil, Ltd	1.669115%	1/4/2023	2/13/2023	Discussed development plans, verification of interest, and JOA provisions pm 2/23/23
H.E. Davis Family Partnership, Ltd.	0.190032%	1/4/2023	1/5/2023	Received proposals and no further inquiries received
Isramco Energy, L.L.C.	0.484562%	1/4/2023	1/20/2023	Discussed development plans and verification of interest on 2/15/2023
John M. McCormack and wife, Marianne McCormack	0.121821%	1/4/2023	1/4/2023	Received proposals and no further inquiries received
Lapetco	0.309840%	1/4/2023	1/5/2023	Discussed development plans and verification of interest on 1/20/2023
Legacy Income Fund I, Ltd.	0.095514%	1/4/2023	1/5/2023	Received proposals and no further inquiries received
Maltay Investment Partners, Ltd.	0.165599%	1/4/2023	2/22/2023	Discussed development plans and verification of interest on 3/14/2023
Wellbark Resources Group, LLC	0.315749%	1/4/2023	2/14/2023	Discussed development plans and verification of interest on 2/15/2023
Minerva Resources, LLC	0.753071%	1/4/2023	2/14/2023	Discussed development plans and verification of interest on 2/15/2023
Red Dirt Energy LLC	3.227612%	1/4/2023	2/28/2023	Received proposals and no further inquiries received
Swan Exploration	0.218012%	1/4/2023	1/9/2023	Indicated intention to participate in Goliath wells on 1/23/2023
The Hamblin Living Trust (via dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees	0.040500%	1/4/2023	1/6/2023	Discussed development plans, verification of interest, and JOA provisions on 1/30/2023
Tumbler Operating Partners, LLC	6.859384%	1/4/2023	2/25/2023	Received proposals and no further inquiries received
Walsh & Wells, Inc.	3.010110%	1/4/2023	2/13/2023	Request verification of their working interest in the Goliath unit 3/6/2023





Samuel A. Cox
Senior Land Professional
Land – Permian

Marathon Oil Permian LLC
990 Town & Country Blvd.
Houston, TX 77024
Telephone 713-296-3152
Scox1@marathonoil.com

DELIVERED VIA CERTIFIED MAIL

December 13, 2022

EOG Resources, Inc
5509 Champion Drive
Midland, Texas 79706

Re: Well Proposal
Goliath 24 Federal Com 601H, 602H, 603H, 604H, 701H, 702H, 703H, & 704H
Sections 24, 25 & 36-T26S-R34E
Lea County, New Mexico

Dear Working Interest Owner:

Marathon Oil Permian LLC (“**Marathon**”) proposes the drilling, completion, and equipping of the following wells located in Sections 24, 25 and 36-26S-34E, Lea County, New Mexico (“**Subject Lands**”), as follows:

Well Name	FTP	LTP	TVD / MD	Target Interval	Gross AFE Cost	Proration Unit
GOLIATH 24 FEDERAL COM 601H	330' FWL Section 24 & 100' FNL Section 24	330' FWL Section 36 & 100' FSL Section 36	12,600 / 25,350	Bone Spring	\$14,557,837	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 701H	990' FWL Section 24 & 100' FNL Section 24	990' FWL Section 36 & 100' FSL Section 36	12,850 / 25,600	Wolfcamp	\$14,600,566	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 602H	1,650' FWL Section 24 & 100' FNL Section 24	1,650' FWL Section 36 & 100' FSL Section 36	12,600 / 25,350	Bone Spring	\$14,557,837	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 702H	2,310' FWL Section 24 & 100' FNL Section 24	2,310' FWL Section 36 & 100' FSL Section 36	12,850 / 25,600	Wolfcamp	\$14,600,566	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 603H	2,310' FEL Section 24 & 100' FNL Section 24	2,310' FEL Section 36 & 100' FSL Section 36	12,600 / 25,350	Bone Spring	\$14,557,837	E/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 703H	1,650' FEL Section 24 & 100' FNL Section 24	1,650' FEL Section 36 & 100' FSL Section 36	12,850 / 25,600	Wolfcamp	\$14,600,566	E/2 Sections 24, 25 & 36 (800 Acre Pool more or less)



GOLIATH 24 FEDERAL COM 604H	990' FEL Section 24 & 100' FNL Section 24	990' FEL Section 36 & 100' FSL Section 36	12,600 / 25,350	Bone Spring	\$14,557,837	E/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 704H	330' FEL Section 24 & 100' FNL Section 24	330' FEL Section 36 & 100' FSL Section 36	12,850 / 25,600	Wolfcamp	\$14,600,566	E/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 301H	440' FWL Section 24 & 100' FNL Section 24	440' FWL Section 36 & 100' FSL Section 36	10,750 / 23,500	Bone Spring	\$14,845,922	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)

These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered. The AFEs represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred.

Marathon proposes drilling the well under the terms of the 1989 AAPL JOA and a form of this JOA will be sent to you following this proposal. The JOA will have these general provisions:

- 100%/300%/300% non-consent penalty
- \$8,000/\$800 drilling and producing rates
- Contract area of Section 24, 25, & 36-26S-34E, Lea County, New Mexico, covering the top of Bone Spring formation to the Base of Wolfcamp formation

If your election is to participate in the drilling and completion of the wells please sign and return a copy of this letter along with the enclosed AFE within thirty (30) days of receipt of this proposal.

If you would like to discuss a commercial agreement for your interest in the Subject Lands for the proposed wells please contact the undersigned. If Marathon is unable to reach a voluntary agreement for the development of the Subject Lands with all the interest owners in the proposed spacing unit(s), Marathon will file an application with the New Mexico Oil Conservation Division for an order pooling the Subject Lands.

Should you have any questions regarding this or other matters, please do not hesitate to contact me at the above listed numbers.

Sincerely,

Marathon Oil Permian LLC



Samuel A. Cox
Senior Land Professional
Permian

Election Sheet - Goliath 24 Federal Com Wells

Well Name	Election to Participate	Election NOT to Participate
GOLIATH 24 FEDERAL COM 601H		
GOLIATH 24 FEDERAL COM 701H		
GOLIATH 24 FEDERAL COM 602H		
GOLIATH 24 FEDERAL COM 702H		
GOLIATH 24 FEDERAL COM 603H		
GOLIATH 24 FEDERAL COM 703H		
GOLIATH 24 FEDERAL COM 604H		
GOLIATH 24 FEDERAL COM 704H		
GOLIATH 24 FEDERAL COM 301H		

EOG Resources, Inc

By: _____

Print Name: _____

Title: _____

Date: _____

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 12/13/2022
 DRILLING & LOCATION PREPARED BY COURT NELSON
 COMPLETION PREPARED BY KRISTEN DRAIN
 FACILITIES PREPARED BY HARSHA DISSANAYAKE
 ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE

Asset Team PERMIAN
 Field BONE SPRING FORMATION: TB
 Lease/Facility GOLIATH 24 FEDERAL COM 603H
 Location SEC. 24, 25 & 36-26S-34E, LEA CO
 Prospect Red Hills
 WILDCAT EXPLORATION
 DEVELOPMENT RECOMPLETION
 EXPLOITATION WORKOVER

Est Total Depth 25,350 Est Drilling Days 35.092 Est Completion Days 9

LOCATION COST - INTANGIBLE

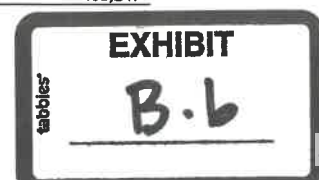
GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	165,000
7001250	Land Broker Fees and Services	110,000
		0
TOTAL LOCATION COST - INTANGIBLE		\$275,000

DRILLING COST - TANGIBLE

7001270	Conductor Pipe	37,422
7012050	Surface Casing	59,875
7012050	Intermediate Casing 1	-
7012050	Intermediate Casing 2	393,679
7012050	Production Casing	645,154
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	37,422
7012550	Drilling Wellhead Equipment	35,925
7012040	Casing & Tubing Access	97,297
7290003	Miscellaneous MRO Materials	7,484
		-
TOTAL DRILLING - TANGIBLE		\$1,314,258

DRILLING COST - INTANGIBLE

7290002	Drilling Rig Mob/Demob	97,297
7290002	Drilling Rig - day work/footage	966,983
7019040	Directional Drilling Services	345,779
7019020	Cement and Cementing Service Surface	37,422
7019020	Cement and Cementing Service Intermediate 1	-
7019020	Cement and Cementing Service Intermediate 2	67,359
7019020	Cement and Cementing Service Production	149,688
7019140	Mud Fluids & Services	194,295
7012310	Solids Control equipment	87,028
7012020	Bits	224,532
7019010	Casing Crew and Services	67,359
7016350	Fuel (Rig)	149,882
7019140	Fuel (Mud)	119,750
7001460	Water (non potable)	37,422
7012350	Water (potable)	7,484
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	30,312
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	52,391
7019110	Casing inspection/cleaning	22,453
7019110	Drill pipe/collar inspection services	14,969
7016180	Freight - truck	37,422
7001460	Water hauling and disposal (includes soil farming)	269,438
7001160	Contract Services - Disposal/Non-Hazardous Waste	119,750
7001440	Vacuum Trucks	14,969
7000030	Contract Labor - general	44,906
7000010	Contract Labor - Operations	4,491
7001200	Contract Services - Facilities	14,969
7019300	Well Services - Well Control Services	38,021
7019350	Well Services - Well/Wellhead Services	14,969
7290003	Rental Tools and Equipment (surface rentals)	24,175
7260001	Rig Equipment and Misc.	193,397
7001110	Telecommunications Services	7,484
7001120	Consulting Services	203,066
7001400	Safety and Environmental	67,689
7330002	Rental Buildings (trailers)	24,175
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	405,247



TOTAL DRILLING - INTANGIBLE \$4,156,572

TOTAL DRILLING COST \$5,470,830

MARATHON OIL PERMIAN LLC DATE 12/13/2022
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

Asset Team PERMIAN
 Field FORMATION: TB
 Lease/Facility GOLIATH 24 FEDERAL COM 603H

COMPLETION - TANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7012580	Tubing	-
7012040	Tubing Accessories (nipple, wireline entry)	-
7012550	Wellhead Equip	15,000
7012560	Packers - Completion Equipment	-
TOTAL COMPLETION - TANGIBLE		\$15,000

COMPLETION - INTANGIBLE

7001270	Location and Access (dress location after rig move, set anchors)	12,742
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Colled Tubing Services (3 runs)	200,235
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	392,912
7390002	Fracturing Services	5,238,714
7019330	Perforating	237,966
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	294,543
7016180	Freight - Truck (haul pipe; drlg & compl)	-
7290003	BOP Rental & Testing	-
7290003	Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)	-
7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	59,160
7290003	Contract Labor - general	-
7000030	Telecommunications Services	45,508
7001110	Safety and Environmental	-
7001400	Consulting Services	119,686
7001120	Zipper Manifold	179,090
7019300	Frack Stack Rentals	154,727
7016180	Freight (Transportation Services)	8,738
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	231,477
7330002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	45,508
7011010	8% Contingency & Taxes	-
TOTAL COMPLETION - INTANGIBLE		\$7,221,007

TOTAL COMPLETION COST \$7,236,007

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	81,833
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	88,875
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	23,691
7012270	Miscellaneous Materials (containment system)	24,678
7008060	SCADA	7,807
7016180	Freight - truck	8,162
7001190	Contract Engineering	5,056
7012290	Metering and Instrumentation	138,484

7012290	I&E Materials	81,231
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	9,398
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	131,307
7012500	Tanks	23,113
7012100	Heater Treater	68,312
7012640	Flare & Accessories	9,923
7000010	Electrical Labor	44,885
7000010	Mechanical Labor	97,063
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	18,183
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$862,000

TOTAL SURFACE EQUIPMENT COST \$ 862,000

ARTIFICIAL LIFT

7000030	Contract Labor	8,400
7001120	Consultant	6,720
7008230	Time Writing/Overhead	8,400
7012180	Artificial Lift Equipment	440,160
7012350	Materials & Supplies	3,360
7012550	Production Tree	8,400
7012580	Tubing	176,400
7016190	Freight	8,400
7018150	Rentals	10,080
7019130	Kill Fluid	3,360
7019220	Well Services & Rig	40,320
TOTAL ARTIFICIAL LIFT		714,000

TOTAL ARTIFICIAL LIFT COST \$ 714,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS	TOTAL COST
TOTAL LOCATION COST	\$ 275,000
TOTAL DRILLING COST	\$ 5,470,830
TOTAL COMPLETIONS COST	\$ 7,236,007
TOTAL SURFACE EQUIPMENT COST	\$ 862,000
TOTAL ARTIFICIAL LIFT COST	\$ 714,000
GRAND TOTAL COST	\$14,557,837

