

**Before the Oil Conservation Division
Examiner Hearing May 16, 2024**

Case No. 24183

Blue Barracuda Federal Com 301H

Blue Barracuda Federal Com 302H

Blue Barracuda Federal Com 501H

Blue Barracuda Federal Com 502H



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

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

CASE NO. 24183

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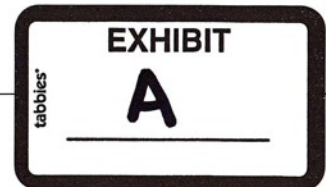
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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24183	APPLICANT'S RESPONSE
Date	May 16, 2024
Applicant	Marathon Oil Permian LLC
Designated Operator & OGRID (affiliation if applicable)	Marathon Oil Permian LLC OGRID 372098
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.
Case Title:	APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	None
Well Family	Blue Barracuda
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:	Culebra Bluff; Bone Spring South Pool (Code 15011)
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	960-acres
Building Blocks:	40-Acres
Orientation:	West/East
Description: TRS/County	S/2 of Section 36, Township 22 South, Range 27 East, N.M.P.M., Eddy County and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, N.M.P.M., Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	No.
Proximity Tracts: If yes, description	Yes. The completed interval for the Blue Barracuda Federal Com 302H and the Blue Barracuda Federal Com 501H wells are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
Proximity Defining Well: if yes, description	Blue Barracuda Federal Com 302H and the Blue Barracuda Federal Com 501H
Applicant's Ownership in Each Tract	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: Blue Barracuda Federal Com 301H	<p>API No. Pending SHL: 1600' FSL & 662' FWL, Section 36, T-22-S R-27-E FTP: 330' FSL & 100' FWL, Section 36, T-22-S R-27-E BHL: 330' FSL & 100' FEL, Section 32, T-22-S R-28-E Orientation: West/East Completion Target: First Bone Spring Completion Status: Standard TVD: 6,820', MVD: 22,170'</p>
Well #2: Blue Barracuda Federal Com 302H	<p>API No. Pending SHL: 1660' FSL & 601' FWL, Section 36, T-22-S R-27-E FTP: 1620' FSL & 100' FWL, Section 36, T-22-S R-27-E BHL: 1620' FSL & 100' FEL, Section 32, T-22-S R-28-E Orientation: West/East Completion Target: Second Bone Spring Completion Status: Standard TVD: 6,820', MVD: 22,172'</p>
Well #3: Blue Barracuda Federal Com 501H	<p>API No. Pending SHL: 1630' FSL & 601' FWL, Section 36, T-22-S R-27-E FTP: 1020' FSL & 100' FWL, Section 36, T-22-S R-27-E BHL: 1020' FSL & 100' FEL, Section 32, T-22-S R-28-E Orientation: West/East Completion Target: Second Bone Spring Completion Status: Standard TVD: 7,580', MVD: 22,926'</p>
Well #4: Blue Barracuda Federal Com 502H	<p>API No. Pending SHL: 1690' FSL & 600' FWL, Section 36, T-22-S R-27-E FTP: 2310' FSL & 100' FWL, Section 36, T-22-S R-27-E BHL: 2310' FSL & 100' FEL, Section 32, T-22-S R-28-E Orientation: West/East Completion Target: Second Bone Spring Completion Status: Standard TVD: 7,580', MVD: 22,933'</p>
Horizontal Well First and Last Take Points	Exhibit B.2
Completion Target (Formation, TVD and MD)	Exhibit B.6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	See Exhibit B Paragraph 24
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D.1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D.1, D.2, D.3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D.4
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 notice requirements.	N/A

Pooled Parties (including ownership type)	Exhibit B.4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.5
Overhead Rates In Proposal Letter	Exhibit B.6
Cost Estimate to Drill and Complete	Exhibit B.7
Cost Estimate to Equip Well	Exhibit B.7
Cost Estimate for Production Facilities	Exhibit B.7
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.1
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.2
Well Orientation (with rationale)	Exhibit C.11
Target Formation	Exhibit C.3 to C.6; C.7 to C.10
HSU Cross Section	Exhibit C.5; C.9
Depth Severance Discussion	N/A
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; C.7
Structure Contour Map - Subsea Depth	Exhibit C.3; C.7
Cross Section Location Map (including wells)	Exhibit C.4; C.8
Cross Section (including Landing Zone)	Exhibit C.5; C.9
Additional Information	
Special Provisions/Stipulations	
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):	/s/ Deana M. Bennett
Date:	5/14/2024

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

APPLICATION OF MARATHON OIL PERMIAN
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 24183

AFFIDAVIT

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

Samuel Cox, being duly sworn, deposes and states:

1. I am over the age of 18, I am a staff land professional 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 landman were accepted as a matter of record.

3. My area of responsibility at Marathon includes Eddy County in New Mexico.

4. I am familiar with the application filed by Marathon in this case, which is attached as **Exhibit B.1**.

5. I am familiar with the status of the lands that are subject to this application.

6. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling applications.

7. The purpose of this application is to force pool working interest owners into the horizontal spacing unit described below, and in the wells to be drilled in the unit.

8. 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.



9. In this case, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a within a standard 960-acre, more or less, Bone Spring horizontal spacing unit comprised of S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico.

10. The spacing unit will be dedicated to the following wells:

- The **Blue Barracuda Federal Com 301H** and **Blue Barracuda Federal Com 501H** wells to be horizontally drilled with proposed first take points in the SW/4 SW/4 (Unit M) of Section 36 with last take points in the SE/4 SE/4 (Unit P) of Section 32; and
- The **Blue Barracuda Federal Com 302H**, and **Blue Barracuda Federal Com 502H** wells to be horizontally drilled with proposed first take points in the NW/4 SW/4 (Unit L) of Section 36 with last take points in the NE/4 SE/4 (Unit I) of Section 32.

11. The producing area for the wells is expected to be orthodox.

12. The completed intervals for the Blue Barracuda Federal Com 302H and Blue Barracuda Federal Com 501H are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

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

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

15. The wells will also develop the Culebra Bluff; Bone Spring, South Pool (Code 15011), which is an oil pool with 40-acre building blocks.

16. The wells will comply with the Division's setback requirements for this pool.

17. **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.

18. **Exhibit B.4** is a list of the parties being pooled for this case.

19. I have 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 the working interest owners well proposals, including an Authorization for Expenditure.

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

21. **Exhibit B.5** is a summary of my contacts with the working interest owners and the uncommitted mineral interest owners.

22. **Exhibit B.6** is a sample of the well proposal letter that was sent to all working interest owners. The proposal letter identifies the proposed first and last take points and approximate TVD/MD for the wells.

23. **Exhibit B.7** 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.

24. Marathon requests overhead and administrative rates of \$10,000.00/month for drilling a well and \$1,000.00/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.

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

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

27. MRC Permian Company ("MRC"), a working interest owner in Marathon's Blue Barracuda units, provided a letter in support of Marathon as operator for Marathon's proposed Blue Barracuda units. The support letter is attached as **Exhibit B.8**. MRC stated that it "wishes for its working interest to be considered as committed to Marathon's development plan." See Exhibit B.8.

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

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

30. Marathon provided notice to the operator and working interest owners of record or known to Marathon in the existing and new wells' spacing units.

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

32. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

33. The granting of this application is in the interests of conservation and the prevention of waste.

[Signature page follows]

[Signature]
Samuel Cox

State of Texas

County of Harris

This record was acknowledged before me on May 9, 2024, by Samuel Cox.

[Stamp]



[Signature]
Notary Public in and for the
State of Texas
Commission Number: 132103472

My Commission Expires: 8/16/2027

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

APPLICATION OF MARATHON OIL PERMIAN
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 24183

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy 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 spacing unit to the following wells:
 - a) The **Blue Barracuda Federal Com 301H** and **Blue Barracuda Federal Com 501H** wells to be horizontally drilled with first take points in the SW/4 SW/4 (Unit M) of Section 36 with last take points in the SE/4 SE/4 (Unit P) of Section 32; and
 - b) The **Blue Barracuda Federal Com 302H** and **Blue Barracuda Federal Com 502H** wells to be horizontally drilled with first take points in the NW/4 SW/4 (Unit L) of Section 36 with last take points in the NE/4 SE/4 (Unit I) of Section 32.



3. The producing area for the wells is expected to be orthodox.
4. The completed intervals for the **Blue Barracuda Federal Com 302H** and **Blue Barracuda Federal Com 501H** are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
5. 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.
6. 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 7, 2024 and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico;
- B. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- C. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

E. 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

Earl E. DeBrine, Jr
Deana M. Bennett
Yarithza Peña
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500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
deana.bennett@modrall.com
yarithza.pena@modrall.com
Attorneys for Marathon Oil Permian LLC

CASE NO. 24183 : **Application of Marathon Oil Permian LLC for Compulsory Pooling, Eddy County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit underlying the S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Blue Barracuda Federal Com 301H** and **Blue Barracuda Federal Com 501H** wells to be horizontally with first take points in the SW/4 SW/4 (Unit M) of Section 36 with last take points in the SE/4 SE/4 (Unit P) of Section 32; and the **Blue Barracuda Federal Com 302H** and **Blue Barracuda Federal Com 502H** wells to be horizontally drilled with first take points in the NW/4 SW/4 (Unit L) of Section 36 and last take points in the NE/4 SE/4 (Unit I) of Section 32. The producing area for the wells is expected to be orthodox. The completed intervals for the Blue Barracuda Federal Com 302H and Blue Barracuda Federal Com 501H are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 5.45 miles northwest of Loving, 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		3 Pool Name	
		15011		CULEBRA BLUFF BONE SPRING SOUTH	
4 Property Code		5 Property Name		6 Well Number	
		BLUE BARRACUDA FEDERAL COM		301H	
7 OGBID No.		8 Operator Name		9 Elevation	
372098		MARATHON OIL PERMIAN LLC		3078'	

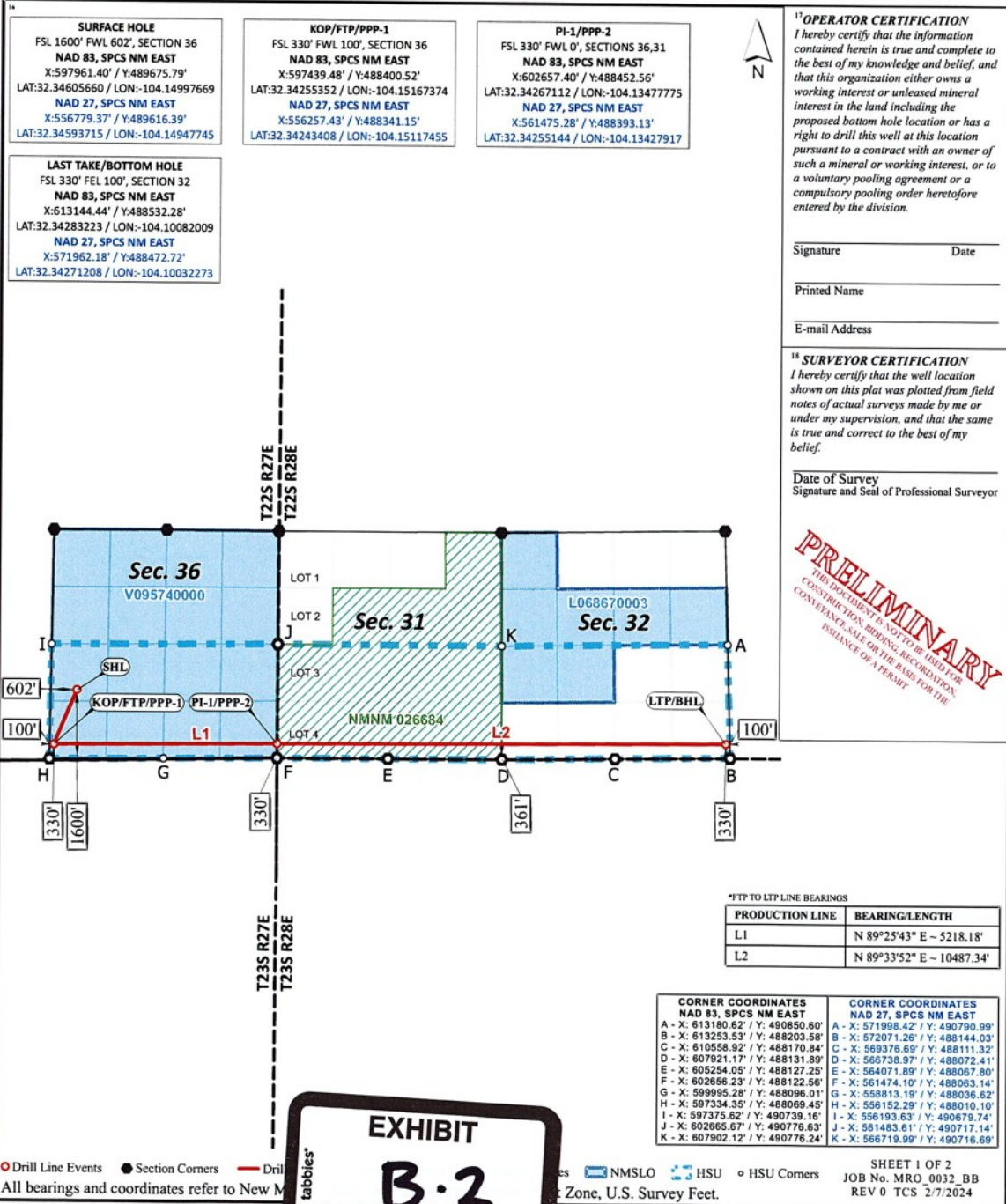
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	36	22S	27E		1600'	SOUTH	602'	WEST	EDDY

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
P	32	22S	28E		330'	SOUTH	100'	EAST	EDDY
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			
958.08									

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.