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 12/13/2022
 DRILLING & LOCATION PREPARED BY COURT NELSON
 COMPLETION PREPARED BY KRISTEN DRAIN
 FACILITIES PREPARED BY HARSHA DISSANAYAKE
 ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE

Asset Team PERMIAN
 Field BONE SPRING FORMATION: TB WILDCAT EXPLORATION
 Lease/Facility GOLIATH 24 FEDERAL COM 604H DEVELOPMENT RECOMPLETION
 Location SEC. 24, 25 & 36-26S-34E, LEA CO X EXPLOITATION WORKOVER
 Prospect Red Hills

Est Total Depth 25,350 Est Drilling Days 35.092 Est Completion Days 9

LOCATION COST - INTANGIBLE

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TOTAL LOCATION COST - INTANGIBLE		\$275,000

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7012550	Drilling Wellhead Equipment	35,925
7012040	Casing & Tubing Access	97,297
7290003	Miscellaneous MRO Materials	7,484
		-
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DRILLING COST - INTANGIBLE

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7290002	Drilling Rig - day work/footage	966,983
7019040	Directional Drilling Services	345,779
7019020	Cement and Cementing Service Surface	37,422
7019020	Cement and Cementing Service Intermediate 1	-
7019020	Cement and Cementing Service Intermediate 2	67,359
7019020	Cement and Cementing Service Production	149,688
7019140	Mud Fluids & Services	194,295
7012310	Solids Control equipment	87,028
7012020	Bits	224,532
7019010	Casing Crew and Services	67,359
7016350	Fuel (Rig)	149,882
7019140	Fuel (Mud)	119,750
7001460	Water (non potable)	37,422
7012350	Water (potable)	7,484
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	30,312
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	52,391
7019110	Casing Inspection/cleaning	22,453
7019110	Drill pipe/collar inspection services	14,969
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7000030	Contract Labor - general	44,906
7000010	Contract Labor - Operations	4,491
7001200	Contract Services - Facilities	14,969
7019300	Well Services - Well Control Services	38,021
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7290003	Rental Tools and Equipment (surface rentals)	24,175
7260001	Rig Equipment and Misc.	193,397
7001110	Telecommunications Services	7,484
7001120	Consulting Services	203,066
7001400	Safety and Environmental	67,689
7330002	Rental Buildings (trailers)	24,175
7019310	Coring (sidewalls & analysis)	-
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TOTAL DRILLING - INTANGIBLE \$4,156,572

TOTAL DRILLING COST \$5,470,830

MARATHON OIL PERMIAN LLC DATE 12/13/2022
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

Asset Team PERMIAN
 Field FORMATION: TB
 Lease/Facility GOLIATH 24 FEDERAL COM 604H

COMPLETION - TANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7012580	Tubing	-
7012040	Tubing Accessories (nipple, wireline entry)	-
7012550	Wellhead Equip	15,000
7012560	Packers - Completion Equipment	-
TOTAL COMPLETION - TANGIBLE		\$15,000

COMPLETION - INTANGIBLE

7001270	Location and Access (dress location after rig move, set anchors)	12,742
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	200,235
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	392,912
7390002	Fracturing Services	5,238,714
7019330	Perforating	237,966
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	294,543
7016180	Freight - Truck (haul pipe; drlg & compl)	-
7290003	BOP Rental & Testing	-
7290003	Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)	-
7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	59,160
7290003	Contract Labor - general	-
7000030	Telecommunications Services	45,508
7001110	Safety and Environmental	-
7001400	Consulting Services	119,686
7001120	Zipper Manifold	179,090
7019300	Frack Stack Rentals	154,727
7016180	Freight (Transportation Services)	8,738
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	231,477
7330002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	45,508
7011010	8% Contingency & Taxes	-
TOTAL COMPLETION - INTANGIBLE		\$7,221,007

TOTAL COMPLETION COST \$7,236,007

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	81,833
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	88,875
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	23,691
7012270	Miscellaneous Materials (containment system)	24,678
7008060	SCADA	7,807
7016180	Freight - truck	8,162
7001190	Contract Engineering	5,056
7012290	Metering and Instrumentation	138,484

7012290	I&E Materials	81,231
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	9,398
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	131,307
7012500	Tanks	23,113
7012100	Heater Treater	68,312
7012640	Flare & Accessories	9,923
7000010	Electrical Labor	44,885
7000010	Mechanical Labor	97,063
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	18,183
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$862,000

TOTAL SURFACE EQUIPMENT COST \$ 862,000

ARTIFICIAL LIFT

7000030	Contract Labor	8,400
7001120	Consultant	6,720
7008230	Time Writing/Overhead	8,400
7012180	Artificial Lift Equipment	440,160
7012350	Materials & Supplies	3,360
7012550	Production Tree	8,400
7012580	Tubing	176,400
7016190	Freight	8,400
7018150	Rentals	10,080
7019130	Kill Fluid	3,360
7019220	Well Services & Rig	40,320
TOTAL ARTIFICIAL LIFT		714,000

TOTAL ARTIFICIAL LIFT COST \$ 714,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL COST

TOTAL LOCATION COST	\$ 275,000
TOTAL DRILLING COST	\$ 5,470,830
TOTAL COMPLETIONS COST	\$ 7,236,007
TOTAL SURFACE EQUIPMENT COST	\$ 862,000
TOTAL ARTIFICIAL LIFT COST	\$ 714,000
GRAND TOTAL COST	\$14,557,837

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

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

CASE NOS. 23355 -23358

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Marathon Oil Permian, LLC, the Applicant herein, declares as follows:

- 1) The above-referenced Applications were provided under notice letter, dated February 7, 2023, and attached hereto, as Exhibit A.
- 2) Exhibit B is the mailing list, which show the notice letters were delivered to the USPS for mailing on February 7, 2023.
- 3) Exhibit C is the mailing list which shows notice letters were delivered to the USPS for mailing on March 13, 2023 for eight updated/corrected addresses.
- 4) Exhibit D is the certified mailing tracking information for both notice letter mailings, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. These spreadsheets show the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 5) Exhibit E is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the March 2, 2023 hearing was published on February 15, 2023.
- 6) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: April 18, 2023


Deana M. Bennett





MODRALL SPERLING

L A W Y E R S

February 7, 2023

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

CASE NO. 23355

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

CASE NO. 23356

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

CASE NO. 23357

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

CASE NO. 23358

TO: AFFECTED PARTIES

This letter is to advise you that Marathon Oil Permian, LLC (“Marathon”) has filed the enclosed applications.

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

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Roehl Harris & Sisk P.A.
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Page 2

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.

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The hearing will be conducted remotely on March 2, 2023 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date.

As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in these cases, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in these cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Deana M. Bennett

Attorney for Applicant

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

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

CASE NO. 23355

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill the **Goliath 24 Federal Com 703H and Goliath 24 Federal Com 704H** wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

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Page 2 of 4

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Wolfcamp spacing unit;

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Page 3 of 4

B. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;

C. Designating Marathon as operator of this unit and the wells to be drilled thereon;


D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: 
Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
Attorneys for Applicant

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Page 4 of 4

CASE NO. 23355 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

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

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

CASE NO. 23356

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill the **Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H** wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Wolfcamp spacing unit;

B. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;

C. Designating Marathon as operator of this unit and the wells to be drilled thereon;

D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Deana M. Bennett

Deana M. Bennett
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Attorneys for Applicant

Received by OCD: 1/31/2023 8:58:24 AM

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CASE NO. 23356 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

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

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

CASE NO. 23357

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill the **Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H** wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.

4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

- A. Approving a non-standard 800-acre Bone Spring spacing unit;

B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;

C. Designating Marathon as operator of this unit and the wells to be drilled thereon;


D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;

E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: 

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Attorneys for Applicant

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CASE NO. 23357 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

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

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

CASE NO. 23358

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill **Goliath 24 Federal Com 603H and Goliath 24 Federal Com 604H** wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Deana M. Bennett

Deana M. Bennett
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Attorneys for Applicant

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CASE NO. 23358 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

Carlene Schuman
Modrall Spering Roehl Harris & Sisk P.A.
90 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
02/07/2023

Firm Mailing Book ID: 240799

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0104 1994 20	United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
2	9314 8699 0430 0104 1994 37	The State of New Mexico 310 Old Santa Fe Trail Santa Fe NM 87501	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
3	9314 8699 0430 0104 1994 44	EOG Resources, Inc 5509 Champion Drive Midland TX 79706	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
4	9314 8699 0430 0104 1994 51	Tumbler Operating Partners, LLC 1701 River Run, Suite 306 Fort Worth TX 76107	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
5	9314 8699 0430 0104 1994 68	Cimarex Energy Co. 600 N. Marienfeld, Suite 600 Midland TX 79701	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
6	9314 8699 0430 0104 1994 75	Red Dirt Energy LLC 203 West Wall Street, Suite 204 Midland TX 79701	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
7	9314 8699 0430 0104 1994 82	Walsh & Watts, Inc. 500 West 7th Street, Suite 1007 Fort Worth TX 76102	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
8	9314 8699 0430 0104 1994 99	FHW, Jr. - Oil, Ltd 500 West 7th Street, Suite 1007 Fort Worth TX 76102	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
9	9314 8699 0430 0104 1995 05	Cronus Mineral Holdings, LLC 433 E Las Colinas Blvd., Suite 840 Irving TX 75039	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
10	9314 8699 0430 0104 1995 12	Minerva Resources, LLC 433 E. Las Colinas Blvd, Suite 840 Irving TX 75039	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
11	9314 8699 0430 0104 1995 29	Ed Davis PO Box 3065 Odessa TX 79760	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
12	9314 8699 0430 0104 1995 36	Lapteco 16200 Addison Road, Suite 100 Addison TX 75001	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
13	9314 8699 0430 0104 1995 43	Swan Exploration 3200 Southwest Fwy., Suite 1400 Houston TX 75039	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
	9314 8699 0430 0104 1995 50	Mallay Investment Partners, Ltd. 500 West 7th Street, Suite 1007 Fort Worth TX 76102	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
	9314 8699 0430 0104 1995 67	John M. McCormack & Maryanne McCormack 1303 Campbell Road Houston TX 77055	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice



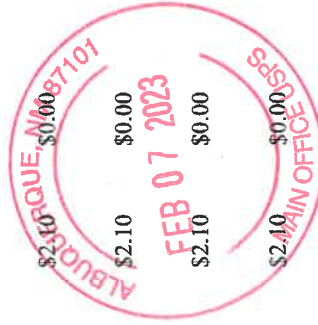
Karlene Schuman
Modrall Spering Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
02/07/2023

Firm Mailing Book ID: 240799

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0104 1995 74	C. Clyde Hamblin & Martha Eugenia Poole Hamblin Hamblin Living Trust dated 1-31-22 P.O. Box 4602 Midland TX 79704	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
17	9314 8699 0430 0104 1995 81	H.E. Davis Family Partnership, Ltd. P.O. Box 318 Sweetwater TX 79556	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
18	9314 8699 0430 0104 1995 98	Isramco Energy, L.L.C. 2401 Fountain View Drive, Suite 420 Houston TX 77057	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
19	9314 8699 0430 0104 1996 04	Legacy Income Fund I, Ltd. 558 Ambler Ave Abilene TX 79601	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
20	9314 8699 0430 0104 1996 11	Fortis Minerals II, LLC 1111 Bagby St., Suite 2150 Houston TX 77002	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
21	9314 8699 0430 0104 1996 28	Charles R. Wiggins and wife, Deborah Wiggins P.O. Box 10862 Midland TX 79702	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
22	9314 8699 0430 0104 1996 35	Bascom Mitchell Family Partnership, LP 1 Live Oak Drive Midland TX 79705	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
23	9314 8699 0430 0104 1996 42	Brigham Minerals, LLC 5914 W. Courtyard Drive, Suite 200 Austin TX 78730	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
24	9314 8699 0430 0104 1996 59	Christine V. Grim Merchant P.O. Box 1453 Roswell NM 88202	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
25	9314 8699 0430 0104 1996 66	Enerstar Resources Oil & Gas, LLC P.O. Box 606 Carlsbad NM 88220	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
26	9314 8699 0430 0104 1996 73	KMF Land, LLC 1401 Lawrence Street, Suite 1750 Denver CO 80202	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
27	9314 8699 0430 0104 1996 80	Frannifin Minerals, LLC 1180 Commerce Dr. P.O. Box 13128 Las Cruces NM 88013	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
28	9314 8699 0430 0104 1996 97	Galley NM Assets, LLC 4143 Maple Avenue, Floor 5	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
29	9314 8699 0430 0104 1997 03	Hoshi Kanni, LLC P.O. Box 827 Littleton CO 80160	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice



Marilyn Schuman
 4004 Fourth Street, Suite 1000
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
 02/07/2023

Firm Mailing Book ID: 240799

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
30	9314 8699 0430 0104 1997 10	James Baker Oil & Gas 11065 Fern Hollow Dallas TX 75238	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
31	9314 8699 0430 0104 1997 27	Jonathan S. Roderick Trustee of Jonathan S. Roderick Trust P.O. Box 7961 Boulder CO 80306	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
32	9314 8699 0430 0104 1997 34	Katherine Rogers Allen, sole & separate property 6431 Chesley Lane Dallas TX 75214	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
33	9314 8699 0430 0104 1997 41	Kellie M. Kross, as her sole and separate property 505 Edinburg Lane Coppell TX 75019	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
34	9314 8699 0430 0104 1997 58	Louis A. Oswald, III, Trustee of Oswald Family Trust P.O. Box 280969 Lakewood CO 80228	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
35	9314 8699 0430 0104 1997 65	Matthew N. Sorenson, as sole & separate property P.O. Box 1453 Roswell NM 88202	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
36	9314 8699 0430 0104 1997 72	MerPel, LLC 4245 N. Central Expy, Suite 320 Box 109 Dallas TX 75205	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
37	9314 8699 0430 0104 1997 89	Michelle R. Hammifin P.O. Box 8874 Denver CO 80201	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
38	9314 8699 0430 0104 1997 96	Mitchell Exploration Inc. 6212 Homestead Midland TX 79707	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
39	9314 8699 0430 0104 1998 02	Motowi, LLC 501 W. Main Street Yukon OK 73099	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
40	9314 8699 0430 0104 1998 19	MW Oil Investment Company, Inc. P.O. Box 8687 Denver CO 80201	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
41	9314 8699 0430 0104 1998 26	Newkumet Ltd. P.O. Box 11330 Midland TX 79702	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
42	9314 8699 0430 0104 1998 33	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
43	9314 8699 0430 0104 1998 40	Pegasus Resources II, LLC P.O. Box 470698 Fort Worth TX 76147	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
44	9314 8699 0430 0104 1998 57	Penasco Petroleum, LLC P.O. Box 2292 Roswell NM 88202	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice



PS Form 3877

Firm Mailing Book ID: 240799

Type of Mailing: CERTIFIED MAIL
02/07/2023

Marlene Schuman
Modrall Spering Roehl Harris & Sisk P.A.
100 Fourth Street, Suite 1000
Albuquerque NM 87102

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
45	9314 8699 0430 0104 1998 64	Post Oak Crown Minerals, LLC 34 S. Wynden Dr., Ste 210 Houston TX 77056	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
46	9314 8699 0430 0104 1998 71	Pumpkin Buttes, LLC P.O. Box 1989 Casper WY 82602	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
47	9314 8699 0430 0104 1998 88	Richardson Mineral & Royalty, LLC P.O. Box 2423 Roswell NM 88202	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
48	9314 8699 0430 0104 1998 95	Rolla R. Hinkle III P.O. Box 2292 Roswell NM 88202	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
49	9314 8699 0430 0104 1999 01	Shackelford Oil Company 3610 North A, Suite 100 Midland TX 79705	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
50	9314 8699 0430 0104 1999 18	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
51	9314 8699 0430 0104 1999 25	TD Minerals, LLC 8111 Westchester Drive, Suite 900 Dallas TX 75205	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
52	9314 8699 0430 0104 1999 32	The EMG Revocable Trust Eileen M. Grooms, Trustee 1000 W. Fourth Street Roswell NM 88201	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
53	9314 8699 0430 0104 1999 49	The George Ann Pollard Family Trust, Bryan Pollard as Trustee 3100 Shell Midland TX 79705	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
54	9314 8699 0430 0104 1999 56	Viper Energy Partners, LLC 500 W. Texas Ave. Ste. Midland TX 79701	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice
			Totals:	\$224.10	\$113.40	\$0.00	
				Grand Total:		\$431.46	



List Number of Pieces Received at Post Office: 54
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Arlene Schuman
 100 Fourth Street, Suite 1000
 Albuquerque NM 87102

PS Form 3877

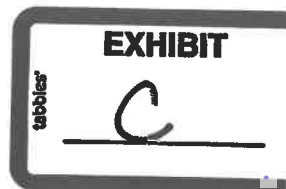
Type of Mailing: CERTIFIED MAIL
 03/13/2023

Firm Mailing Book ID: 242563

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0105 3929 12	FHW, Jr. - Oil, Ltd. 155 Walsh Drive Aledo TX 76008	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
2	9314 8699 0430 0105 3929 29	Malay Investment Partners, Ltd. 4000 Modlin Ave. Ft. Worth TX 76107	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
3	9314 8699 0430 0105 3929 36	Tumbler Operating Partners, LLC 3811 Turtle Creek Blvd., Suite 1100 Dallas TX 75219	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
4	9314 8699 0430 0105 3929 43	Minerva Resources, LLC 6321 Campus Circle Dr. E Irving TX 75063	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
5	9314 8699 0430 0105 3929 50	MW Oil Investment Company, Inc. 5454 Washington St. Denver CO 80216	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
6	9314 8699 0430 0105 3929 67	Bascom Mitchell Family Partnership, LP 8523 Thackery St. Unit 6202 Dallas TX 75225	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
7	9314 8699 0430 0105 3929 74	Fortis Minerals II, LLC PO Box 470698 Fort Worth TX 76137	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
8	9314 8699 0430 0105 3929 81	Cronus Mineral Holdings, LLC 8330 Lyndon B. Johnson FWY #B741 Dallas TX 75243	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
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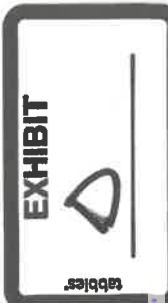
List Number of Pieces Received at Post Office: _____ Total Number of Pieces Received at Post Office: _____
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8



Transaction Report Details - CertifiedPro.net
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Generated: 4/13/2023 1:22:16 PM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
931486990430010419956	2023-02-07 2:21 PM	81363 Goliath	Viper Energy Partners, LLC		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-09 11:03 AM
931486990430010419949	2023-02-07 2:21 PM	81363 Goliath	The George Ann Pollard	Family Trust, Bryan Pollard as Trustee	Midland	TX	79705	Lost	Return Receipt - Electronic, Certified Mail	
931486990430010419982	2023-02-07 2:21 PM	81363 Goliath	The EMG Revocable Trust	Eileen M. Grooms, Trustee	Roswell	NM	88201	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-09 12:00 AM
931486990430010419982	2023-02-07 2:21 PM	81363 Goliath	TD Minerals, LLC		Dallas	TX	75205	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-09 10:26 AM
931486990430010419918	2023-02-07 2:21 PM	81363 Goliath	Sordita Resources, LLC		Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	
931486990430010419901	2023-02-07 2:21 PM	81363 Goliath	Shackelford Oil Company		Midland	TX	79705	Lost	Return Receipt - Electronic, Certified Mail	2023-02-10 12:00 AM
931486990430010419985	2023-02-07 2:21 PM	81363 Goliath	Rolls R. Hinkle III		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 10:55 AM
931486990430010419988	2023-02-07 2:21 PM	81363 Goliath	Richardson Mineral & Royalty, LLC		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	
931486990430010419987	2023-02-07 2:21 PM	81363 Goliath	Pumpkin Buttes, LLC		Casper	WY	82602	Lost	Return Receipt - Electronic, Certified Mail	2023-02-10 12:00 AM
931486990430010419986	2023-02-07 2:21 PM	81363 Goliath	Post Oak Crown Minerals, LLC		Houston	TX	77055	Lost	Return Receipt - Electronic, Certified Mail	2023-02-09 10:26 AM
931486990430010419987	2023-02-07 2:21 PM	81363 Goliath	Penasco Petroleum, LLC		Houston	TX	77055	Lost	Return Receipt - Electronic, Certified Mail	2023-02-13 11:18 AM
931486990430010419984	2023-02-07 2:21 PM	81363 Goliath	Pegasus Resources II, LLC		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	
931486990430010419983	2023-02-07 2:21 PM	81363 Goliath	Oak Valley Mineral and Land, LP		Fort Worth	TX	76147	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 12:00 AM
931486990430010419982	2023-02-07 2:21 PM	81363 Goliath	Newkumet Ltd.		Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 11:06 AM
931486990430010419981	2023-02-07 2:21 PM	81363 Goliath	MIV Oil Investment Company, Inc.		Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-09 10:26 AM
931486990430010419980	2023-02-07 2:21 PM	81363 Goliath	Motawi, LLC		Denver	CO	80201	Lost	Return Receipt - Electronic, Certified Mail	2023-02-13 11:18 AM
931486990430010419979	2023-02-07 2:21 PM	81363 Goliath	Mitchell Exploration Inc.		Yukon	OK	73099	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 12:00 AM
931486990430010419978	2023-02-07 2:21 PM	81363 Goliath	Michelle R. Hamflin		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-09 1:14 PM
931486990430010419977	2023-02-07 2:21 PM	81363 Goliath	Mierpel, LLC		Denver	CO	80201	Lost	Return Receipt - Electronic, Certified Mail	
931486990430010419976	2023-02-07 2:21 PM	81363 Goliath	Matthew N. Sorenson, as sole & separate property		Dallas	TX	75205	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 1:08 PM
931486990430010419975	2023-02-07 2:21 PM	81363 Goliath	Louis A. Oswald, III	Trustee of Oswald Family Trust	Roswell	NM	88202	Lost	Return Receipt - Electronic, Certified Mail	
931486990430010419975	2023-02-07 2:21 PM	81363 Goliath	Kellie M. Kross, as her sole and separate property		Lakewood	CO	80228	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-14 8:37 AM
931486990430010419974	2023-02-07 2:21 PM	81363 Goliath	Katherine Rogers Allen, sole & separate property		Coppell	TX	75019	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 1:08 PM
931486990430010419973	2023-02-07 2:21 PM	81363 Goliath	Jonathan S. Roderick	Trustee of Jonathan S. Roderick Trust	Dallas	TX	75214	Lost	Return Receipt - Electronic, Certified Mail	
931486990430010419972	2023-02-07 2:21 PM	81363 Goliath	James Baker Oil & Gas		Boulder	CO	80306	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 12:00 AM
931486990430010419971	2023-02-07 2:21 PM	81363 Goliath	Hoshi Karri, LLC		Dallas	TX	75238	Lost	Return Receipt - Electronic, Certified Mail	
931486990430010419970	2023-02-07 2:21 PM	81363 Goliath	Galley NM Assets, LLC		Littleton	CO	80160	Lost	Return Receipt - Electronic, Certified Mail	2023-02-10 12:49 PM
931486990430010419969	2023-02-07 2:21 PM	81363 Goliath	Frannfin Minerals, LLC		Dallas	TX	75219	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 11:25 AM
931486990430010419968	2023-02-07 2:21 PM	81363 Goliath	KMF Land, LLC	1180 Commerce Dr.	Las Cruces	NM	88013	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-17 10:56 AM
931486990430010419967	2023-02-07 2:21 PM	81363 Goliath	Enerstar Resources Oil & Gas, LLC		Denver	CO	80202	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 12:42 PM
931486990430010419966	2023-02-07 2:21 PM	81363 Goliath	Christine V. Grim Merchant		Carlsbad	NM	88220	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 3:42 PM
931486990430010419965	2023-02-07 2:21 PM	81363 Goliath	Brigham Minerals, LLC		Austin	TX	78730	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 12:00 AM
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931486990430010419962	2023-02-07 2:21 PM	81363 Goliath	Charles R. Wiggins and wife, Deborah Wiggins		Midland	TX	79704	Delivered	Return Receipt - Electronic, Certified Mail	
931486990430010419961	2023-02-07 2:21 PM	81363 Goliath	Fortis Minerals II, LLC		Houston	TX	77002	Lost	Return Receipt - Electronic, Certified Mail	2023-02-10 12:49 PM
931486990430010419960	2023-02-07 2:21 PM	81363 Goliath	Legacy Income Fund I, Ltd.		Abilene	TX	79601	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-15 11:08 AM
931486990430010419958	2023-02-07 2:21 PM	81363 Goliath	H.E. Davis Family Partnership, Ltd.		Houston	TX	77057	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 11:49 AM
931486990430010419958	2023-02-07 2:21 PM	81363 Goliath	C. Clyde Hamblin & Martha Eugenia Poole Hamblin	Hamblin Living Trust dated 1-31-22	Sweetwater	TX	79556	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 10:22 AM
931486990430010419957	2023-02-07 2:21 PM	81363 Goliath	John M. McCormack & Maryanne McCormack		Midland	TX	79704	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 3:42 PM
931486990430010419955	2023-02-07 2:21 PM	81363 Goliath	Swan Exploration		Houston	TX	77055	Lost	Return Receipt - Electronic, Certified Mail	2023-02-13 3:54 PM
931486990430010419954	2023-02-07 2:21 PM	81363 Goliath	Ed Davis		Fort Worth	TX	76102	Lost	Return Receipt - Electronic, Certified Mail	2023-02-11 11:01 AM
931486990430010419953	2023-02-07 2:21 PM	81363 Goliath	Minerva Resources, LLC		Houston	TX	75039	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 9:19 AM
931486990430010419952	2023-02-07 2:21 PM	81363 Goliath	Cronus Mineral Holdings, LLC		Houston	TX	75039	Lost	Return Receipt - Electronic, Certified Mail	
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931486990430010419949	2023-02-07 2:21 PM	81363 Goliath	Walsh & Warts, Inc.		Fort Worth	TX	76102	Lost	Return Receipt - Electronic, Certified Mail	
931486990430010419947	2023-02-07 2:21 PM	81363 Goliath	Red Dirt Energy LLC		Fort Worth	TX	76102	Lost	Return Receipt - Electronic, Certified Mail	2023-02-09 7:51 AM
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931486990430010419943	2023-02-07 2:21 PM	81363 Goliath	EOG Resources, Inc		Midland	TX	79706	Delivered	Return Receipt - Electronic, Certified Mail	
931486990430010419942	2023-02-07 2:21 PM	81363 Goliath	The State of New Mexico		Santa Fe	NM	87501	Delivered	Return Receipt - Electronic, Certified Mail	
931486990430010419940	2023-02-07 2:21 PM	81363 Goliath	United States of America	Bureau of Land Management	Santa Fe	NM	87508	Delivered	Return Receipt - Electronic, Certified Mail	