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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Surface Location

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County. Includes Dedicated Acres, Joint or Infill, Consolidation Code, Order No.

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.

Main plat area containing: SURFACE HOLE, KOP/FTP/PPP-1, PPP-2, LAST TAKE/BOTTOM HOLE, OPERATOR CERTIFICATION, SURVEYOR CERTIFICATION, PRELIMINARY stamp, well location diagram with grid lines (T22S R27E, T22S R28E), LOT 1-4, Sec. 31, Sec. 32, Sec. 36, and corner coordinates.

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Submit one copy to appropriate
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Surface Location

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County. Includes sub-table for Dedicated Acres, Joint or Infill, Consolidation Code, Order No.

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.

Main plat area containing: SURFACE HOLE, KOP/FTP/PPP-1, PPP-2, LAST TAKE/BOTTOM HOLE, OPERATOR CERTIFICATION, SURVEYOR CERTIFICATION, PRELIMINARY stamp, and corner coordinates table.

Table with 2 columns: PRODUCTION LINE, BEARING/LENGTH. Row 1: L1, N 89°31'10" E ~ 15675.84'

Table with 2 columns: CORNER COORDINATES NAD 83, SPCS NM EAST and CORNER COORDINATES NAD 27, SPCS NM EAST. Lists points A through K with X and Y coordinates.

Legend: Drill Line Events, Section Corners, Drill Line, Dimension Lines, Federal Leases, NMSLO, HSU, HSU Corners. SHEET 1 OF 2 JOB No. MRO_0032_BB REV 0 TCS 2/5/2024

Distances/areas relative to NAD 83 grid measurements. Combined Scale Factor: 0.999765567 and a Convergence Angle: 0.098101608°

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Form C-102 Revised August 1, 2011
Submit one copy to appropriate
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 3 columns: API Number, Pool Code, Foot Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Surface Location

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 10 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

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.

Main plat diagram showing well locations (SURFACE HOLE, KOP/FTP/PPP-1, PPP-2, PI-1, LAST TAKE/BOTTOM HOLE) and acreage (Sec. 36, Sec. 31, Sec. 32). Includes certification text for Operator and Surveyor, a 'PRELIMINARY' stamp, and coordinate tables.

Exhibit "B.3" Lease Tract Map
 Blue Barracuda Federal Com 301H, 302H, 501H, & 502H
 S2 of Section 36-T22S-R27E, S2 of Section 31-22S-28E & S2 of Section 32-T22S-R28E: 958.08 acres

Tr. 1		Tr. 2		Tr. 3		Tr. 4	
L	K	3	K	J	L	K	J
Section 36		Section 31		Section 32		Section 32	
M	N	4	N	O	M	N	O
P		P		P		P	

S2 of Section 36-22S-27E S2 of Section 31-22S-28E S2 of Section 32-22S-28E

- Tract 1: State (320 acres)
- Tract 2: Fed (318.08 acres)
- Tract 3: State (80 acres)
- Tract 4: Fee (240 acres)



Exhibit "B.3" Summary of Interests
 Blue Barracuda Federal Com 301H, 302H, 501H, & 502H
 S2 of Section 36-T22S-R27E, S2 of Section 31-22S-28E & S2 of Section 32-T22S-R28E: 958.08 acres

Name	% Interest
Committed Working Interest Owners	
Marathon Oil Permian LLC	27.767144%
SITL Energy, LLC	0.023350%
R.E.B. Resources, LLC	0.023350%
Uncommitted Working Interest Owners	
72.186157%	
MRC Permian Company*	33.400134%
OXY USA WTP, LP	33.199733%
Irene Hryb McIsaac	0.046700%
Chester J. Stuebben	0.023350%
Sisbro Oil & Gas, LLC	0.584502%
Ozark Exploration, Inc.	0.234845%
CL&F Resources, LP	4.696894%

*Supports Marathon's development plan and pooling application



Exhibit "B.3" Summary of Interests
 Blue Barracuda Federal Com 301H, 302H, 501H, & 502H
 S2 of Section 36-T22S-R27E, S2 of Section 31-22S-28E & S2 of Section 32-T22S-R28E: 958.08 acres

Committed Working Interest Owners						27.813843%
Interest Owner	Tract 1 WI	Tract 2 WI	Tract 3 WI	Tract 4 WI	Unit WI	
Marathon Oil Permian LLC			88.789314%	81.250000%	27.767144%	
SITL Energy, LLC			0.279637%		0.023350%	
R.E.B. Resources, LLC			0.279637%		0.023350%	
Uncommitted Working Interest Owners						72.186157%
Interest Owner	Tract 1 WI	Tract 2 WI	Tract 3 WI	Tract 4 WI	Unit WI	
MRC Permian Company	100.000000%				33.400134%	
OXY USA WTP, LP		100.000000%			33.199733%	
Irene Hryb McIsaac			0.559274%		0.046700%	
Chester J. Stuebber			0.279638%		0.023350%	
Sisbro Oil & Gas, LLC			7.000000%		0.584502%	
Ozark Exploration, Inc.			2.812500%		0.234845%	
CL&F Resources, LP				18.750000%	4.696894%	



**Exhibit "B.3" Summary of Interests
 Blue Barracuda Federal Com 301H, 302H, 501H, & 502H
 S2 of Section 36-T22S-R27E, S2 of Section 31-22S-28E & S2 of Section 32-T22S-R28E: 958.08 acres**

ORRI Owners to be Pooled	
Richardson Mineral & Royalty, LLC	Ruth S. Bell
Tim Cavanaugh	L.S. Henry, LLC
Colleen Blackman	Spinnaker Investments, LP
Cathy Jones	Jo Ann Rustamier Stinson
Charles R. Wiggins	Judy Lee Rustamier Makowsky
Richard Donnelly, Trustee Under the George A. Donnelly TA FBO David Preston, Richard Jr. and Martha Brittain Donnelly	The Beneficiary(ies) of the Rustamier Grandchildren's Trust
Richard Donnelly	Pamela Power Burton
Eastland Oil Company	David Lee Power
Hooker Energy, LLC	Rusk Capital Management LLC
RL & JJ Stevens FP, LP	Kimbell Royalty Holdings, LLC
MAP2006-OK	Warren Ventures, Ltd.
Mike Stewart	Eastland Resources, Inc.
David Farmer	Spinnaker Oil & Gas, LP
Robert H. Marshall	Bantam Royalties, LLC
William L. Porter	TLM4, Ltd.
Melissa O'Kelley	TAS Royalty Company
Katherine Russell Schmidt	Serenity Resources, LLC
Deborah Russell Neujahr	Williams WTX, LP
Lana Russell	Margaret Jones Kennedy



Case 24183: Parties to Be Pooled

Working Interest Owners to Be Pooled

MRC Permian Company
 OXY USA WTP, LP
 Irene Hryb McIsaac
 Chester J. Stuebben
 Sisbro Oil & Gas, LLC
 Ozark Exploration
 CL&F Resources, LP

ORRI Owners to be Pooled	
OXY USA WTP, LP	Spinnaker Oil & Gas, LP
Richardson Mineral & Royalty, LLC	Bantam Royalties, LLC
Tim Cavanaugh	TLM4, Ltd.
Colleen Blackman	TAS Royalty Company
Cathy Jones	Serenity Resources, LLC
Charles R. Wiggins	Williams WTX, LP
Richard Donnelly, Trustee Under the George A. Donnelly TA FBO David Preston, Richard Jr. and Martha Brittain Donnelly	Margaret Jones Kennedy
Richard Donnelly	Ruth S. Bell
Eastland Oil Company	L.S. Henry, LLC
Hooker Energy, LLC	Zunis Energy, LLC
RL & JJ Stevens FP, LP	Susannah D. Adelson, Trustee of the James Adelson & Family 2015 Trusts
MAP2006-OK	SSC, Inc.
Mike Stewart	Principal Properties, Doug Lauger and Suzanne Laufer
David Farmer	Andrews Oil, LP
Robert H. Marshall	Samuel H. Jolliffe, IV
William L. Porter	Teresa H. Jolliffe
Melissa O'Kelley	Westall Oil & Gas, LLC
Katherine Russell Schmidt	Lana Russell
Deborah Russell Neujahr	



Summary of Contacts
Blue Barracuda Federal Com 301H, 302H, 501H, & 502H
S2 of Section 36-T22S-R27E, S2 of Section 31-22S-28E & S2 of Section 32-T22S-R28E: 958.08 acres

Summary of Contact with Working Interest Owners			
Name	% Interest	Proposal Letter Sent	Proposal Letter Received
MRC Permian Company	33.400134%	10/4/2023	10/10/2023
OXY USA WTP, LP	33.199733%	10/4/2023	5/7/2024
Irene Hryb McIsaac	0.046700%	2/13/2024	2/21/2024
Chester J. Stuebber	0.023350%	2/13/2024	4/6/2024
Sisbro Oil & Gas, LLC	0.584502%	2/13/2024	2/20/2024
Ozark Exploration, Inc.	0.234845%	2/13/2024	4/4/2024
CL&F Resources, LP	4.696894%	2/13/2024	2/15/2024
SITL Energy, LLC	0.023350%	2/13/2024	2/15/2024
R.E.B. Resources, LLC	0.023350%	2/13/2024	2/15/2024

Follow Up
Well proposal sent 10/4/2023 and received on 10/10/2023. Discussed development timing and operations support agreement on 3/25/2024. Provided support letter for Marathon's development.
Well proposal sent 9/26/2023 and received on 5/7/2024. Discussed development timing, well spacing, & pooling applications on 4/15/2024.
Well proposal sent on 2/13/2024 and received on 2/26/2024. Owner sent in letter indicating they did not want to participate on 2/28/2024.
Well proposal sent on 2/13/2024 and received on 4/6/2024
Well proposal sent on 2/13/2024 and received on 2/20/24. Discuss ownership and development timing on 3/22/2024
Well proposal sent on 2/13/2024 and received on 4/4/2024.
Received indication to participate in development on 4/8/2024
Proposal sent on 2/13/2024 and received on 2/15/24. Discussed ownership and development timing of the wells on 2/26/24
Well proposal sent on 2/13/2024 and received on 2/15/2024. Executed JOA with Marathon
Well proposal sent on 2/13/2024 and received on 2/15/2024. Executed JOA with Marathon



Summary of Contacts
Blue Barracuda Federal Com 301H, 302H, 501H, & 502H
S2 of Section 36-T22S-R27E, S2 of Section 31-22S-28E & S2 of Section 32-T22S-R28E: 958.08 acres

Summary of Contacts

- Marathon conducted extensive title work to determine the working interest owners and other interest owners.
- Marathon searched public records, phone directory, and various types of internet searches.
- Marathon sent well proposal letters to the working interest owners on or around October 4, 2023, and February 13, 2024.
- Marathon proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners.
- Marathon has discussed the general terms of the JOA, with the intent of finalizing the JOA prior to spud (subject to final approvals), with those working interest owners wishing to execute JOAs
- Marathon had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Marathon filed applications to force pool parties 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.





Samuel A. Cox
Senior Land Professional
Land - Permian

Marathon Oil Company
990 Town & Country Blvd.
Houston, Texas 77024
713.296.3152 (o)
scox1@marathonoil.com

DELIVERED VIA CERTIFIED MAIL

September 26, 2023

Owner Name
Address Line 1
Address Line 2

Re: Blue Barracuda Federal Com 301H, 302H, 501H & 502H (the "Wells")
Participation Proposal
S/2 of Section 36-T22S-R27E, S/2 Sections 31 & 32-T22S-R28E
Eddy County, New Mexico

Dear Sir/Madam:

Marathon Oil Permian LLC ("Marathon") proposes the drilling, completion, and equipping of the Wells to test the following formations, at a legal location in S/2 of Section 36, Township 22 South, Range 27 East, and S/2 of Sections 31 and 32, Township 22 South, Range 28 East, Eddy County, New Mexico (the "Subject Lands), as follows:

WELL NAME	First Take Point		Last Take Point		TVD	MD	Target Interval
Blue Barracuda Federal Com 301H	100' FWL Section 36	330' FSL Section 36	100' FEL Section 32	330' FSL Section 32	6,820'	22,170'	1st Bone Spring
Blue Barracuda Federal Com 501H	100' FWL Section 36	1020' FSL Section 36	100' FEL Section 32	1020' FSL Section 32	7,580'	22,926'	2nd Bone Spring
Blue Barracuda Federal Com 302H	100' FWL Section 36	1620' FSL Section 36	100' FEL Section 32	1620' FSL Section 32	6,820'	22,172'	1st Bone Spring
Blue Barracuda Federal Com 502H	100' FWL Section 36	2310' FSL Section 36	100' FEL Section 32	2310' FSL Section 32	7,580'	22,933'	2nd Bone Spring

Authority for Expenditure (AFEs)

Enclosed with this letter is an Authority for Expenditure ("AFE") for each of the proposed Wells. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred, and by electing to participate, you shall be responsible for your proportionate share of all actual costs incurred.

Voluntary Agreement of Compulsory Pooling



Marathon will provide, upon request, a proposed Joint Operating Agreement (“JOA”) for development of the Subject Lands that will include the following basic terms:

- Marathon Oil Permian LLC to be named as Operator
- Contract Area begin the Subject Lands
- As a charge for the risk involved in drilling the well, 300% of the above costs
- \$10,000 per month drilling overhead rates and \$1,000 per month producing overhead rates, adjusted annually pursuant to Section III.1.A.3 of COPAS form titled “Accounting Procedure-Joint Operations.”

If you would like to discuss a farmout, an assignment of interest, an acreage trade or other form of agreement for your interests in the Subject Lands, 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, Marathon will file an application with the New Mexico Oil Conservation Division for an order pooling the Subject Lands.

Election Instructions

Please use the attached ballot to indicate your desire to participate in each of the proposed wells and return a signed AFE for each well in which you elect to participate. If we do not receive a response from you within thirty (30) days, we will proceed with the necessary proceedings to pool your interests in the proposed spacing unit for the initial wells.

Should you elect to participate, your interest will automatically be covered by the Operator’s insurance unless and until you provide written notice to Operator to the contrary, together with a valid, current insurance certificate from your insurance carrier in compliance with Operator’s minimum insurance requirements.

Should you have any questions regarding the above, please do not hesitate to contact me at the information provided at the top of this letter.

Best Regards,
Marathon Oil Permian LLC



Samuel A. Cox
Senior Land Professional

PARTICIPATION BALLOT

Owner Name hereby elects to:

_____ Not to participate in the **BLUE BARRACUDA FEDERAL COM 301H** Well.

_____ Participate in the **BLUE BARRACUDA FEDERAL COM 301H** Well by paying its proportionate share of all actual costs.

_____ Not to participate in the **BLUE BARRACUDA FEDERAL COM 501H** Well.

_____ Participate in the **BLUE BARRACUDA FEDERAL COM 501H** Well by paying its proportionate share of all actual costs.

_____ Not to participate in the **BLUE BARRACUDA FEDERAL COM 302H** Well.

_____ Participate in the **BLUE BARRACUDA FEDERAL COM 302H** Well by paying its proportionate share of all actual costs.

_____ Not to participate in the **BLUE BARRACUDA FEDERAL COM 502H** Well.

_____ Participate in the **BLUE BARRACUDA FEDERAL COM 502H** Well by paying its proportionate share of all actual costs.

By: _____

Title: _____

Print Name: _____

Date: _____

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

DATE 2/12/2024
 DRILLING & LOCATION PREPARED BY COURT NELSON
 COMPLETION PREPARED BY KRISTEN DRAIN
 FACILITIES PREPARED BY HARSHA DISSANAYAKE
 ARTIFICIAL LIFT PREPARED BY CLAYTON DIETZE

Asset Team	PERMIAN		
Field	Bone Spring FORMATION: FB	WILDCAT	EXPLORATION
Lease/Facility	BLUE BARRACUDA FEDERAL COM 301H	DEVELOPMENT	RECOMPLETION
Location	S2 36-225-27E, S2 31 & 32-225-28E	X EXPLOITATION	WORKOVER
Prospect	Malaga		

Est Total Depth 22,400 Est Drilling Days 30.052 Est Completion Days 10

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	100,800
7001250	Land Broker Fees and Services	67,200
		0
TOTAL LOCATION COST - INTANGIBLE		\$168,000

DRILLING COST - TANGIBLE

7001270	Conductor Pipe	62,487
7012050	Surface Casing	42,491
7012050	Intermediate Casing 1	129,972
7012050	Intermediate Casing 2	-
7012050	Production Casing	649,861
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	62,487
7012550	Drilling Wellhead Equipment	59,987
7012040	Casing & Tubing Access	137,471
7290003	Miscellaneous MRO Materials	12,497
		-
TOTAL DRILLING - TANGIBLE		\$1,157,253

DRILLING COST - INTANGIBLE

7290002	Drilling Rig Mob/Demob	162,465
7290002	Drilling Rig - day work/footage	1,009,784
7019040	Directional Drilling Services	335,428
7019020	Cement and Cementing Service Surface	37,492
7019020	Cement and Cementing Service Intermediate 1	62,487
7019020	Cement and Cementing Service Intermediate 2	-
7019020	Cement and Cementing Service Production	374,920
7019140	Mud Fluids & Services	156,717
7012310	Solids Control equipment	90,881
7012020	Bits	299,936
7019010	Casing Crew and Services	99,979
7016350	Fuel (Rig)	156,517
7019140	Fuel (Mud)	74,984
7001460	Water (non potable)	62,487
7012350	Water (potable)	12,497
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	27,932
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	87,481
7019110	Casing inspection/cleaning	37,492
7019110	Drill pipe/collar inspection services	24,995
7016180	Freight - truck	62,487
7001460	Water hauling and disposal (includes soil farming)	149,968
7001160	Contract Services - Disposal/Non-Hazardous Waste	199,957
7001440	Vacuum Trucks	24,995
7000030	Contract Labor - general	74,984
7000010	Contract Labor - Operations	7,498
7001200	Contract Services - Facilities	24,995
7019300	Well Services - Well Control Services	48,677
7019350	Well Services - Well/Wellhead Services	24,995
7290003	Rental Tools and Equipment (surface rentals)	25,245
7260001	Rig Equipment and Misc.	201,957
7001110	Telecommunications Services	12,497
7001120	Consulting Services	212,055
7001400	Safety and Environmental	70,685
7330002	Rental Buildings (trailers)	25,245
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	435,037
TOTAL DRILLING - INTANGIBLE		\$4,715,747



TOTAL DRILLING COST \$5,873,000

MARATHON OIL PERMIAN LLC DATE 2/12/2024
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

Asset Team PERMIAN
 Field FORMATION: FB
 Lease/Facility #REF!

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)	14,027
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	220,424
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)	355,150
7390002	Fracturing Services	5,766,898
7019330	Perforating	261,959
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	266,618
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)	65,125
7290003	Contract Labor - general	-
7000030	Telecommunications Services	50,096
7001110	Safety and Environmental	-
7001400	Consulting Services	131,753
7001120	Zipper Manifold	197,147
7019300	Frack Stack Rentals	170,327
7016180	Freight (Transportation Services)	9,618
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	254,815
7330002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	50,096
7011010	8% Contingency & Taxes	-
TOTAL COMPLETION - INTANGIBLE		\$7,814,053

TOTAL COMPLETION COST \$7,829,053

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	104,428
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	113,414
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	30,232
7012270	Miscellaneous Materials (containment system)	31,491
7008060	SCADA	9,963
7016180	Freight - truck	10,415
7001190	Contract Engineering	6,452
7012290	Metering and Instrumentation	176,720
7012290	I&E Materials	103,659
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	11,993

7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	167,561
7012500	Tanks	29,494
7012100	Heater Treater	87,173
7012640	Flare & Accessories	12,662
7000010	Electrical Labor	57,277
7000010	Mechanical Labor	123,862
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,203
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,100,000

TOTAL SURFACE EQUIPMENT COST \$ 1,100,000

ARTIFICIAL LIFT

7000030	Contract Labor	3,000
7001120	Consultant	2,400
7008230	Time Writing/Overhead	3,000
7012180	Artificial Lift Equipment	157,200
7012350	Materials & Supplies	1,200
7012550	Production Tree	3,000
7012580	Tubing	63,000
7016190	Freight	3,000
7018150	Rentals	3,600
7019130	Kill Fluid	1,200
7019220	Well Services & Rig	14,400
TOTAL ARTIFICIAL LIFT		255,000

TOTAL ARTIFICIAL LIFT COST \$ 255,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

TOTAL COST

TOTAL LOCATION COST	\$ 168,000
TOTAL DRILLING COST	\$ 5,873,000
TOTAL COMPLETIONS COST	\$ 7,829,053
TOTAL SURFACE EQUIPMENT COST	\$ 1,100,000
TOTAL ARTIFICIAL LIFT COST	\$ 255,000
GRAND TOTAL COST	\$15,225,053

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

DATE 2/12/2024
 DRILLING & LOCATION PREPARED BY COURT NELSON
 COMPLETION PREPARED BY KRISTEN DRAIN
 FACILITIES PREPARED BY HARSHA DISSANAYAKE
 ARTIFICIAL LIFT PREPARED BY CLAYTON DIETZE

Asset Team	PERMIAN		
Field	Bone Spring FORMATION: FB	WILDCAT	EXPLORATION
Lease/Facility	BLUE BARRACUDA FEDERAL COM 302H	DEVELOPMENT	RECOMPLETION
Location	S2 36-22S-27E, S2 31 & 32-22S-28E	X EXPLOITATION	WORKOVER
Prospect	Malaga		

Est Total Depth 22,400 Est Drilling Days 30.052 Est Completion Days 10

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	100,800
7001250	Land Broker Fees and Services	67,200
		0
TOTAL LOCATION COST - INTANGIBLE		\$168,000

DRILLING COST - TANGIBLE

7001270	Conductor Pipe	62,487
7012050	Surface Casing	42,491
7012050	Intermediate Casing 1	129,972
7012050	Intermediate Casing 2	-
7012050	Production Casing	649,861
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	62,487
7012550	Drilling Wellhead Equipment	59,987
7012040	Casing & Tubing Access	137,471
7290003	Miscellaneous MRO Materials	12,497
		-
TOTAL DRILLING - TANGIBLE		\$1,157,253

DRILLING COST - INTANGIBLE

7290002	Drilling Rig Mob/Demob	162,465
7290002	Drilling Rig - day work/footage	1,009,784
7019040	Directional Drilling Services	335,428
7019020	Cement and Cementing Service Surface	37,492
7019020	Cement and Cementing Service Intermediate 1	62,487
7019020	Cement and Cementing Service Intermediate 2	-
7019020	Cement and Cementing Service Production	374,920
7019140	Mud Fluids & Services	156,717
7012310	Solids Control equipment	90,881
7012020	Bits	299,936
7019010	Casing Crew and Services	99,979
7016350	Fuel (Rig)	156,517
7019140	Fuel (Mud)	74,984
7001460	Water (non potable)	62,487
7012350	Water (potable)	12,497
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	27,932
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	87,481
7019110	Casing inspection/cleaning	37,492
7019110	Drill pipe/collar inspection services	24,995
7016180	Freight - truck	62,487
7001460	Water hauling and disposal (includes soil farming)	149,968
7001160	Contract Services - Disposal/Non-Hazardous Waste	199,957
7001440	Vacuum Trucks	24,995
7000030	Contract Labor - general	74,984
7000010	Contract Labor - Operations	7,498
7001200	Contract Services - Facilities	24,995
7019300	Well Services - Well Control Services	48,677
7019350	Well Services - Well/Wellhead Services	24,995
7290003	Rental Tools and Equipment (surface rentals)	25,245
7260001	Rig Equipment and Misc.	201,957
7001110	Telecommunications Services	12,497
7001120	Consulting Services	212,055
7001400	Safety and Environmental	70,685
7330002	Rental Buildings (trailers)	25,245
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	435,037
TOTAL DRILLING - INTANGIBLE		\$4,715,747

TOTAL DRILLING COST **\$5,873,000**

MARATHON OIL PERMIAN LLC DATE 2/12/2024
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

Asset Team PERMIAN
 Field FORMATION: FB
 Lease/Facility #REF!

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)	14,027
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	220,424
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)	355,150
7390002	Fracturing Services	5,766,898
7019330	Perforating	261,959
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	266,618
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)	65,125
7290003	Contract Labor - general	-
7000030	Telecommunications Services	50,096
7001110	Safety and Environmental	-
7001400	Consulting Services	131,753
7001120	Zipper Manifold	197,147
7019300	Frack Stack Rentals	170,327
7016180	Freight (Transportation Services)	9,618
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	254,815
7330002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	50,096
7011010	8% Contingency & Taxes	-
TOTAL COMPLETION - INTANGIBLE		\$7,814,053

TOTAL COMPLETION COST **\$7,829,053**

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	104,428
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	113,414
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	30,232
7012270	Miscellaneous Materials (containment system)	31,491
7008060	SCADA	9,963
7016180	Freight - truck	10,415
7001190	Contract Engineering	6,452
7012290	Metering and Instrumentation	176,720
7012290	I&E Materials	103,659
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	11,993

7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	167,561
7012500	Tanks	29,494
7012100	Heater Treater	87,173
7012640	Flare & Accessories	12,662
7000010	Electrical Labor	57,277
7000010	Mechanical Labor	123,862
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,203
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,100,000

TOTAL SURFACE EQUIPMENT COST \$ 1,100,000

ARTIFICIAL LIFT

7000030	Contract Labor	3,000
7001120	Consultant	2,400
7008230	Time Writing/Overhead	3,000
7012180	Artificial Lift Equipment	157,200
7012350	Materials & Supplies	1,200
7012550	Production Tree	3,000
7012580	Tubing	63,000
7016190	Freight	3,000
7018150	Rentals	3,600
7019130	Kill Fluid	1,200
7019220	Well Services & Rig	14,400
TOTAL ARTIFICIAL LIFT		255,000

TOTAL ARTIFICIAL LIFT COST \$ 255,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

TOTAL COST

TOTAL LOCATION COST	\$ 168,000
TOTAL DRILLING COST	\$ 5,873,000
TOTAL COMPLETIONS COST	\$ 7,829,053
TOTAL SURFACE EQUIPMENT COST	\$ 1,100,000
TOTAL ARTIFICIAL LIFT COST	\$ 255,000
GRAND TOTAL COST	\$15,225,053