Transaction Report Details - CertifiedPro.net
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USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300105392981	2023-03-13 9:40 AM	81363.0124Goliath	Cronus Mineral Holdings, LLC		Dallas	TX	75243	Lost	Return Receipt - Electronic, Certified Mail	2023-03-16 8:08 AM
9314869904300105392974	2023-03-13 9:40 AM	81363.0124Goliath	Fortis Minerals II, LLC		Fort Worth	TX	76137	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-16 3:51 PM
9314869904300105392967	2023-03-13 9:40 AM	81363.0124Goliath	Bascom Mitchell Family Partnership, LP		Dallas	TX	75225	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300105392950	2023-03-13 9:40 AM	81363.0124Goliath	MW Oil Investment Company, Inc.		Denver	CO	80216	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300105392943	2023-03-13 9:40 AM	81363.0124Goliath	Minerva Resources, LLC		Irving	TX	75063	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300105392936	2023-03-13 9:40 AM	81363.0124Goliath	Tumbler Operating Partners, LLC		Dallas	TX	75219	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-16 2:47 PM
9314869904300105392929	2023-03-13 9:40 AM	81363.0124Goliath	Maltay Investment Partners, Ltd.		Ft. Worth	TX	76107	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300105392912	2023-03-13 9:40 AM	81363.0124Goliath	FHW, Jr. - Oil, Ltd.		Aledo	TX	76008	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-16 8:56 AM

LEGAL NOTICE
February 15, 2023

Affidavit of Publicatic

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
February 15, 2023
and ending with the issue dated
February 15, 2023.



Publisher

Sworn and subscribed to before me this
15th day of February 2023.



Business Manager

My commission expires
January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087528
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to pub
legal notices or advertisements within th
meaning of Section 3, Chapter 167, Lav
1937 and payment of fees for said

CASE NO. 23355: Notice to all affected parties, as well as heirs and devisees of United States of America Bureau of Land Management; The State of New Mexico; EOG Resources, Inc.; Tumbler Operating Partners, LLC; Cimarron Energy Co.; Red Dirt Energy LLC; Walsh & Watts, Inc.; FHW, Jr. - Oil, Ltd.; Cronus Mineral Holdings, LLC; Minerva Resources, LLC; Ed Davis; Minerva Resources Group, LLC; Laptaco; Swan Exploration; Maltay Investment Partners, Ltd.; John M. McCormack and wife Maryanne McCormack; The Hamblin Living Trust w/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees; H.E. Davis Family Partnership, Ltd.; Iseramo Energy, LLC; Legacy Income Fund I, Ltd.; Fortis Minerals II, LLC; Charles R. Wiggins and wife, Deborah Wiggins; Bascom Mitchell Family Partnership, LP; Brigham Minerals, LLC; Christine V. Grim Merchant, as her sole and separate property; Enerstar Resources Oil & Gas, LLC; KMF Land, LLC; Frannfin Minerals, LLC; Galley NM Assets, LLC; Hoshi Kanri, LLC; James Baker Oil & Gas; Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Trust; Katherine Rogers Allen, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Louis A. Oswald, III, Trustee of the Oswald Family Trust, dated April 27, 1998; Matthew N. Sorenson, as his sole and separate property; MerPet, LLC; Michelle R. Hamblin; Mitchell Exploration, Inc.; Motowl, LLC; MW Oil Investment Company, Inc.; Newkumet Ltd.; Oak Valley Mineral and Land, LP; Pegasus Resources II, LLC; Penasco Petroleum, LLC; Post Oak Crown Minerals, LLC; Pumpkin Buttes, LLC; Richardson Mineral & Royalty, LLC; Rolla R. Hinkle III; Shackelford Oil Company; Sortida Resources, LLC; TD Minerals, LLC; The EMG Revocable Trust w/a dated 11-1-2004 Eileen M. Grooms, Trustee; The George Ann Pollard Family Trust, Bryan Pollard as Trustee; Viper Energy Partners, LLC of Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 2, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oed/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant 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 38, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Gollath 24 Federal Com 703H and Gollath 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.

CASE NO. 23356: Notice to all affected parties, as well as heirs and devisees of United States of America Bureau of Land Management; The State of New Mexico; EOG Resources, Inc.; Tumbler Operating Partners, LLC; Cimarron Energy Co.; Red Dirt Energy LLC; Walsh & Watts, Inc.; FHW, Jr. - Oil, Ltd.; Cronus Mineral Holdings, LLC; Minerva Resources, LLC; Ed Davis; Minerva Resources Group, LLC; Laptaco; Swan Exploration; Maltay Investment Partners, Ltd.; John M. McCormack and wife Maryanne McCormack; The Hamblin Living Trust w/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees; H.E. Davis Family Partnership, Ltd.; Iseramo Energy, LLC; Legacy Income Fund I, Ltd.; Fortis Minerals II, LLC; Charles R. Wiggins and wife, Deborah Wiggins; Bascom Mitchell Family Partnership, LP; Brigham Minerals, LLC; Christine V. Grim Merchant, as her sole and separate property; Enerstar Resources Oil & Gas, LLC; KMF Land, LLC; Frannfin Minerals, LLC; Galley NM Assets, LLC; Hoshi Kanri, LLC; James Baker Oil & Gas; Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Trust; Katherine Rogers Allen, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Louis A. Oswald, III, Trustee of the Oswald Family Trust, dated April 27, 1998; Matthew N. Sorenson, as his sole and separate property; MerPet, LLC; Michelle R. Hamblin; Mitchell Exploration, Inc.; Motowl, LLC; MW Oil Investment Company, Inc.; Newkumet Ltd.; Oak Valley Mineral and Land, LP; Pegasus Resources II, LLC; Penasco Petroleum, LLC; Post Oak Crown Minerals, LLC; Pumpkin Buttes, LLC; Richardson Mineral & Royalty, LLC; Rolla R. Hinkle III; Shackelford Oil Company; Sortida Resources, LLC; TD Minerals, LLC; The EMG Revocable Trust w/a dated 11-1-2004 Eileen M. Grooms, Trustee; The George Ann Pollard Family Trust, Bryan Pollard as Trustee; Viper Energy Partners, LLC of Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 2, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oed/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant 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 38, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Gollath 24 Federal Com 701H and Gollath 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.

CASE NO. 23357: Notice to all affected parties, as well as heirs and devisees of United States of America Bureau of Land Management; The State of New Mexico; EOG Resources, Inc.; Tumbler Operating Partners, LLC; Cimarron Energy Co.; Red Dirt Energy LLC; Walsh & Watts, Inc.; FHW, Jr. - Oil, Ltd.; Cronus Mineral Holdings, LLC; Minerva Resources, LLC; Ed Davis; Minerva Resources Group, LLC; Laptaco; Swan Exploration; Maltay Investment Partners, Ltd.; John M. McCormack and wife Maryanne McCormack; The Hamblin Living Trust w/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees; H.E. Davis Family Partnership, Ltd.; Iseramo Energy, LLC; Legacy Income Fund I, Ltd.; Fortis Minerals II, LLC; Charles R. Wiggins and wife, Deborah Wiggins; Bascom Mitchell Family Partnership, LP; Brigham Minerals, LLC; Christine V. Grim Merchant, as her sole and separate property; Enerstar Resources Oil & Gas, LLC; KMF Land, LLC; Frannfin Minerals, LLC; Galley NM Assets, LLC; Hoshi Kanri, LLC; James Baker Oil & Gas; Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Trust; Katherine Rogers Allen, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Louis A. Oswald, III, Trustee of the Oswald Family Trust, dated April 27, 1998; Matthew N. Sorenson, as his sole and separate property; MerPet, LLC; Michelle R. Hamblin; Mitchell Exploration, Inc.; Motowl, LLC; MW Oil Investment Company, Inc.; Newkumet Ltd.; Oak Valley Mineral and Land, LP; Pegasus Resources II, LLC; Penasco Petroleum, LLC; Post Oak Crown Minerals, LLC; Pumpkin Buttes, LLC; Richardson Mineral & Royalty, LLC; Rolla R. Hinkle III; Shackelford Oil Company; Sortida Resources, LLC; TD Minerals, LLC; The EMG Revocable Trust w/a dated 11-1-2004 Eileen M. Grooms, Trustee; The George Ann Pollard Family Trust, Bryan Pollard as Trustee; Viper Energy Partners, LLC of Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 2, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oed/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant 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 Gollath 24 Federal Com 301H, Gollath 24 Federal Com 601H, and Gollath 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.

CASE NO. 23358: Notice to all affected parties, as well as heirs and devisees of United States of America Bureau of Land Management; The State of New Mexico; EOG Resources, Inc.; Tumbler Operating Partners, LLC; Cimarron Energy Co.; Red Dirt Energy LLC; Walsh & Watts, Inc.; FHW, Jr. - Oil, Ltd.; Cronus Mineral Holdings, LLC; Minerva Resources, LLC; Ed Davis; Minerva Resources Group, LLC; Laptaco; Swan Exploration; Maltay Investment Partners, Ltd.; John M. McCormack and wife Maryanne McCormack; The Hamblin Living Trust w/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees; H.E. Davis Family Partnership, Ltd.; Iseramo Energy, LLC; Legacy Income Fund I, Ltd.; Fortis Minerals II, LLC; Charles R. Wiggins and wife, Deborah Wiggins; Bascom Mitchell Family Partnership, LP; Brigham Minerals, LLC; Christine V. Grim Merchant, as her sole and separate property; Enerstar Resources Oil & Gas, LLC; KMF Land, LLC; Frannfin Minerals, LLC; Galley NM Assets, LLC; Hoshi Kanri, LLC; James Baker Oil & Gas; Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Trust; Katherine Rogers Allen, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Louis A. Oswald, III, Trustee of the Oswald Family Trust, dated April 27, 1998; Matthew N. Sorenson, as his sole and separate property; MerPet, LLC; Michelle R. Hamblin; Mitchell Exploration, Inc.; Motowl, LLC; MW Oil Investment Company, Inc.; Newkumet Ltd.; Oak Valley Mineral and Land, LP; Pegasus Resources II, LLC; Penasco Petroleum, LLC; Post Oak Crown Minerals, LLC; Pumpkin Buttes, LLC; Richardson Mineral & Royalty, LLC; Rolla R. Hinkle III; Shackelford Oil Company; Sortida Resources, LLC; TD Minerals, LLC; The EMG Revocable Trust w/a dated 11-1-2004 Eileen M. Grooms, Trustee; The George Ann Pollard Family Trust, Bryan Pollard as Trustee; Viper Energy Partners, LLC of Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 2, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oed/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant 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 Gollath 24 Federal Com 603H, and Gollath 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.