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

DATE 2/12/2024
 DRILLING & LOCATION PREPARED BY COURT NELSON
 COMPLETION PREPARED BY KRISTEN DRAIN
 FACILITIES PREPARED BY HARSHA DISSANAYAKE
 ARTIFICIAL LIFT PREPARED BY CLAYTON DIETZE

Asset Team	PERMIAN		
Field	Bone Spring FORMATION: SB	WILDCAT	EXPLORATION
Lease/Facility	BLUE BARRACUDA FEDERAL COM 501H	DEVELOPMENT	RECOMPLETION
Location	S2 36-225-27E, S2 31 & 32-225-28E	X EXPLOITATION	WORKOVER
Prospect	Malaga		

Est Total Depth 22,400 Est Drilling Days 30.052 Est Completion Days 10

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	100,800
7001250	Land Broker Fees and Services	67,200
		0
TOTAL LOCATION COST - INTANGIBLE		\$168,000

DRILLING COST - TANGIBLE

7001270	Conductor Pipe	62,487
7012050	Surface Casing	42,491
7012050	Intermediate Casing 1	129,972
7012050	Intermediate Casing 2	-
7012050	Production Casing	649,861
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	62,487
7012550	Drilling Wellhead Equipment	59,987
7012040	Casing & Tubing Access	137,471
7290003	Miscellaneous MRO Materials	12,497
		-
TOTAL DRILLING - TANGIBLE		\$1,157,253

DRILLING COST - INTANGIBLE

7290002	Drilling Rig Mob/Demob	162,465
7290002	Drilling Rig - day work/footage	1,009,784
7019040	Directional Drilling Services	335,428
7019020	Cement and Cementing Service Surface	37,492
7019020	Cement and Cementing Service Intermediate 1	62,487
7019020	Cement and Cementing Service Intermediate 2	-
7019020	Cement and Cementing Service Production	374,920
7019140	Mud Fluids & Services	156,717
7012310	Solids Control equipment	90,881
7012020	Bits	299,936
7019010	Casing Crew and Services	99,979
7016350	Fuel (Rig)	156,517
7019140	Fuel (Mud)	74,984
7001460	Water (non potable)	62,487
7012350	Water (potable)	12,497
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	27,932
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	87,481
7019110	Casing inspection/cleaning	37,492
7019110	Drill pipe/collar inspection services	24,995
7016180	Freight - truck	62,487
7001460	Water hauling and disposal (includes soil farming)	149,968
7001160	Contract Services - Disposal/Non-Hazardous Waste	199,957
7001440	Vacuum Trucks	24,995
7000030	Contract Labor - general	74,984
7000010	Contract Labor - Operations	7,498
7001200	Contract Services - Facilities	24,995
7019300	Well Services - Well Control Services	48,677
7019350	Well Services - Well/Wellhead Services	24,995
7290003	Rental Tools and Equipment (surface rentals)	25,245
7260001	Rig Equipment and Misc.	201,957
7001110	Telecommunications Services	12,497
7001120	Consulting Services	212,055
7001400	Safety and Environmental	70,685
7330002	Rental Buildings (trailers)	25,245
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	435,037
TOTAL DRILLING - INTANGIBLE		\$4,715,747

TOTAL DRILLING COST \$5,873,000

MARATHON OIL PERMIAN LLC DATE 2/12/2024
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

Asset Team PERMIAN
 Field FORMATION: SB
 Lease/Facility #REF!

COMPLETION - TANGIBLE

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

COMPLETION - INTANGIBLE

<u>7001270</u>	<u>Location and Access (dress location after rig move, set anchors)</u>	<u>14,027</u>
<u>7290002</u>	<u>Drilling Rig During Completion</u>	<u>-</u>
<u>7019140</u>	<u>Mud Fluids & Services</u>	<u>-</u>
<u>7019030</u>	<u>Coiled Tubing Services (3 runs)</u>	<u>220,424</u>
<u>7019240</u>	<u>Snubbing Services</u>	<u>-</u>
<u>7019270</u>	<u>Pulling/Swab Units</u>	<u>-</u>
<u>7016350</u>	<u>Fuel (from drlg)</u>	<u>-</u>
<u>7019010</u>	<u>Casing Crew and Services</u>	<u>-</u>
<u>7019020</u>	<u>Cement and Cementing Services</u>	<u>-</u>
<u>7019080</u>	<u>Well Testing Services (flow hand & equip)</u>	<u>355,150</u>
<u>7390002</u>	<u>Fracturing Services</u>	<u>5,766,898</u>
<u>7019330</u>	<u>Perforating</u>	<u>261,959</u>
<u>7019360</u>	<u>Wireline Services</u>	<u>-</u>
<u>7001460</u>	<u>Water Hauling & Disposal (frac fluids)</u>	<u>266,618</u>
<u>7016180</u>	<u>Freight - Truck (haul pipe; drlg & compl)</u>	<u>-</u>
<u>7290003</u>	<u>BOP Rental & Testing</u>	<u>-</u>
<u>7290003</u>	<u>Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)</u>	<u>-</u>
<u>7290003</u>	<u>CT Downhole Rental Equipment (ie. Bit, BHA)</u>	<u>65,125</u>
<u>7290003</u>	<u>Contract Labor - general</u>	<u>-</u>
<u>7000030</u>	<u>Telecommunications Services</u>	<u>50,096</u>
<u>7001110</u>	<u>Safety and Environmental</u>	<u>-</u>
<u>7001400</u>	<u>Consulting Services</u>	<u>131,753</u>
<u>7001120</u>	<u>Zipper Manifold</u>	<u>197,147</u>
<u>7019300</u>	<u>Frack Stack Rentals</u>	<u>170,327</u>
<u>7016180</u>	<u>Freight (Transportation Services)</u>	<u>9,618</u>
<u>7260001</u>	<u>Equipment Rental (w/o operator, frac tanks, lightplants)</u>	<u>254,815</u>
<u>7330002</u>	<u>Rental Buildings (trailers)</u>	<u>-</u>
<u>7000030</u>	<u>Contract Labor - Pumping (pump-down pumps)</u>	<u>50,096</u>
<u>7011010</u>	<u>8% Contingency & Taxes</u>	<u>-</u>
	TOTAL COMPLETION - INTANGIBLE	<u>\$7,814,053</u>

TOTAL COMPLETION COST \$7,829,053

SURFACE EQUIPMENT - TANGIBLE

<u>7012350</u>	<u>Misc. Piping, Fittings & Valves</u>	<u>104,428</u>
<u>7006640</u>	<u>Company Labor & Burden</u>	<u>-</u>
<u>7000030</u>	<u>Contract Labor - General</u>	<u>113,414</u>
<u>7001110</u>	<u>Telecommunication equip (Telemetry)</u>	<u>-</u>
<u>7012410</u>	<u>Line Pipe & Accessories</u>	<u>30,232</u>
<u>7012270</u>	<u>Miscellaneous Materials (containment system)</u>	<u>31,491</u>
<u>7008060</u>	<u>SCADA</u>	<u>9,963</u>
<u>7016180</u>	<u>Freight - truck</u>	<u>10,415</u>
<u>7001190</u>	<u>Contract Engineering</u>	<u>6,452</u>
<u>7012290</u>	<u>Metering and Instrumentation</u>	<u>176,720</u>
<u>7012290</u>	<u>I&E Materials</u>	<u>103,659</u>
<u>7012200</u>	<u>Gas Treating</u>	<u>-</u>
<u>7012200</u>	<u>Dehydration</u>	<u>-</u>
<u>7012010</u>	<u>Compressor</u>	<u>11,993</u>

7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	167,561
7012500	Tanks	29,494
7012100	Heater Treater	87,173
7012640	Flare & Accessories	12,662
7000010	Electrical Labor	57,277
7000010	Mechanical Labor	123,862
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,203
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,100,000

TOTAL SURFACE EQUIPMENT COST \$ 1,100,000

ARTIFICIAL LIFT

7000030	Contract Labor	3,000
7001120	Consultant	2,400
7008230	Time Writing/Overhead	3,000
7012180	Artificial Lift Equipment	157,200
7012350	Materials & Supplies	1,200
7012550	Production Tree	3,000
7012580	Tubing	63,000
7016190	Freight	3,000
7018150	Rentals	3,600
7019130	Kill Fluid	1,200
7019220	Well Services & Rig	14,400
TOTAL ARTIFICIAL LIFT		255,000

TOTAL ARTIFICIAL LIFT COST \$ 255,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

TOTAL COST

TOTAL LOCATION COST	\$ 168,000
TOTAL DRILLING COST	\$ 5,873,000
TOTAL COMPLETIONS COST	\$ 7,829,053
TOTAL SURFACE EQUIPMENT COST	\$ 1,100,000
TOTAL ARTIFICIAL LIFT COST	\$ 255,000
GRAND TOTAL COST	\$15,225,053

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

DATE 2/12/2024
 DRILLING & LOCATION PREPARED BY COURT NELSON
 COMPLETION PREPARED BY KRISTEN DRAIN
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 ARTIFICIAL LIFT PREPARED BY CLAYTON DIETZE

Asset Team	PERMIAN		
Field	Bone Spring FORMATION: SB	WILDCAT	EXPLORATION
Lease/Facility	BLUE BARRACUDA FEDERAL COM 502H	DEVELOPMENT	RECOMPLETION
Location	S2 36-225-27E, S2 31 & 32-225-28E	X EXPLOITATION	WORKOVER
Prospect	Malaga		

Est Total Depth 22,400 Est Drilling Days 30.052 Est Completion Days 10

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
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7001250	Land Broker Fees and Services	67,200
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TOTAL LOCATION COST - INTANGIBLE		\$168,000

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7012050	Surface Casing	42,491
7012050	Intermediate Casing 1	129,972
7012050	Intermediate Casing 2	-
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7012040	Casing & Tubing Access	137,471
7290003	Miscellaneous MRO Materials	12,497
		-
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7290002	Drilling Rig - day work/footage	1,009,784
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7019020	Cement and Cementing Service Intermediate 2	-
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7012020	Bits	299,936
7019010	Casing Crew and Services	99,979
7016350	Fuel (Rig)	156,517
7019140	Fuel (Mud)	74,984
7001460	Water (non potable)	62,487
7012350	Water (potable)	12,497
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	27,932
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MARATHON OIL PERMIAN LLC DATE 2/12/2024
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

Asset Team PERMIAN
 Field FORMATION: SB
 Lease/Facility #REF!

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)	14,027
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	220,424
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)	355,150
7390002	Fracturing Services	5,766,898
7019330	Perforating	261,959
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7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	65,125
7290003	Contract Labor - general	-
7000030	Telecommunications Services	50,096
7001110	Safety and Environmental	-
7001400	Consulting Services	131,753
7001120	Zipper Manifold	197,147
7019300	Frac Stack Rentals	170,327
7016180	Freight (Transportation Services)	9,618
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SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
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GRAND TOTAL COST	\$15,225,053

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5430 • Fax 214.866.4930
ccarleton@matadorresources.com

Chris Carleton
Vice President of Land Operations

April 2, 2024

Samuel A. Cox
Staff Land Professional
Permian Land
Marathon Oil Permian LLC
990 Town & Country Blvd.
Houston, TX 77024

Re: Contested Force Pooling Cases involving Marathon Oil Permian LLC's ("**Marathon**") (i) Olmec project to develop the Wolfcamp formation in Section 31, Township 22 South, Range 28 East, and Section 36, Township 22 South, Range 27 East, Eddy County, New Mexico (Case No. 24336) ("**Olmec Unit**"), and (ii) Blue Barracuda and Red Jaguar projects, which collectively develop the Bone Spring formation in Section 31 and 32, Township 22 South, Range 28 East, and Section 36, Township 22 South, Range 27 East, Eddy County, New Mexico (Case Nos. 24183 and 24182) ("**Blue Barracuda & Red Jaguar Units**").

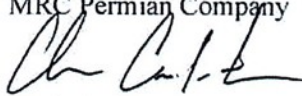
To whom it may concern,

As you know, MRC Permian Company ("**MRC**") owns a working interest in certain tracts within each of Marathon's Olmec Unit, Blue Barracuda & Red Jaguar Units, referenced above. MRC is aware of the upcoming force pooling hearings for these projects.

In connection with those force pooling hearings, I write to confirm that MRC is in support of Marathon as operator for its proposed Olmec Unit, Blue Barracuda & Red Jaguar Units. For purposes of the hearing, MRC wishes for its working interest to be considered as committed to Marathon's development plan in each of its Olmec Unit, Blue Barracuda & Red Jaguar Units. MRC plans to enter a mutually-agreeable joint operating agreement naming Marathon as operator for the Olmec Unit, Blue Barracuda & Red Jaguar Units soon after Marathon's force pooling applications are approved by the New Mexico Oil Conservation Division.

Please feel free to submit this letter of support in connection with your filings in the above-referenced force pooling proceedings.

Sincerely,

MRC Permian Company *KAC HMB*

Chris Carleton
Vice President of Land Operations



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

APPLICATION OF MARATHON OIL PERMIAN
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 24183

AFFIDAVIT

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

Matt Baker, being duly sworn, deposes and states:

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 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 Eddy County in New Mexico.
4. I am familiar with the application Marathon filed in this case.
5. **Exhibit C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.
6. **Exhibit C.2** is a wellbore schematic showing Marathon's development plan.
7. **Exhibits C.3 through C.6** are the geology study I prepared for the Blue Barracuda Federal Com 301H and Blue Barracuda Federal Com 302H wells, which will target the First Bone Spring formation.



8. **Exhibit C.3** is a structure map of the top of the First Bone Spring formation. The proposed spacing unit is identified by a black dashed box. The proposed wells are identified by red lines. The contour interval used in this exhibit is 25 feet. This exhibit shows that the top of the First Bone Spring dips toward the east.

9. **Exhibit C.4** is a cross-section reference map that identifies three 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, and the well logs shown on the cross-section give a representative sample of the First Bone Spring formation in the area. The target zone for the wells is identified by the words "Producing Zone" and the shaded area across the cross section. I conclude that the First Bone Spring is near constant thickness across the area.

11. **Exhibit C.6** is a Gross Interval Isochore for the First Bone Spring formation. The First Bone Spring has consistent thickness across the unit.

12. **Exhibits C.7 through C.10** are the geology study I prepared for the Blue Barracuda Federal Com 501H and Blue Barracuda Federal Com 502H wells, which will target the Second Bone Spring formation.

13. **Exhibit C.7** is a structure map of the top of the Second Bone Spring formation. The proposed spacing unit is identified by a black dashed box. The proposed wells are identified by red lines. The contour interval used in this exhibit is 25 feet. This exhibit shows that the top of the Second Bone Spring dips toward the east.

14. **Exhibit C.8** is a cross-section reference map that identifies three wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.

15. **Exhibit C.9** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Second Bone Spring formation in the area. The target

zone for the wells is identified by the words “Producing Zone” and the shaded area across the cross section. I conclude that the Second Bone Spring thickens to the south across this area.

16. **Exhibit C.10** is a Gross Interval Isochore for the Second Bone Spring formation. The Second Bone Spring thickens to the east.

17. 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 quarter section will contribute more or less equally to production.

18. **Exhibit C.11** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper.

19. The preferred well orientation in this area is either North/South or East/West. This is because the S_{Hmax} is at approximately is at approximately 45° in this part of Eddy County.

20. The exhibits to this affidavit were prepared by my or under my supervision or compiled from company business records.

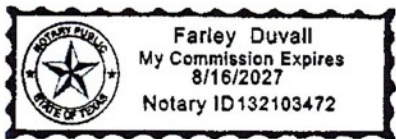
21. In my opinion, the granting of Marathon’s application is in the interests of conservation and the prevention of waste.

M. Baker
Matt Baker

State of Texas

County of Harris

This record was acknowledged before me on May 13, 2024, by Matt Baker.

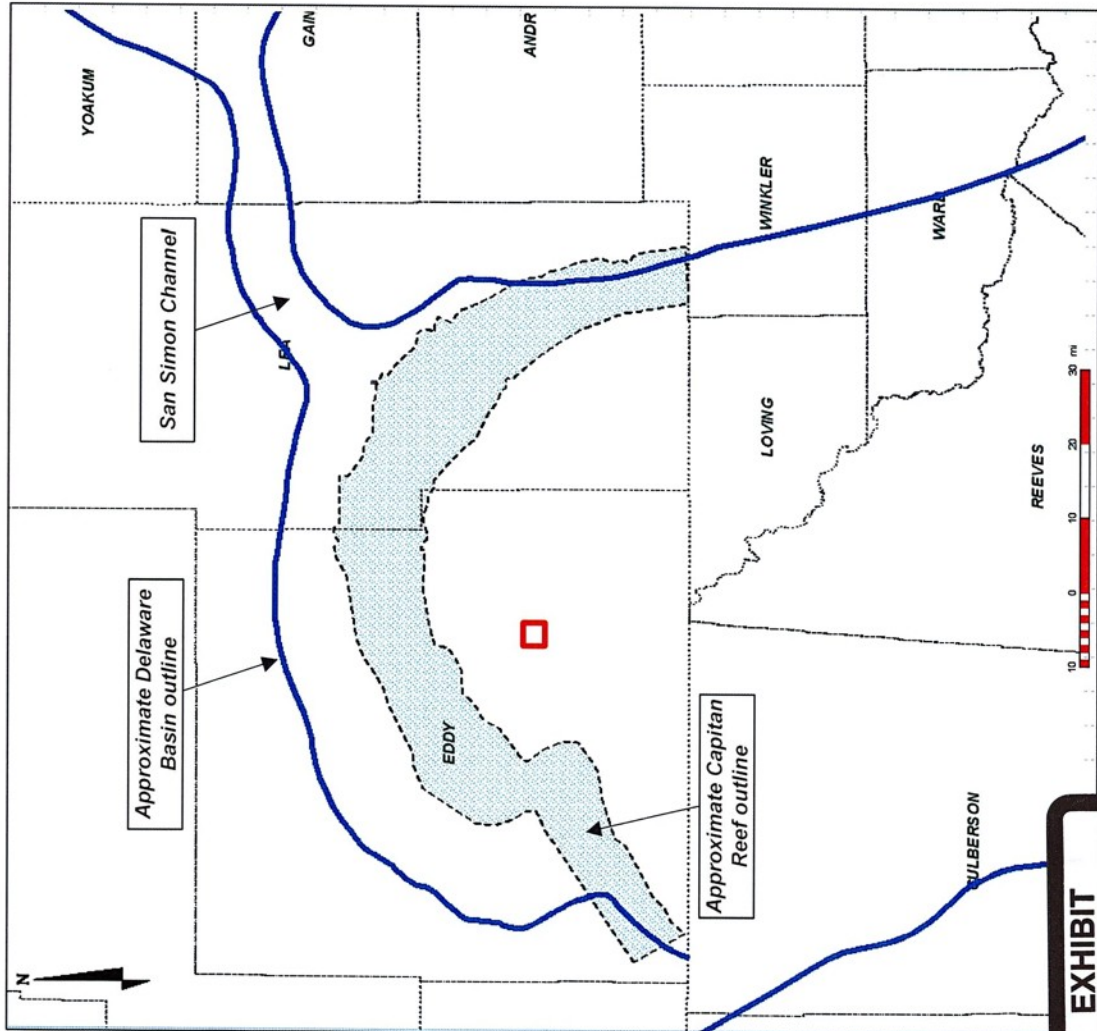


[Signature]
Notary Public in and for the
State of Texas
Commission Number: 132103472

My Commission Expires: 8/16/2027

Blue Barracuda Fed Com Unit

Locator Map



- Approximate location of proposed Blue Barracuda Fed well locations shown with red box
- Located outside of the Capitan Reef
- Mid-eastern Eddy County

EXHIBIT
C-1



Blue Barracuda Fed Com Unit

Wellbore Schematic

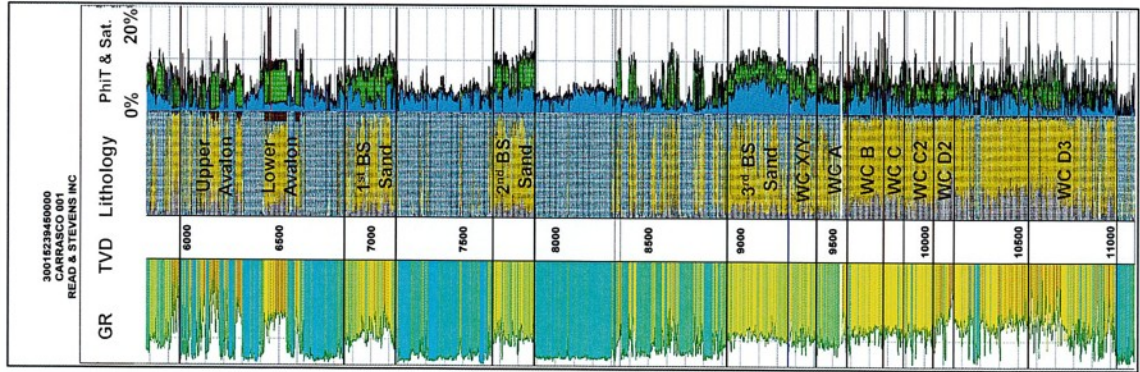
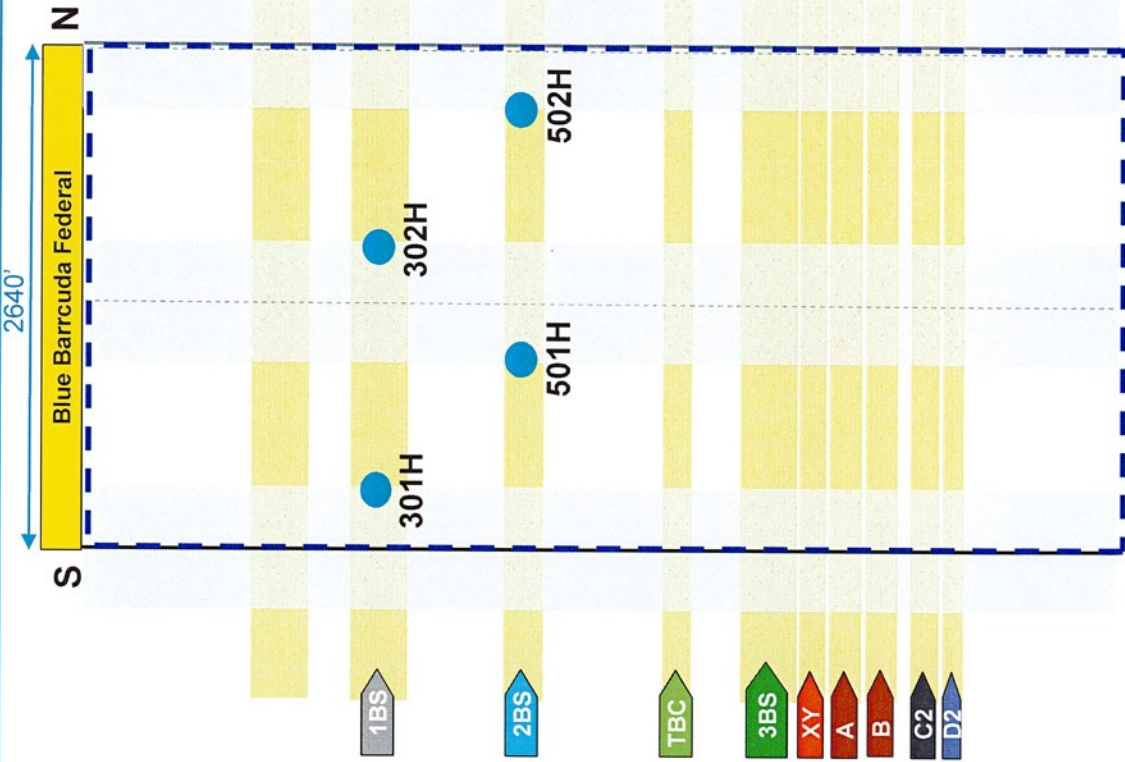
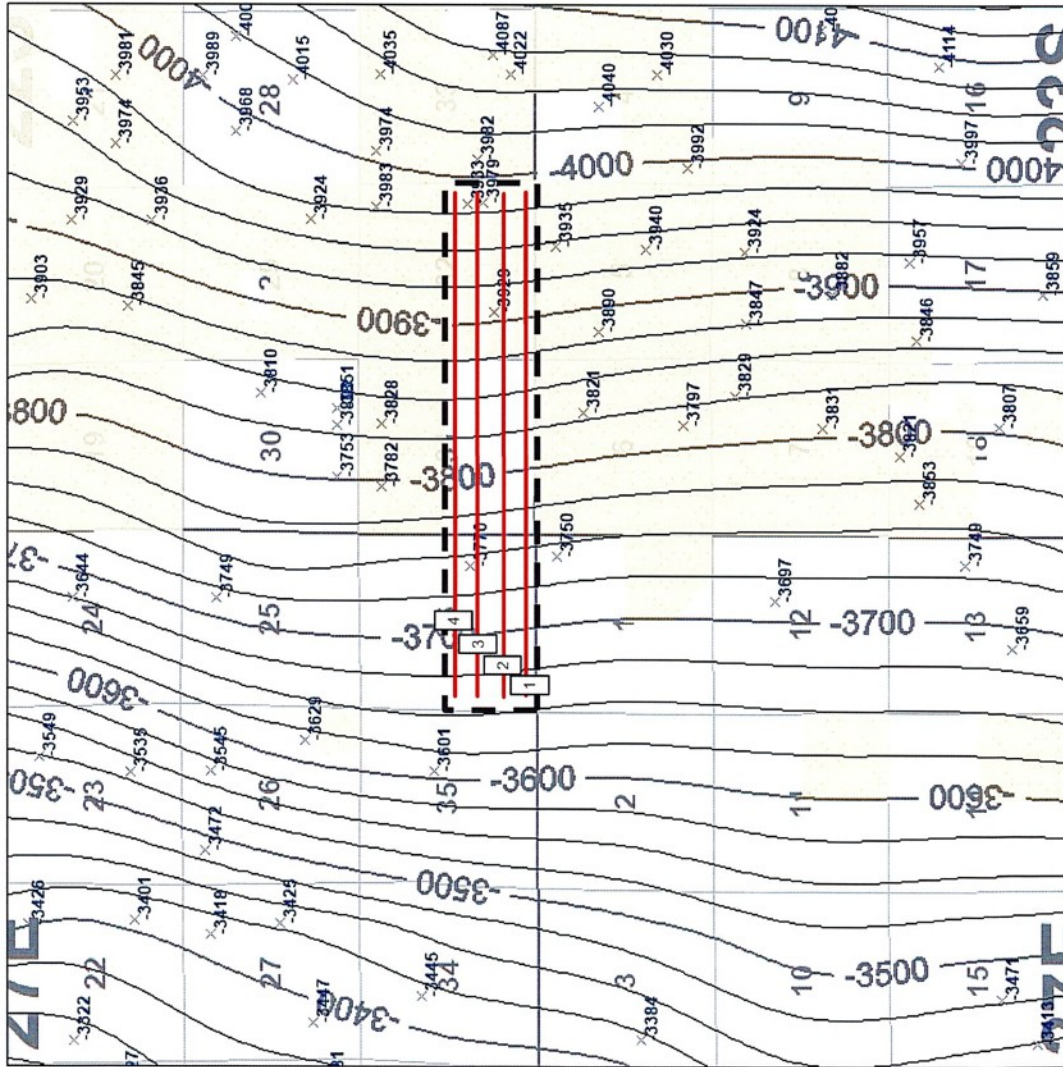


EXHIBIT
C.2

Blue Barracuda Fed Com Unit

Structure Map – Top of First Bone Spring (TVDSS)



- 1 Blue Barracuda Fed Com 301H
- 2 Blue Barracuda Fed Com 501H
- 3 Blue Barracuda Fed Com 302H
- 4 Blue Barracuda Fed Com 502H

Map Legend*

- Proposed Wells
- Existing FBS Wells

- MRO Acreage
- Project Area

The top of the First Bone Spring dips towards the east.