#0275811

EXHIBIT
E

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

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

CASE NOS. 23355 -23358

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Marathon Oil Permian, LLC, the Applicant herein, declares as follows:

- 1) The above-referenced Applications were provided under notice letter, dated March 16, 2023 to additional notice parties (offsetting operators/working interest owenrs) for purpose of the non-standard unit approval request (to the extent not previously sent notice), and attached hereto, as Exhibit A.
- 2) Exhibit B is the mailing list, which show the notice letters were delivered to the USPS for mailing on March 16, 2023.
- 3) Exhibit C is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. These spreadsheets show the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 4) Exhibit D is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the April 6, 2023 hearing was published on March 22, 2023.
- 5) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: April 18, 2023

Deana M. Bennett





MODRALL SPERLING

LAWYERS

March 16, 2023

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

CASE NO. 23355

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

CASE NO. 23356

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

CASE NO. 23357

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

CASE NO. 23358

TO: AFFECTED PARTIES

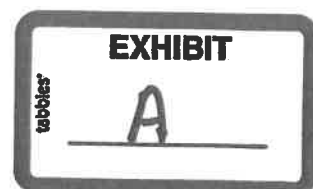
This letter is to advise you that Marathon Oil Permian, LLC ("Marathon") has filed the enclosed applications.

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

Modrall Sperling
Roehl Harris & Sisk P.A.
500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com



Page 2

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.

Page 3

The hearing will be conducted remotely on April 6, 2023 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date.

As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in these cases, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in these cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Deana M. Bennett
Attorney for Applicant

Received by OCD: 1/31/2023 8:44:55 AM

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

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

CASE NO. 23355

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill the **Goliath 24 Federal Com 703H and Goliath 24 Federal Com 704H** wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Wolfcamp spacing unit;

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- B. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Deana M. Bennett

Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
Attorneys for Applicant

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CASE NO. 23355 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

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

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

CASE NO. 23356

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill the **Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H** wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

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Page 2 of

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Wolfcamp spacing unit;

Received by OCD: 1/31/2023 8:58:24 AM

Page 3 of

- B. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Deana M. Bennett

Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
Attorneys for Applicant

Received by OCD: 1/31/2023 8:58:24 AM

Page 4 of

CASE NO. 23356 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

Received by OCD: 1/31/2023 9:07:37 AM

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

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

CASE NO. 23357

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill the **Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H** wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.

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Page 2 of

4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

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- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Deana M. Bennett

Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
Attorneys for Applicant

Received by OCD: 1/31/2023 9:07:37 AM

Page 4 of

CASE NO. 23357 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

Received by OCD: 1/31/2023 9:24:18 AM

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

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

CASE NO. 23358

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) 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, NMPPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
3. Marathon plans to drill **Goliath 24 Federal Com 603H and Goliath 24 Federal Com 604H** wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

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Page 2 of

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

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Page 3 of

- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Deana M. Bennett

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500 Fourth Street NW, Suite 1000
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Attorneys for Applicant

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Page 4 of

CASE NO. 23358 : Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant 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.

Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877
Type of Mailing: CERTIFIED MAIL
03/16/2023

Firm Mailing Book ID: 242966

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0105 6130 00	Devon Energy Production Company, LP 333 West Sheridan Avenue Oklahoma City OK 73102	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
2	9314 8699 0430 0105 6130 17	Chevron Midcontinent LP PO Box 4538 Houston TX 77210	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
3	9314 8699 0430 0105 6130 24	RSP Permian, LLC 600 W. Illinois Ave. Midland TX 79701	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
4	9314 8699 0430 0105 6130 31	D. K. Boyd 3317 Andrews Hwy Midland TX 79703	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
5	9314 8699 0430 0105 6130 48	OXY USA INC. 5 Greenway Plaza, Suite 110 Houston TX 77046	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
6	9314 8699 0430 0105 6130 55	Tumbler Operating Partners, LLC 3811 Turtle Creek Blvd., Suite 1100 Dallas TX 75219	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
7	9314 8699 0430 0105 6130 62	Red Dirt Energy LLC 3909 N. Classen Blvd., Suite 400 Oklahoma City OK 73118	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
8	9314 8699 0430 0105 6130 79	Walsh & Watts, Inc. 155 Walsh Drive Aledo TX 76008	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
9	9314 8699 0430 0105 6130 86	FHW, Jr. - Oil, Ltd 155 Walsh Drive Aledo TX 76008	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
10	9314 8699 0430 0105 6130 93	Minerva Resources, LLC 6321 Campus Circle Dr. E Irving TX 75063	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
11	9314 8699 0430 0105 6131 09	Wellbark Resources Group, LLC P.O. Box 1987 Frisco TX 75034	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
	9314 8699 0430 0105 6131 16	Maltay Investment Partners, Ltd. 4000 Modlin Ave. Fort Worth TX 76107	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
	9314 8699 0430 0105 6131 23	Earthstone Operating, LLC 1400 Woodloch Forest Drive Suite 300 The Woodlands TX 77380	\$1.74	\$4.15	\$2.10	\$0.00	81363.0124Goliath Notice
Totals:			\$22.62	\$53.95	\$27.30	\$0.00	\$103.87

ALBUQUERQUE, NM 87101
MAR 16 2023

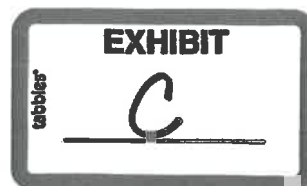
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Name of receiving employee:
[Signature]

Total Number of Pieces Received at Post Office: 13
List Number of Pieces Listed by Sender: 13



Transaction Report Details - CertifiedPro.net
 Firm Mail Book ID= 242966
 Generated: 4/13/2023 1:35:35 PM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300105613123	2023-03-16 1:50 PM	81363.0124Gollath	Earthstone Operating, LLC	1400 Woodloch Forest Drive	The Woodlands	TX	77380	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 2:31 PM
9314869904300105613116	2023-03-16 1:50 PM	81363.0124Gollath	Melby Investment Partners, Ltd.		Fort Worth	TX	76107	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300105613109	2023-03-16 1:50 PM	81363.0124Gollath	Wellbark Resources Group, LLC		Frisco	TX	75034	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-24 12:00 AM
9314869904300105613093	2023-03-16 1:50 PM	81363.0124Gollath	Minerva Resources, LLC		Irving	TX	75063	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300105613086	2023-03-16 1:50 PM	81363.0124Gollath	FHW, Jr. - Oil, Ltd		Aledo	TX	76008	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613079	2023-03-16 1:50 PM	81363.0124Gollath	Walsh & Watts, Inc.		Aledo	TX	76008	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613062	2023-03-16 1:50 PM	81363.0124Gollath	Red Dirt Energy LLC		Oklahoma City	OK	73118	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613055	2023-03-16 1:50 PM	81363.0124Gollath	Tumbler Operating Partners, LLC		Dallas	TX	75219	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613048	2023-03-16 1:50 PM	81363.0124Gollath	OXY USA INC.		Houston	TX	77046	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613031	2023-03-16 1:50 PM	81363.0124Gollath	D. K. Boyd		Midland	TX	79703	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300105613024	2023-03-16 1:50 PM	81363.0124Gollath	RSP Permian, LLC		Houston	TX	77210	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-21 7:42 AM
9314869904300105613017	2023-03-16 1:50 PM	81363.0124Gollath	Chevron Midcontinent LP		Houston	TX	77210	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-24 4:51 AM
9314869904300105613000	2023-03-16 1:50 PM	81363.0124Gollath	Devon Energy Production Company, I		Oklahoma City	OK	73102	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM



Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
March 22, 2023
and ending with the issue dated
March 22, 2023.



Publisher

Sworn and subscribed to before me this
22nd day of March 2023.



Business Manager

My commission expires
January 29, 2027
(Seal)

LEGAL NOTICE March 22, 2023

CASE NO. 23355: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 6, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oqd/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant 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 Gollath 24 Federal Com 703H and Gollath 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.

CASE NO. 23356: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 6, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oqd/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant 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 Gollath 24 Federal Com 701H and Gollath 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.

CASE NO. 23357: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 6, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oqd/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant 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 Gollath 24 Federal Com 301H, Gollath 24 Federal Com 601H, and Gollath 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.

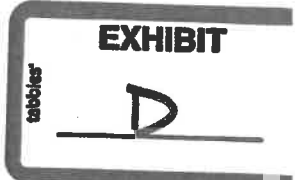
CASE NO. 23358: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 6, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oqd/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant 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 Gollath 24 Federal Com 603H, and Gollath 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.
#00276864

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This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

DOLORES SERNA
MODRALL, SPERLING, ROEHL, HARRIS &
P. O. BOX 2168
ALBUQUERQUE, NM 87103-2168



Offsetting Tracts and Notice Parties & Date Notice Sent

Devon Energy Production Co. (March 16, 2023)

16	15	14	13	18
21	26S 34E	21	Proposed Unit	19
26	See Table A on next slide	26	Proposed Unit	30
33	See Table B on next slide	27	Proposed Unit	31
		34	Proposed Unit	
		35	Proposed Unit	

Marathon Oil Permian-Operator (NA)
Chevron Midcontinent- WIO (March 16, 2023)

Earthstone Operating LLC (March 16, 2023)

OXY USA Inc. (March 16, 2023)

Also provided notice to BLM and SLO.



Name	Bureau of Land Management	February 7
Date Notice of Application Sent		February 7

Table B: W2 of Sec. 24 T265-R34E		
Name	Type	Date Notice of Application Sent
Marathon Oil Permian LLC	Operator	NA
EOG Resources, Inc	WIO	Feb. 7
Tumbler Operating Partners, LLC	WIO	Feb. 7, March 13, March 16
Cimarex Energy Co.	WIO	Feb. 7
Red Dirt Energy LLC	WIO	Feb. 7, March 16
Walsh & Watts, Inc.	WIO	Feb. 7, March 16
FHW, Jr. - Oil, Ltd	WIO	Feb. 7, March 13, March 16
Cronus Mineral Holdings, LLC.	WIO	Feb. 7, March 13
Minerva Resources, LLC	WIO	Feb. 7, March 13, March 16
Ed Davis	WIO	Feb. 7
Wellbark Resources Group, LLC	WIO	March 16
Laptec	WIO	Feb. 7
Swan Exploration	WIO	Feb. 7
Maltay Investment Partners, Ltd.	WIO	Feb. 7, March 13, March 16
John M. McCormack and wife, Maryanne McCormack	WIO	Feb. 7
The Hamblin Living Trust u/a dated 1-31-2011, C. Clyde	WIO	Feb. 7
Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees		

Table A: W2 of Sec. 25 & NENW, NWNW & Lot 3 & Lot 4 of Sec. 36 T265-R34E		
Name	Type	Date Notice of Application Sent
Marathon Oil Permian LLC	Operator	NA
EOG Resources, Inc	WIO	Feb. 7
Tumbler Operating Partners, LLC	WIO	Feb. 7, March 13, March 16
Cimarex Energy Co.	WIO	Feb. 7
Red Dirt Energy LLC	WIO	Feb. 7, March 16
Walsh & Watts, Inc.	WIO	Feb. 7, March 16
FHW, Jr. - Oil, Ltd	WIO	Feb. 7, March 13, March 16
Cronus Mineral Holdings, LLC.	WIO	Feb. 7, March 13
Minerva Resources, LLC	WIO	Feb. 7, March 13, March 16
Wellbark Resources Group, LLC	WIO	March 16
Laptec	WIO	Feb. 7
Swan Exploration	WIO	Feb. 7
Maltay Investment Partners, Ltd.	WIO	Feb. 7, March 13, March 16
John M. McCormack and wife, Maryanne McCormack	WIO	Feb. 7
The Hamblin Living Trust u/a dated 1-31-2011, C. Clyde	WIO	Feb. 7
Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees		
H.E. Davis Family Partnership, Ltd.	WIO	Feb. 7
Isramco Energy, L.L.C.	WIO	Feb. 7
Legacy Income Fund I, Ltd.	WIO	Feb. 7

Samuel A. Cox, CPL

PROFESSIONAL EXPERIENCE

Marathon Oil Company – Houston, TX

June 2022–Present

SENIOR LAND PROFESSIONAL – DELAWARE BASIN

- Responsible for Marathon's commercial transactions and rig execution for Lea & Eddy Counties, New Mexico
- Prepare & negotiate various land transaction documents including oil & gas leases, farmouts, term assignments, joint operating agreements, wellbore divestitures and trade agreements
- Coordinate with Marathon's geology, drilling, and engineering departments in the execution of the drilling schedule
- Interpret and analyze title opinions; obtain necessary curative items and coordinate brokers in the field for due diligence projects
- Work with the BLM & NMSLO to obtain communitization agreements, pooling orders, commingling agreements and oil & gas leases to ensure compliance with state and federal regulations