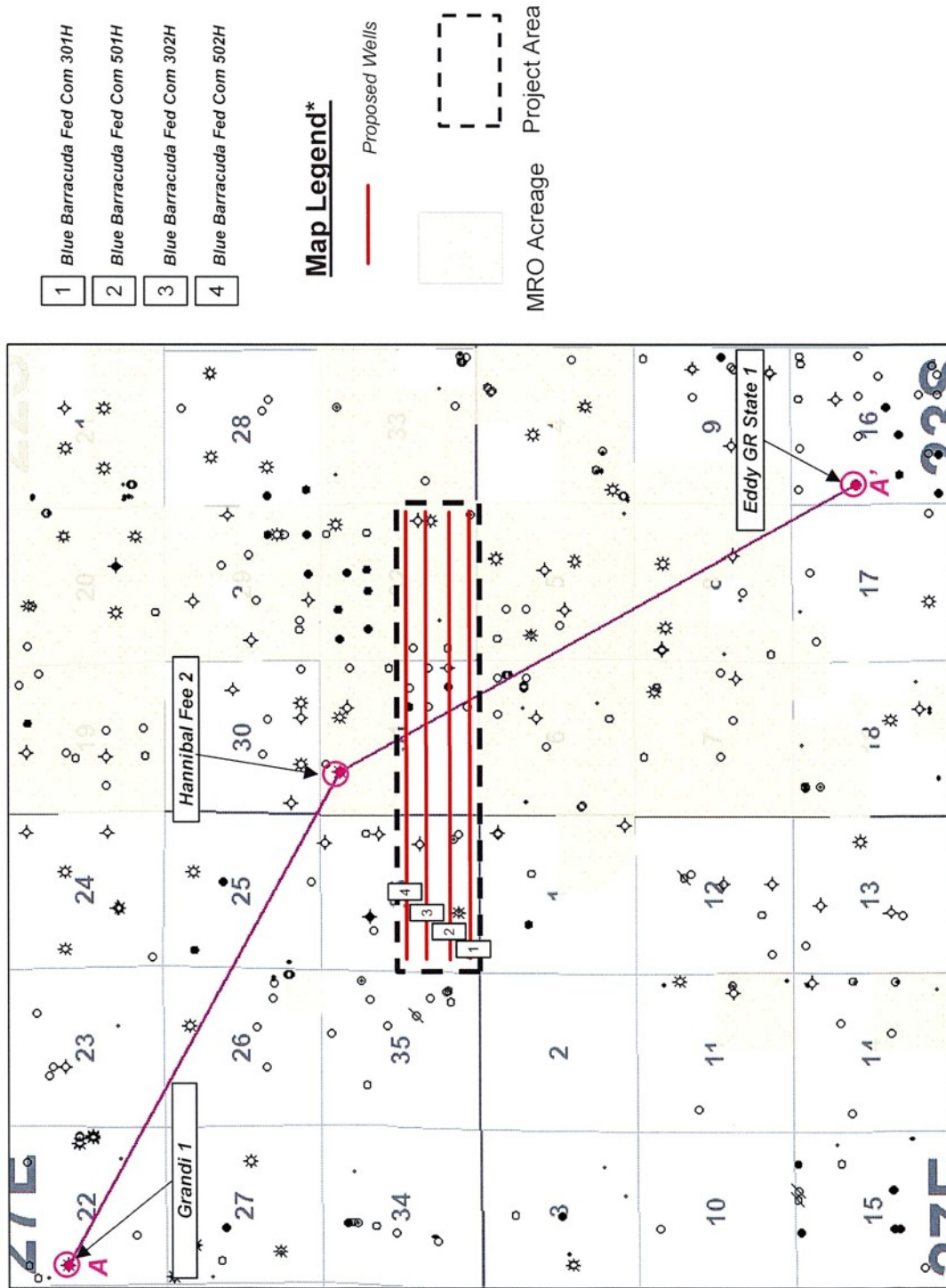
C.I. = 25'

1 mile



Blue Barracuda Fed Com Unit

Reference Map for Cross Section



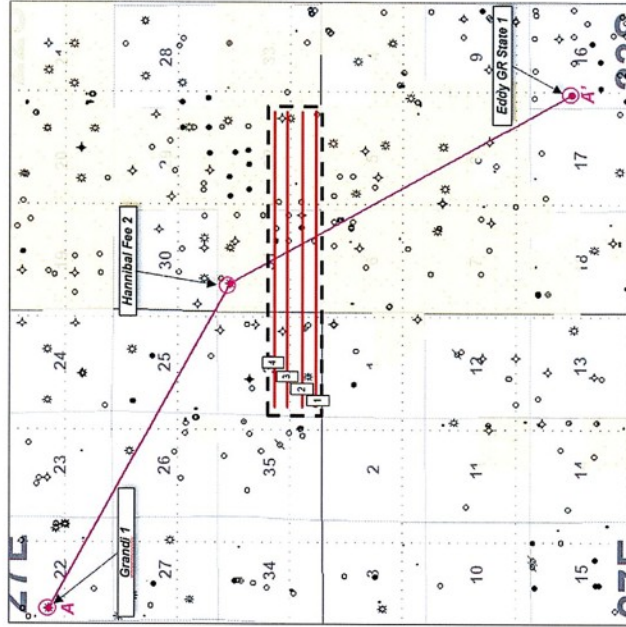
1 mile
C.I. = 25'

EXHIBIT
C-4
Labels



Blue Barracuda Fed Com Unit

Stratigraphic Cross Section (Top First Bone Spring Datum)



Producing Zone -
First Bone Spring

First Bone Spring is near constant
thickness across the area

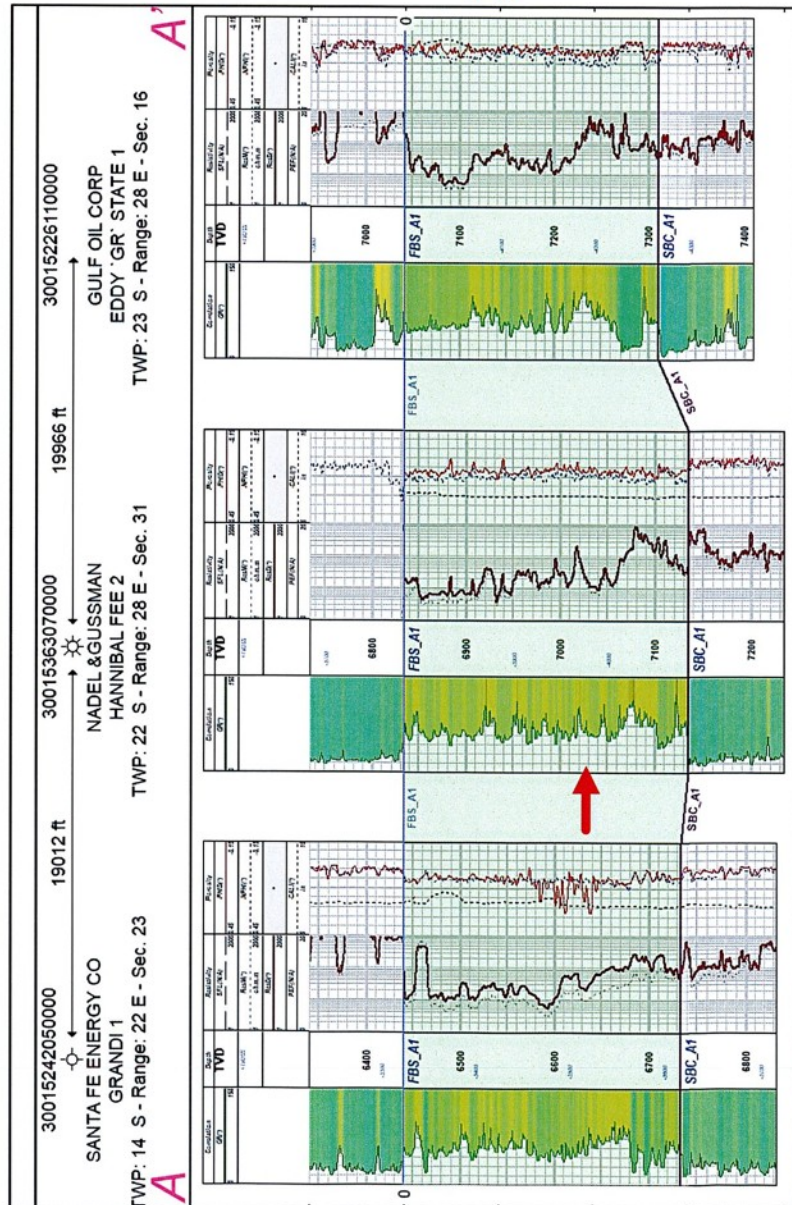
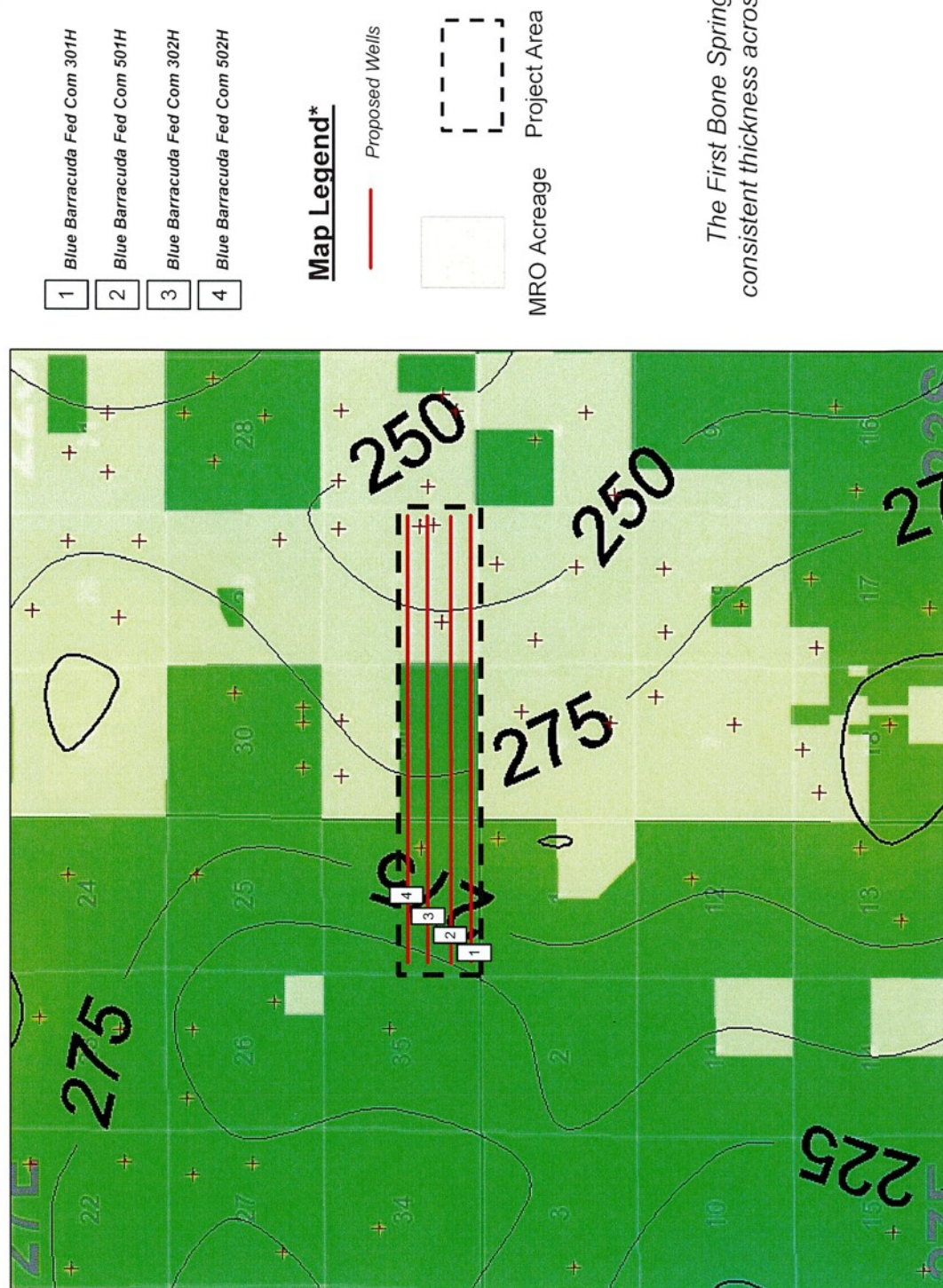


EXHIBIT
C-5
tables



Blue Barracuda Fed Com Unit

Gross Interval Isochore – Top First Bone Spring to Top Second Bone Spring Carbonate



- 1 Blue Barracuda Fed Com 301H
- 2 Blue Barracuda Fed Com 501H
- 3 Blue Barracuda Fed Com 302H
- 4 Blue Barracuda Fed Com 502H

Map Legend*

- Proposed Wells
- MRO Acreage
- Project Area

The First Bone Spring has consistent thickness across the unit

EXHIBIT C.6

1 mile

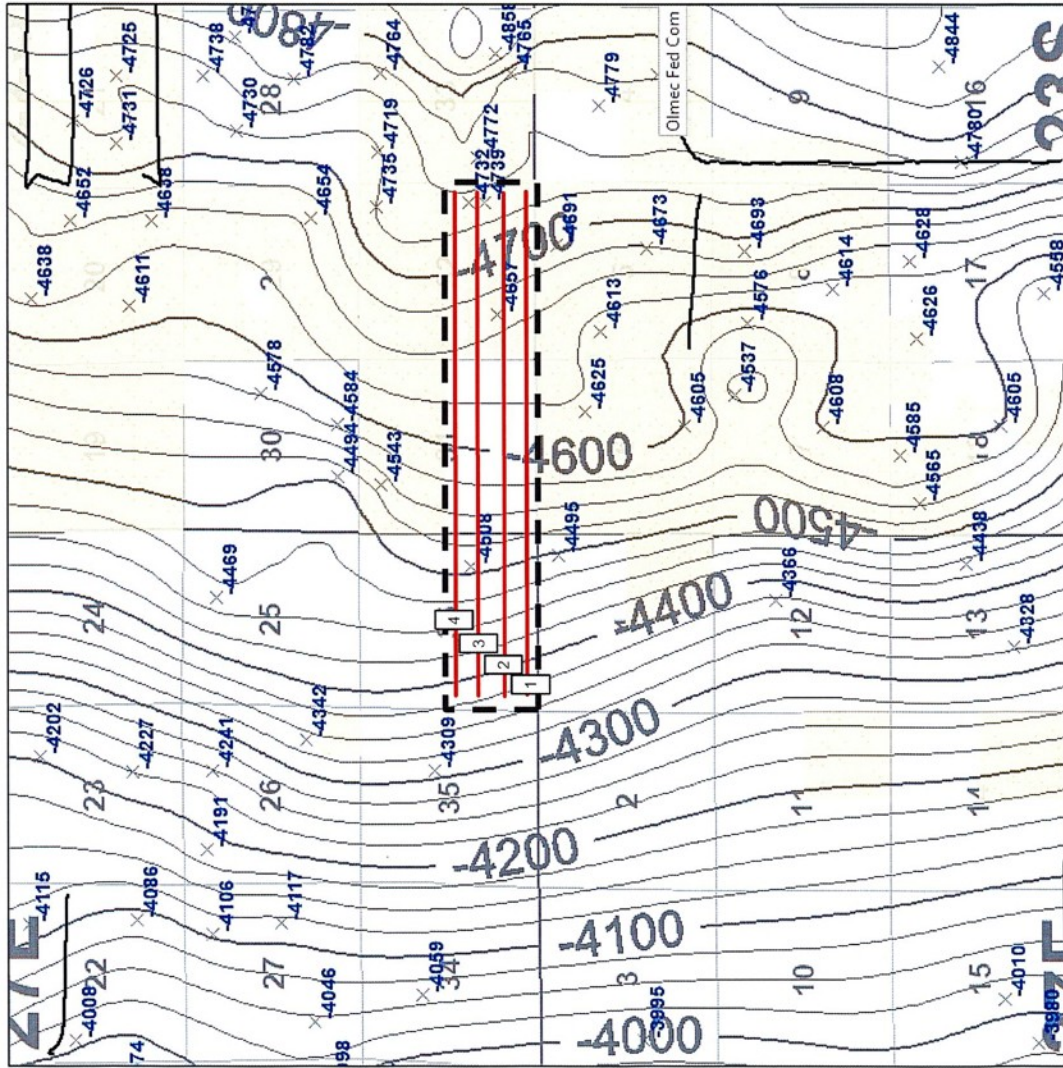
C.I. = 25'

tabbles



Blue Barracuda Fed Com Unit

Structure Map – Top of Second Bone Spring (TVDSS)



- 1 Blue Barracuda Fed Com 301H
- 2 Blue Barracuda Fed Com 501H
- 3 Blue Barracuda Fed Com 302H
- 4 Blue Barracuda Fed Com 502H

Map Legend*

- Proposed Wells
- Existing SBS Wells

- MRO Acreage
- Project Area

The top of the Second Bone Spring dips towards the east.

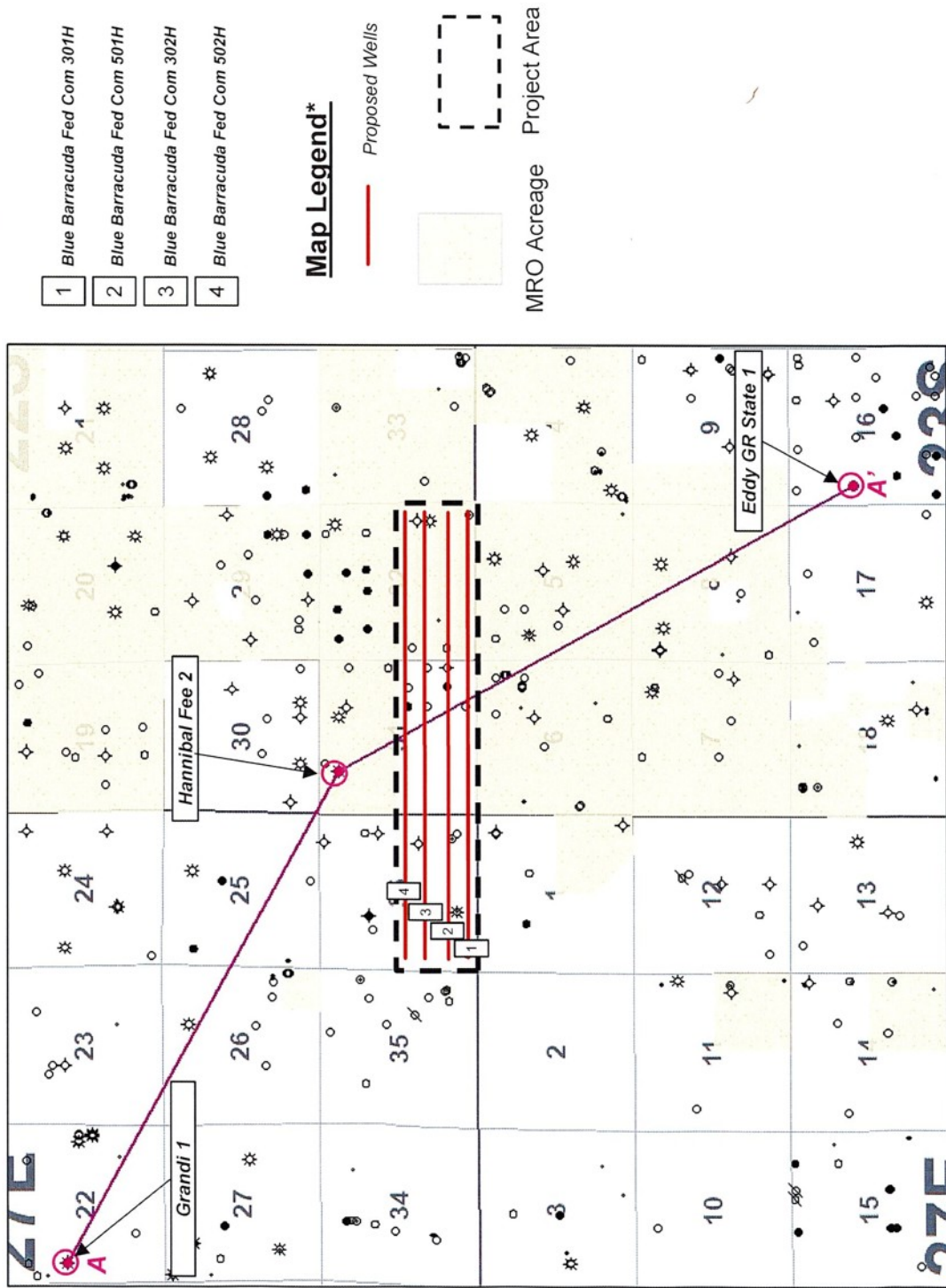
EXHIBIT
C-7

1 mile C.I. = 25'



Blue Barracuda Fed Com Unit

Reference Map for Cross Section



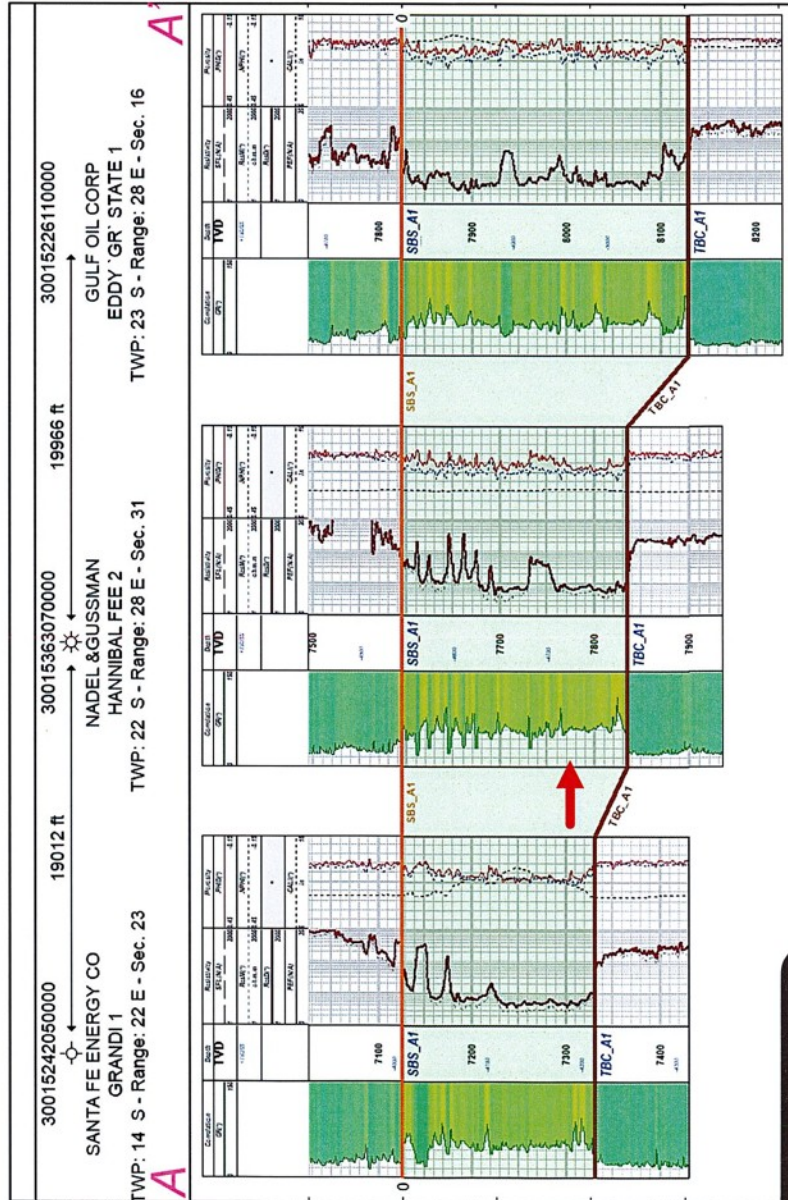
1 mile
C.I. = 25'

EXHIBIT
C-8



Blue Barracuda Fed Com Unit

Stratigraphic Cross Section (Top Second Bone Spring Datum)