Marathon Oil Company – Houston, TX

June 2019–June 2022

SENIOR LAND PROFESSIONAL – OKLAHOMA RESOURCE BASIN

- Manage transaction related processes from inception to post-closing as the commercial lead for Marathon's Oklahoma Resource Basin
- Identify commercial opportunities, negotiate deal structures, coordinate economic evaluations, manage internal accounting reviews, prepare approval presentations, and draft commercial agreements
- Obtain regulatory approvals from the OCC for spacing and pooling of horizontal drilling units; interpret drilling title opinions and manage Marathon's drilling schedule for Grady County, Oklahoma
- Coordinate with subsurface, marketing, accounting, legal, tax, land administration and insurance groups to ensure transparency and address transactional risks throughout the deal process
- Collaborate with technical disciplines to strategize and develop creative deal structures to maximize value and minimize costs
- Market, facilitate and execute divestitures for non-operated wellbores within short timeframes to meet election deadlines

Apache Corporation – Houston, TX

June 2018–May 2019

SENIOR LANDMAN – LOWER 48 REGION

- Landman responsible for all land activities in Major, Blaine, Kingfisher, Dewey, Custer, Stephens, Carter, & Garvin Counties, Oklahoma
- Negotiate, draft, and amend agreements for acreage trades, acquisitions, divestitures, farmouts, joint-operating agreements, and other commercial oil and gas transactions
- Assist in the due diligence efforts with the Business Development group for large divestitures of producing properties
- Supervise Apache's leasing program in Stephens, Carter, & Garvin counties, coordinating outside contract Landmen on the acquisition of oil & gas leases and abstracting title
- Advise and coordinate with the other technical departments as to daily operations and the development of existing properties
- Prepare and review all regulatory applications, permits, title requirements, and agreements necessary for the proper execution of the drilling program
- Work with the Land Administration group to ensure the proper setup of all executed transactions and maintain accurate land records

Apache Corporation – Houston, TX

July 2015–June 2018

LANDMAN II – LOWER 48 REGION

- Landman for Apache's leasehold in Major, Blaine, Kingfisher, Dewey, and Custer Counties, Oklahoma
- Prepared, submitted and testified for all OCC applications related to the drilling and completion of horizontal wells
- Negotiated, drafted, and reviewed letter agreements, lease exchange agreements, farmouts, oil & gas leases, and assignments
- Managed brokers in acquiring leasehold, ownership reports, and images for the preparation of drilling title opinions
- Reviewed drilling title opinions and satisfied title curative requirements prior to drilling
- Performed due diligence on acreage acquisitions and divestitures
- Coordinated and oversaw the workflow related to title curative items working with the Geology, Engineering, and Regulatory departments

Apache Corporation – Midland, TX

July 2014–July 2015



LANDMAN I – ROTATIONAL DEVELOPMENT PROGRAM – PERMIAN REGION

- Landman for Glasscock County, TX
- Created tracking mechanism and GIS mapping system for continuous drilling obligations in 75,000 net acres prospect
- Responsible for clearing title and drafting title clearance memorandums for drilling units
- Managed the tracking of lease expirations, PSA elections, and brokers in leasing programs
- Drafted areas of mutual interest, unit designations, and lease ratifications

Apache Corporation – Tulsa, OK**July 2013–July 2014****LANDMAN I – ROTATIONAL DEVELOPMENT PROGRAM – MIDCONTINENT REGION**

- Landman for Apache's assets in Beckham, Roger Mills, Grady and Stephens Counties, Oklahoma
- Tracked and processed all non-operated well proposals and AFE's
- Drafted and negotiated joint operating agreements and pre-pooling letter agreements
- Testified and prepared applications for the Oklahoma Corporation Commission
- Reviewed and satisfied curative title requirements
- Prepared well proposals, tracked partner elections, and filed affidavits of force-pooled interests
- Determined partner WI and NRI coordinating with the Division Order department

Apache Corporation – Houston, TX**July 2012–July 2013****LANDMAN I – ROTATIONAL DEVELOPMENT PROGRAM – GULF COAST REGION**

- Conducted due diligence on Apache's acquisition of 427,000+ gross acres in the Eagleford
- Determined Apache's leasehold rights and created a detailed lease schedule covering 19,654 leases
- Performed field title work in Brazos and Burleson County, TX and Clarke County, MS
- Maintain Apache's lease records and interpreted oil & gas lease provisions

Cabot Oil & Gas Corporation – Houston, TX**Summer 2011****LAND INTERN**

- Prepared amendments to assignments, lease exhibits, and well proposals for working interest owners
- Created Excel spreadsheets summarizing lease hold rights, and unit WI and NRI in Arkansas and Louisiana
- Experience with the Tobin Database, Artesia software, County Records Online and the Texas Railroad Commission

EDUCATION**University of Oklahoma - Norman, OK – Bachelor of Business Administration in Energy Management****August 2012****CERTIFICATIONS, AFFILIATIONS AND ACTIVITIES**

CERTIFICATIONS: Certified Professional Landman

ORGANIZATIONS: American Association of Petroleum Landmen, Houston Association of Professional Landmen, Oklahoma City Association of Professional Landmen, Permian Basin Landmen's Association, Association Young Professionals in Energy

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

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

CASE NO. 23358

SELF AFFIRMED DECLARATION OF ELIZABETH SCULLY

Elizabeth Scully hereby states and declares as follows:

1. I am over the age of 18, I am a geologist for Marathon Oil Permian LLC, and have personal knowledge of the matters stated herein.
2. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum geologist were accepted as a matter of record.
3. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
4. I am familiar with the application filed by Marathon in this case.
5. I conducted a geological study of the area embracing Marathon’s Goliath Development Area.
6. **Exhibit C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.
7. **Exhibit C.2** is a wellbore schematic showing Marathon’s Goliath development plan.
8. **Exhibit C.3** is structure map of the base of the Bone Spring formation. The proposed project area is identified by a black-dashed box, and the proposed wells are identified by



red lines. The contour interval used this exhibit is 25 feet. This exhibit shows that the Bone Spring dips to the North.

9. **Exhibit C.4** is a cross section reference map that identifies two wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.

10. **Exhibit C.5** is a stratigraphic cross section hung on the top of the Wolfcamp formation. The well logs on the cross-section give a representative sample of the Bone Spring formation in the area. The producing zones are identified by green shading.

11. **Exhibit C.6** is a Gross Interval Isochore of the Third Bone Sand formation. Exhibit C.6 identifies the unit by a black dashed box and the Bone Spring wells are identified by red lines. The formation is near constant thickness across the project area.

12. I conclude from the maps that:

- a. The horizontal spacing unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter section in the proposed unit will contribute more or less equally to production.

13. **Exhibit C.7** provides an overview of the stress orientation in the area based on the 2020 Snee-Zoback paper.

14. The preferred well orientation in this area is north/south. This is because the S_{Hmax} is at approximately 90 degrees in this part of Lea County. Marathon is proposing north/south orientation to maximize the lateral length given Marathon's acreage.

15. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

16. In my opinion, the granting of Marathon's application is in the interests of conservation and the prevention of waste.

[Signature page follows]

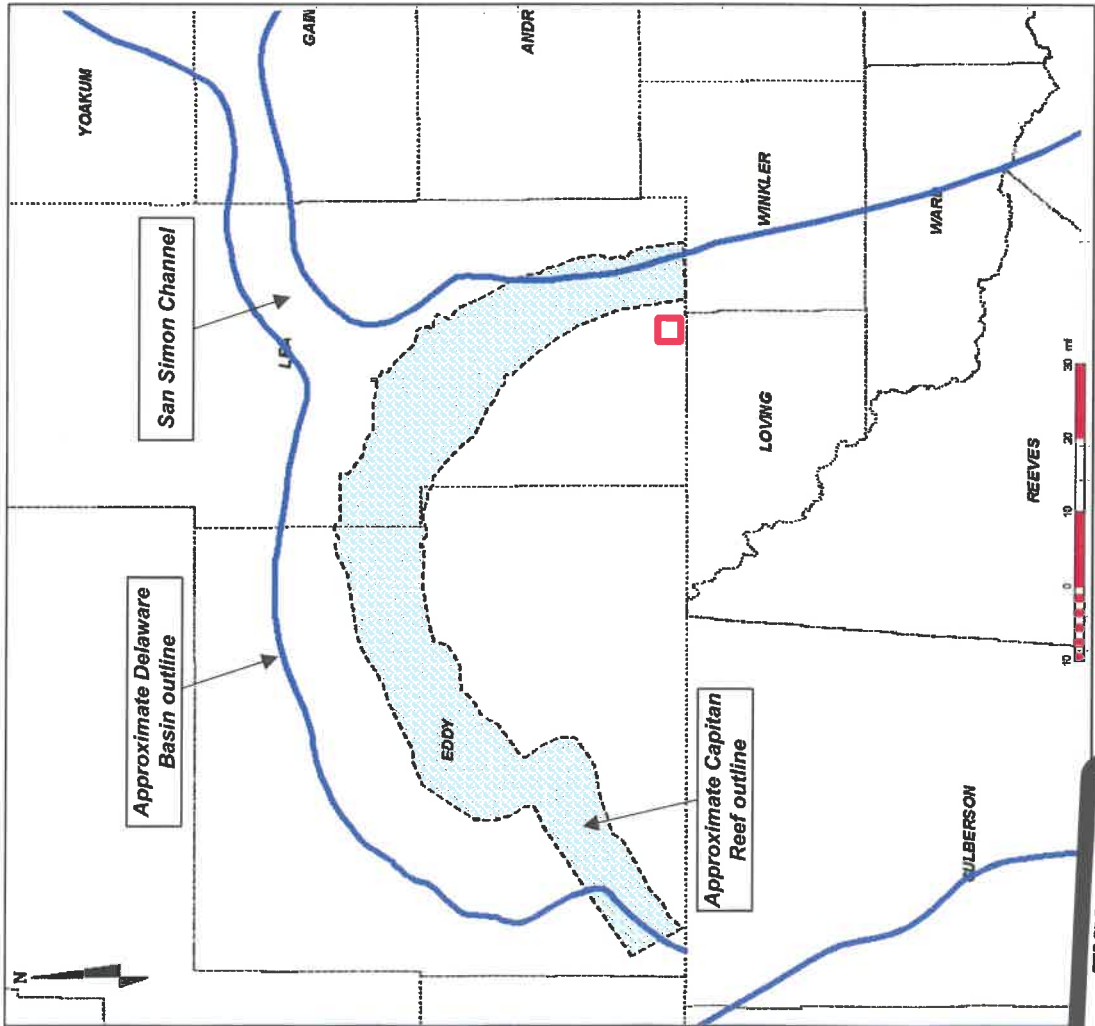
I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: April 17, 2023.

A handwritten signature in cursive script that reads "Elizabeth Sully". The signature is written in black ink and is positioned to the right of the date. The name "Elizabeth" is written in a larger, more prominent cursive, while "Sully" is written in a slightly smaller cursive below it.

Goliath Federal Com Unit

Locator Map



- Approximate location of proposed Goliath Federal Com well locations shown with red box
- Located outside of the Capitan Reef
- Southern Lea County

Goliath Federal Com Unit

Wellbore Schematic

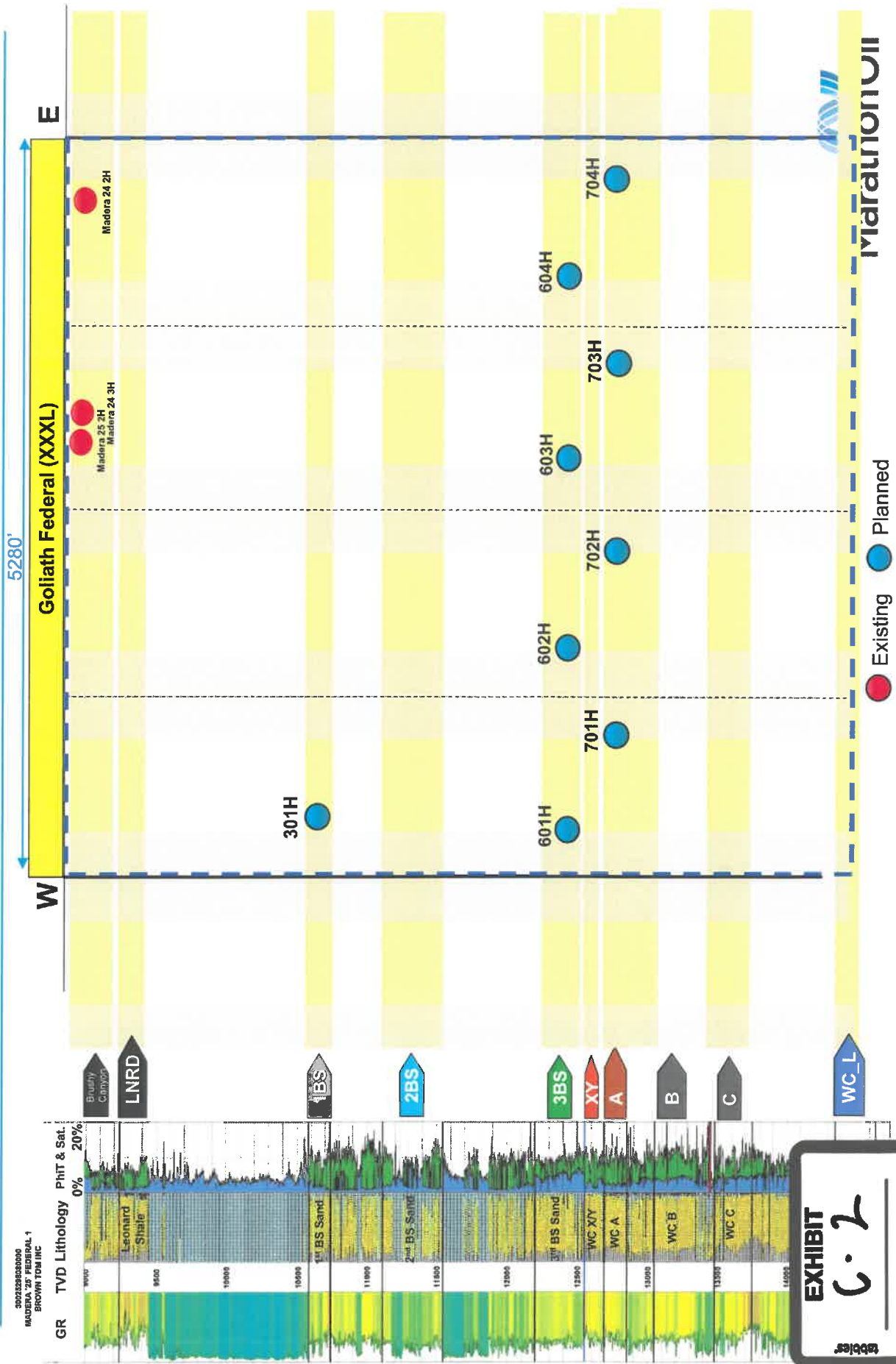
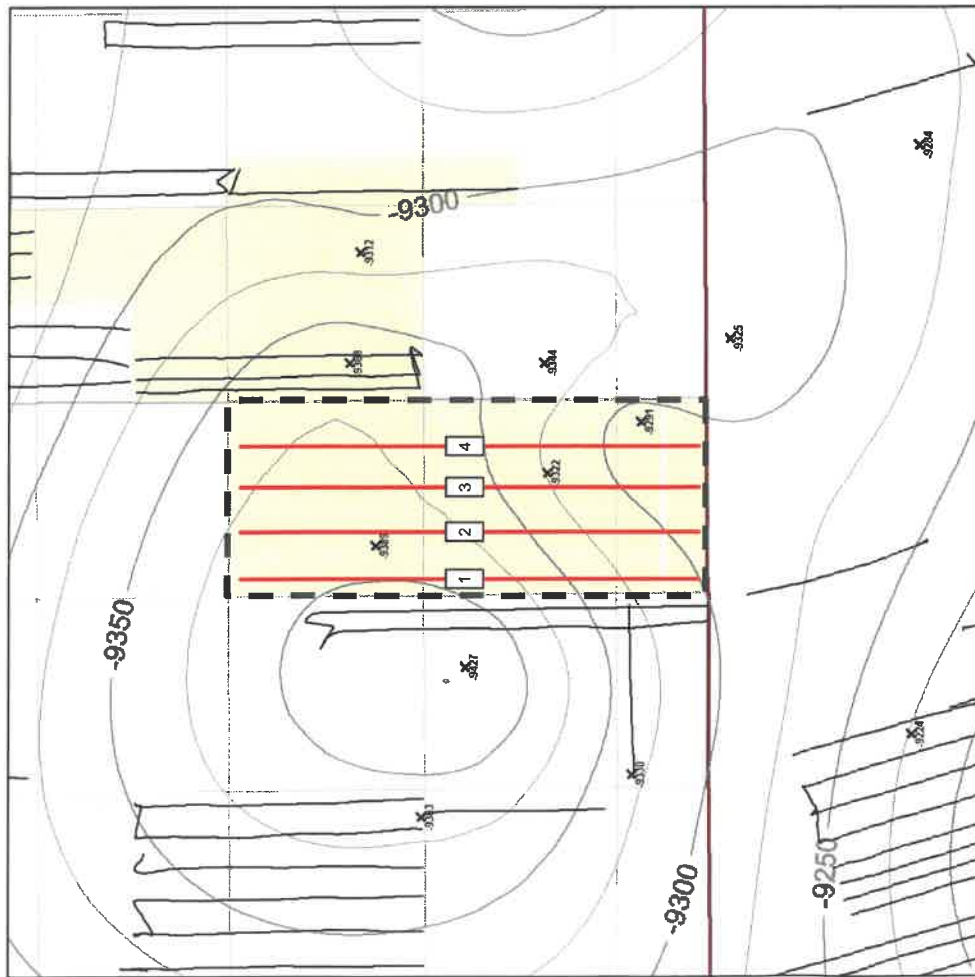






EXHIBIT
6.2
 Exhibits

Goliath Federal Com Unit

Structure Map -- Base of Bone Spring (TVDSS)



Map Legend

	Proposed Well
	Existing Lateral
	MRO Acreage
	Project Area

1 Goliath 24 Federal Com 601H
 2 Goliath 24 Federal Com 602H
 3 Goliath 24 Federal Com 603H
 4 Goliath 24 Federal Com 604H

The Base of the Bone Spring dips to the Northwest over project area.

1 mile C.I. = 25'

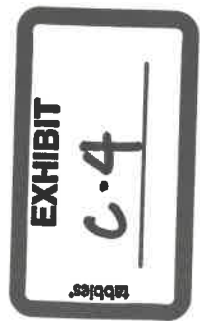


Goliath Federal Com Unit

Reference Map for Cross Section

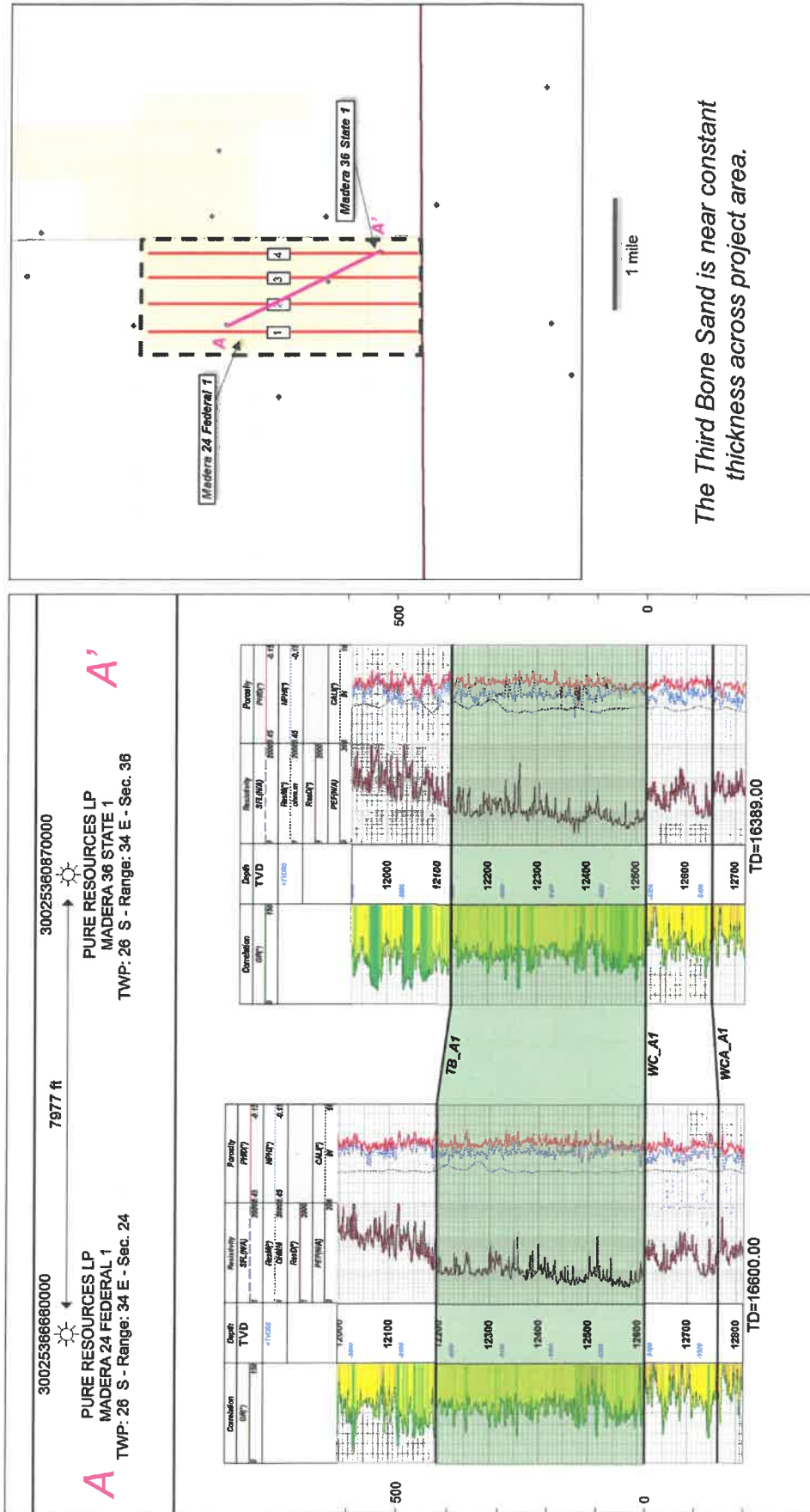


1 mile



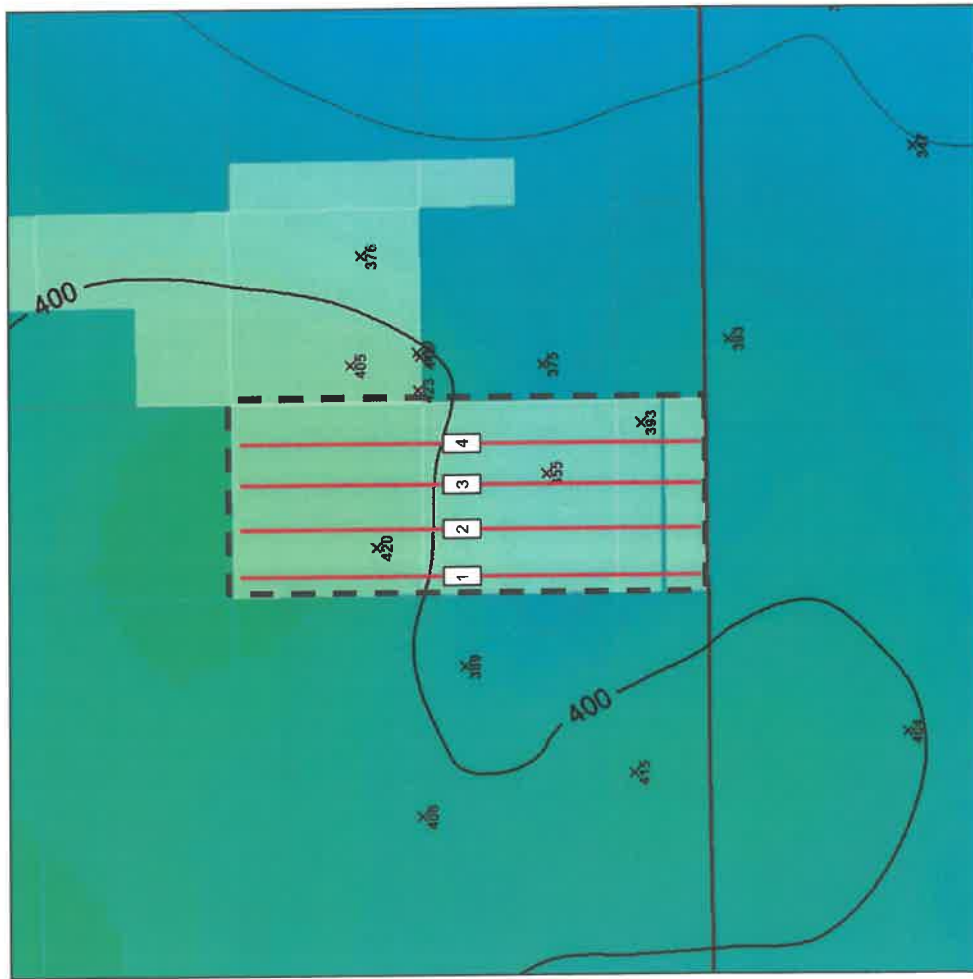
Goliath Federal Com Unit

Stratigraphic Cross Section (Top Wolfcamp Datum)



Goliath Federal Com Unit

Gross Interval Isochore Map – Top of Third Bone Sand to Top of Wolfcamp



- | | | | | |
|---|-----------------------------|-------------------|--|------------------|
| 1 | Goliath 24 Federal Com 601H | Map Legend | | Proposed Well |
| 2 | Goliath 24 Federal Com 602H | | | Existing Lateral |
| 3 | Goliath 24 Federal Com 603H | | | Project Area |
| 4 | Goliath 24 Federal Com 604H | | | MRO Acreage |

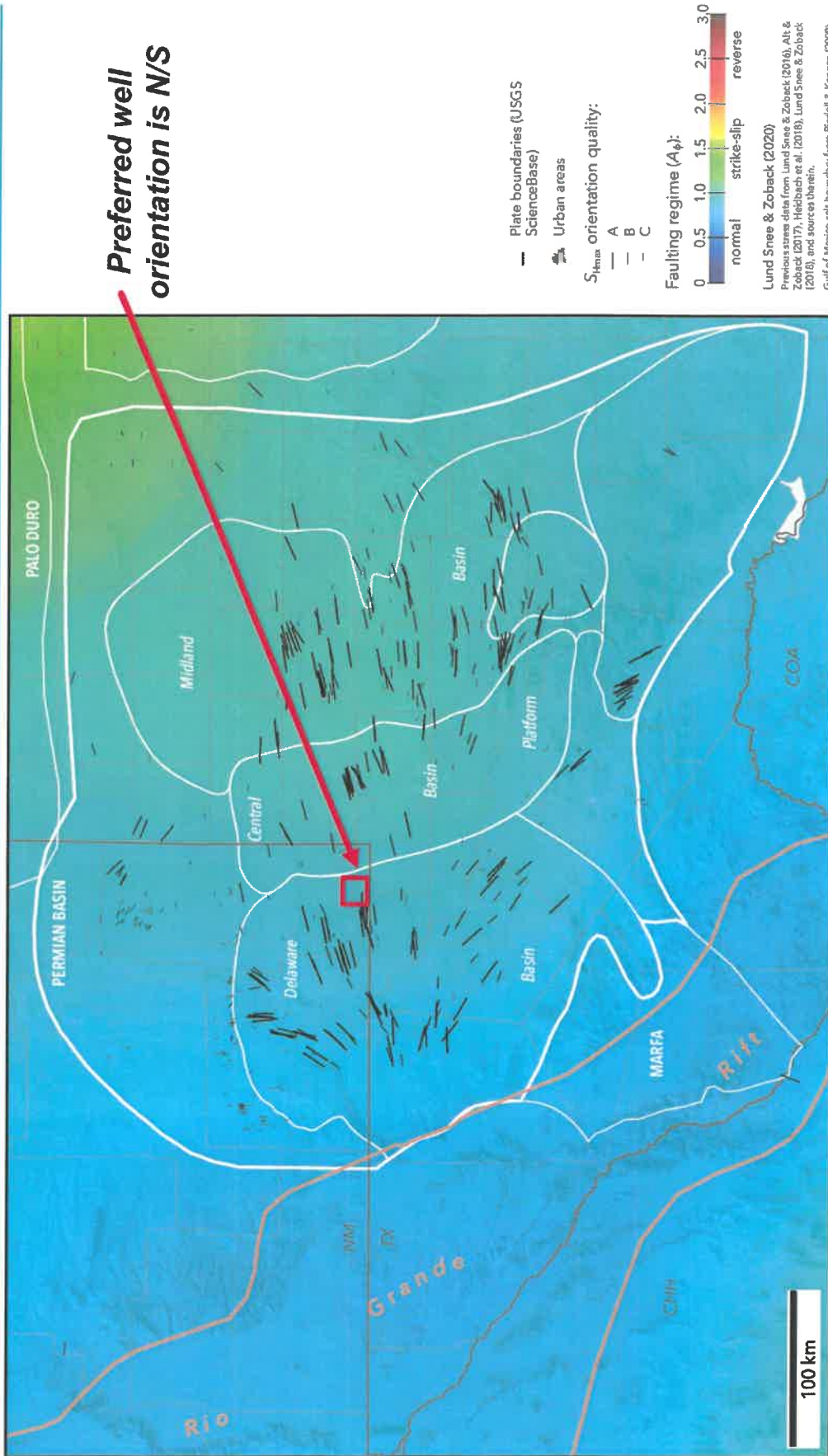
The Third Bone Sand is near constant thickness across project area.

1 mile C.I. = 50'

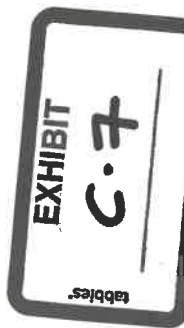


Goliath Federal Com Unit

Preferred Well Orientation - SHmax



Lund Snee and Zoback (2020)



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

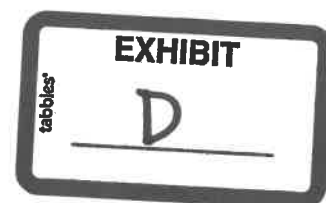
APPLICATIONS OF MARATHON OIL PERMIAN
LLC FOR A NON-STANDARD UNIT,
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NOS. 23355-23358

SELF AFFIRMED DECLARATION OF ROHIT SINHA

Rohit Sinha hereby states and declares as follows:

1. I am over the age of 18, I am a reservoir engineer for Marathon Oil Permian LLC and have personal knowledge of the matters stated herein.
2. I have not previously testified before the Oil Conservation Division (“Division”).
3. I graduated from The University of Texas at Austin in 2004 with a Masters in Science in Petroleum Engineering. I have worked as a reservoir engineer with Marathon since 2006. Before joining Marathon, I worked as a reservoir engineer with Halliburton. My resume is attached as **Exhibit C.4**.
4. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
5. I am familiar with the applications filed by Marathon in these cases and the surface production facilities required to develop the oil underlying the subject acreage.
6. In these cases, Marathon seeks approval of the 800-acre non-standard spacing units for several reasons.
7. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.



8. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon requires approval of non-standard spacing units.

9. Exhibits C.1 to C.3 illustrate the benefit of the non-standard units Marathon is requesting.

10. As outlined in Mr. Cox's testimony, if Marathon has to develop the acreage using standard horizontal spacing units, Marathon would need a total of eight units, four Bone Spring units and four Wolfcamp units. Under Marathon's requested non-standard unit applications, however, Marathon would only need a total of four units—two Bone Spring and two Wolfcamp.

11. **Exhibit C.1** identifies the tank batteries and related surface production facilities that would be required if Marathon had to develop this acreage using standard horizontal spacing units.

12. **Exhibit C.2** identifies the tank batteries and related surface production facilities that will be needed to develop the acreage using non-standard units.

13. As these exhibits show, Marathon intends to use a single central tank battery if the non-standard units are approved, as opposed to the four central tank batteries that would be required for standard units. Approval of the non-standard units will allow for commingling of production, which would not be possible if Marathon has to move forward with standard units.

14. **Exhibit C.3** identifies the reduced cost savings and surface disturbance that will occur if the non-standard spacing units are not approved.

15. In addition, a decrease in surface facilities will reduce the unavoidable permitted air emissions from the tanks and related surface facilities.

16. In my opinion, approval of Marathon's non-standard unit applications will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, and promote effective well spacing.

17. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

18. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

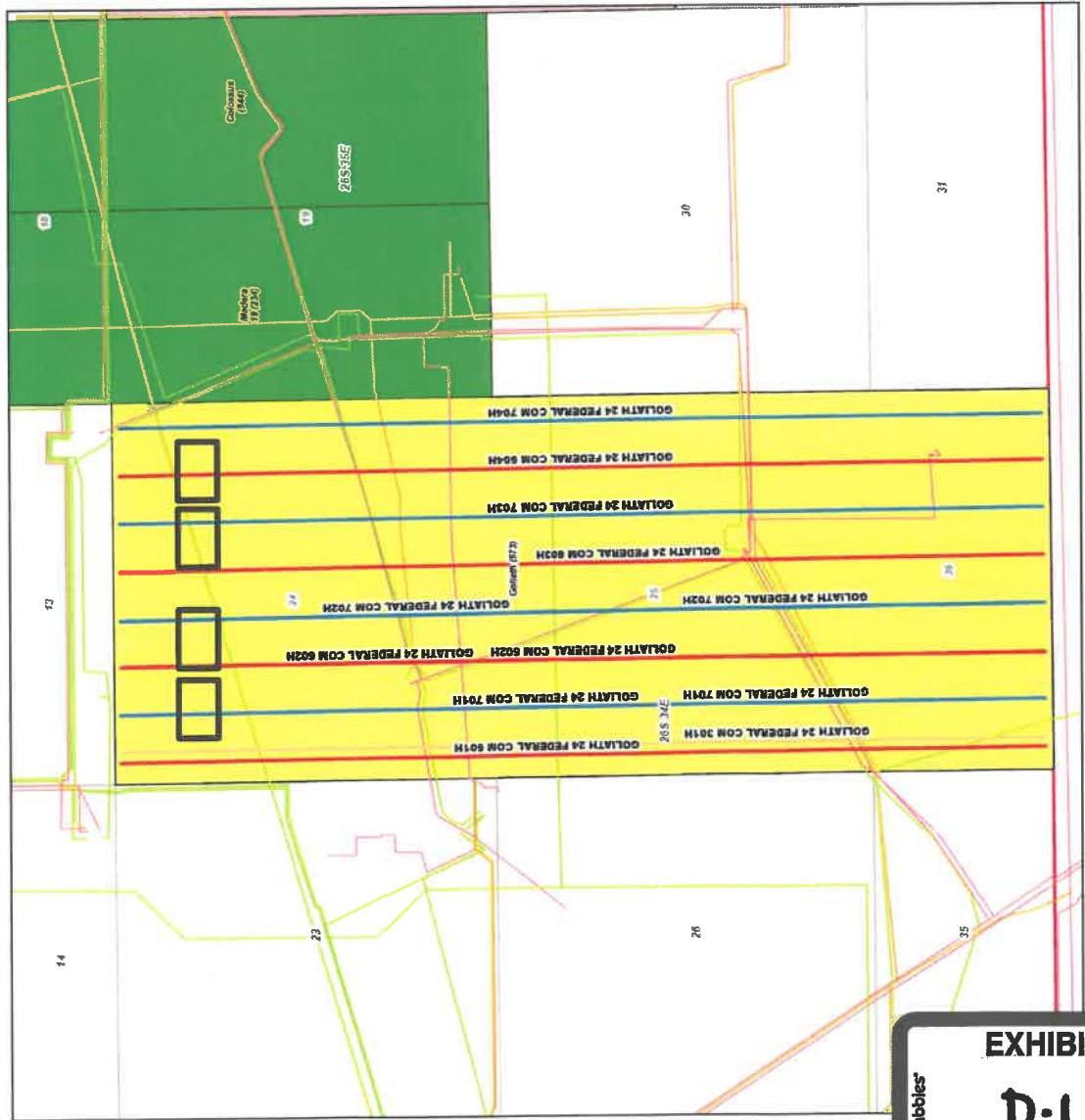
Dated: April 17, 2023



Rohit Sinha

Goliath Federal Com Unit

Facilities Map



- Natural Gas Pipeline
- Crude Pipeline
- Misc Pipeline



EXHIBIT
 D-1

Goliath Federal Com Unit

Facilities Map



- Natural Gas Pipeline
- Crude Pipeline
- Misc Pipeline



tabbles' EXHIBIT
D.2

Financial & Environmental Impact

Goliath Development

Scenario	Design Basis Per CTB (BOPD)	CTB Cost (\$M)	Pipeline/Utilities Costs (\$M)	Total Capital (\$M)	CTB and Pipeline Disturbance (Acres)
Four Separate Facilities	10,000	\$16,000	\$4,000	\$20,000	30.3
Single Pooled Facility	15,000	\$7,000	\$1,500	\$8,500	21.2
Savings		\$9,000	\$2,500	\$11,500	9.1



ROHIT SINHA

990 Town and Country Blvd, Houston, TX - 77024

EXPERIENCE

02/2006 – PRESENT

RESERVOIR ENGINEER, MARATHON OIL COMPANY

09/2004 – 01/2006

RESERVOIR ENGINEER, HALLIBURTON

EDUCATION

AUG 2004

MASTER OF SCIENCE (PETROLEUM ENGINEERING), UT AUSTIN

MAY 1999

BACHELOR'S IN TECHNOLOGY (PETROLEUM ENGINEERING), INDIAN SCHOOL OF MINES