Producing Zone –
Second Bone Spring

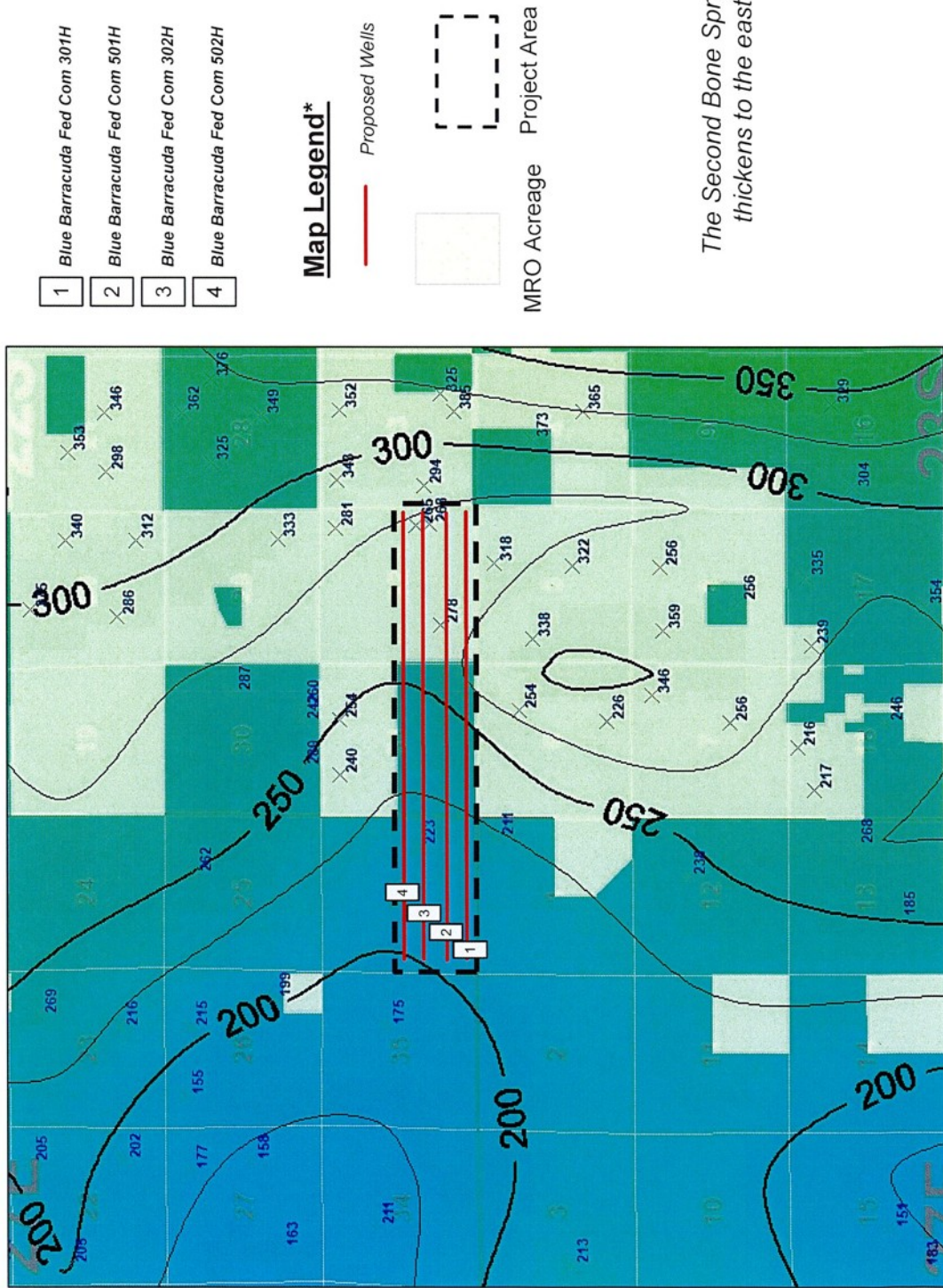
Second Bone Spring thickens to
the south across the area

EXHIBIT
C.9
tables



Blue Barracuda Fed Com Unit

Gross Interval Isochore – Top Second Bone Spring to Top Third Bone Spring Carbonate



- 1 Blue Barracuda Fed Com 301H
- 2 Blue Barracuda Fed Com 501H
- 3 Blue Barracuda Fed Com 302H
- 4 Blue Barracuda Fed Com 502H

Map Legend*

- Proposed Wells
- MRO Acreage
- Project Area

The Second Bone Spring thickens to the east

1 mile

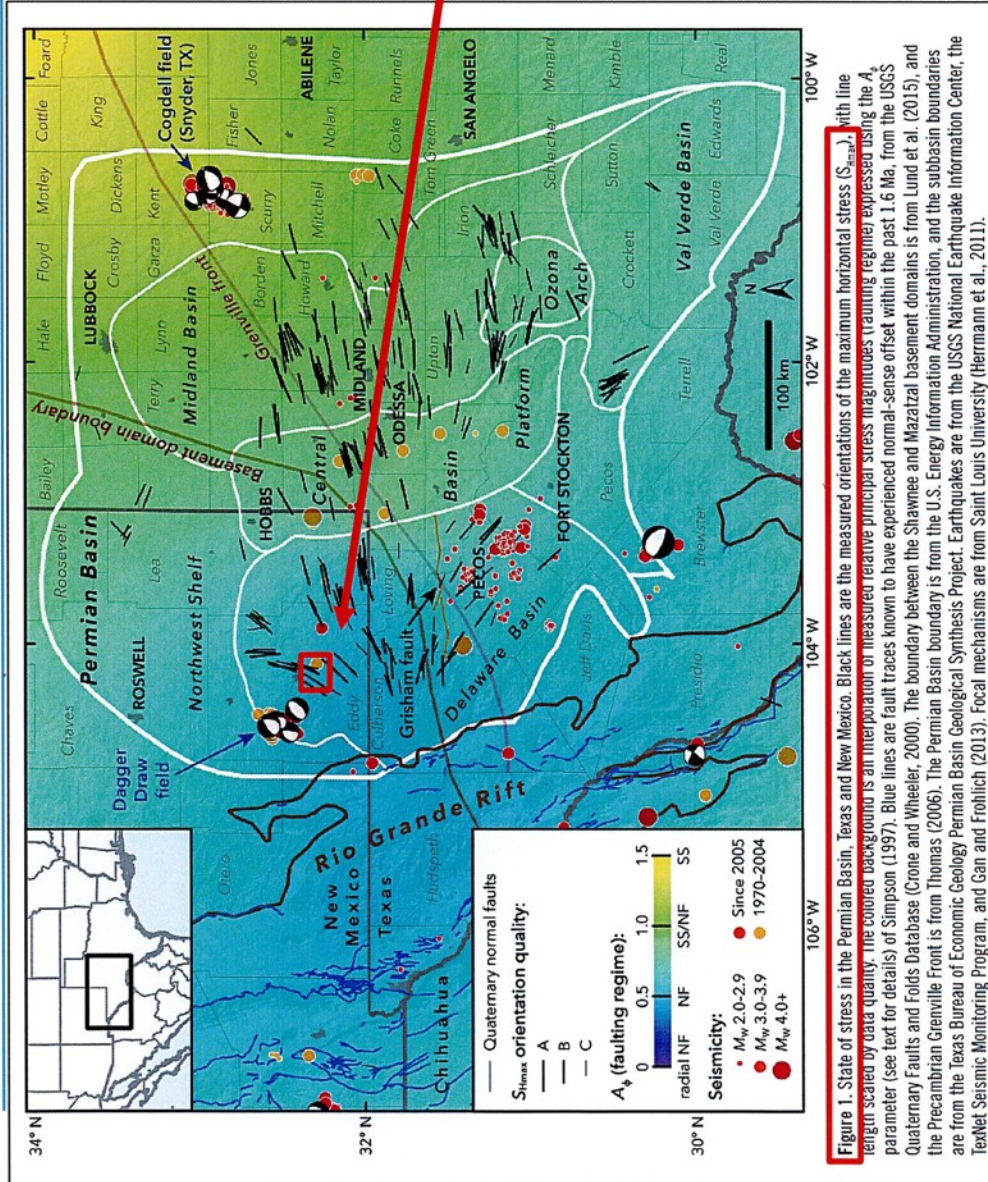
C.I. = 25'

EXHIBIT
C-10



Blue Barracuda Fed Com Unit

Preferred Well Orientation - SHmax



Preferred well orientation is either N/S or E/W

As outlined in Snee & Zoback (2018), SHmax is at approximately 45° in this part of Eddy Count. As a result, hydraulic fractures will prefer to propagate outwards at 45° regardless if wells are oriented N/S or E/W.

Source:

Snee, J.L. & M.D. Zoback, 2018, State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity: The Leading Edge, 810-819, <https://doi.org/10.1190/tle37020810.1>.



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

APPLICATION OF MARATHON OIL PERMIAN
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 24183

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

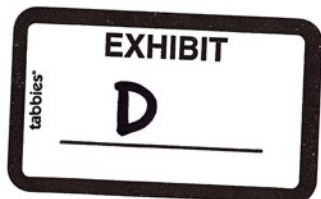
Deana M. Bennett, attorney in fact and authorized representative of Marathon Oil Permian, LLC, the Applicant herein, declares as follows:

- 1) The above-referenced Application was provided under notice letter, dated April 5, 2024, and attached hereto as Exhibit D.1.
- 2) Exhibit D.2 is the mailing list, which show the notice letters were delivered to the USPS for mailing on April 5, 2024.
- 3) Exhibit D.3 is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. This spreadsheet shows the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 4) Exhibit D.4 is the Affidavit of Publication from Carlsbad Current Argus, confirming that notice of the May 16, 2024 hearing was published on April 10, 2024.
- 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: May 9, 2024

Deana M. Bennett

Deana M. Bennett





MODRALL SPERLING
LAWYERS

April 5, 2024

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

**Re: APPLICATION OF MARATHON OIL PERMIAN, LLC
FOR COMPULSORY POOLING, EDDYCOUNTY,
NEW MEXICO.**

CASE NO. 24183

TO: AFFECTED PARTIES

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

In Case No. 24183, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit underlying the S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Blue Barracuda Federal Com 301H** and **Blue Barracuda Federal Com 501H** wells to be horizontally with first take points in the SW/4 SW/4 (Unit M) of Section 36 with last take points in the SE/4 SE/4 (Unit P) of Section 32; and the **Blue Barracuda Federal Com 302H** and **Blue Barracuda Federal Com 502H** wells to be horizontally drilled with first take points in the NW/4 SW/4 (Unit L) of Section 36 and last take points in the NE/4 SE/4 (Unit I) of Section 32. The producing area for the wells is expected to be orthodox. The completed intervals for the Blue Barracuda Federal Com 302H and Blue Barracuda Federal Com 501H are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 5.45 miles northwest of Loving, New Mexico.

Modrall Spierling
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

The hearing is set for May 16, 2024 beginning at 8:15 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. 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/>.

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

You are further notified that if you desire to appear in this case, 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 COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 24183

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy 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 spacing unit to the following wells:
 - a) The **Blue Barracuda Federal Com 301H** and **Blue Barracuda Federal Com 501H** wells to be horizontally drilled with first take points in the SW/4 SW/4 (Unit M) of Section 36 with last take points in the SE/4 SE/4 (Unit P) of Section 32; and
 - b) The **Blue Barracuda Federal Com 302H** and **Blue Barracuda Federal Com 502H** wells to be horizontally drilled with first take points in the NW/4 SW/4 (Unit L) of Section 36 with last take points in the NE/4 SE/4 (Unit I) of Section 32.

3. The producing area for the wells is expected to be orthodox.

4. The completed intervals for the **Blue Barracuda Federal Com 302H** and **Blue Barracuda Federal Com 501H** are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

5. 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.

6. 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 7, 2024 and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico;

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

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

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

E. 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
Earl E. DeBrine, Jr
Deana M. Bennett
Yarithza Peña
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
deana.bennett@modrall.com
yarithza.pena@modrall.com
Attorneys for Marathon Oil Permian LLC

CASE NO. 24183 : **Application of Marathon Oil Permian LLC for Compulsory Pooling, Eddy County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit underlying the S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Blue Barracuda Federal Com 301H** and **Blue Barracuda Federal Com 501H** wells to be horizontally with first take points in the SW/4 SW/4 (Unit M) of Section 36 with last take points in the SE/4 SE/4 (Unit P) of Section 32; and the **Blue Barracuda Federal Com 302H** and **Blue Barracuda Federal Com 502H** wells to be horizontally drilled with first take points in the NW/4 SW/4 (Unit L) of Section 36 and last take points in the NE/4 SE/4 (Unit I) of Section 32. The producing area for the wells is expected to be orthodox. The completed intervals for the Blue Barracuda Federal Com 302H and Blue Barracuda Federal Com 501H are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 5.45 miles northwest of Loving, New Mexico.

PS Form 3877

Type of Mailing: CERTIFIED MAIL
04/05/2024

Firm Mailing Book ID: 263635

Karlene Schuman
Modrall Spering Roehl Harris & Sisk P.A.
500 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
1	9314 8699 0430 0119 4834 91	OXY USA WTP, LP 5 Greenway Plaza, Suite 110 Houston TX 77046	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
2	9314 8699 0430 0119 4835 07	MRC Permian Company One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas TX 75240	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
3	9314 8699 0430 0119 4835 14	Marathon Oil Permian LLC 990 Town and Country Boulevard Houston TX 77024	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
4	9314 8699 0430 0119 4835 21	Irene Hryb McIsaac 3452 Lyrac Street Oakton VA 22124	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
5	9314 8699 0430 0119 4835 38	Chester J. Stuebben 100 Monroe Street, Apt. 307 Bridgewater NJ 08807	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
6	9314 8699 0430 0119 4835 45	SITL Energy, LLC 308 North Colorado, Suite 200 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
7	9314 8699 0430 0119 4835 52	R.E.B. Resources, LLC 125 E. Van Dorn Avenue, Suite 200 Holly Springs MS 38635	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
8	9314 8699 0430 0119 4835 69	Sisbro Oil and Gas LLC 4350 South Monaco Street, 5th Floor Denver CO 80237	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
9	9314 8699 0430 0119 4835 76	Ozark Exploration, Inc. 3100 Monticello Avenue, Suite 575 Dallas TX 75205	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
10	9314 8699 0430 0119 4835 83	CL&F Resources, LP 1700 City Plaza Drive, Suite 360 Spring TX 77389	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
11	9314 8699 0430 0119 4835 90	Richardson Mineral & Royalty, LLC P.O. Box 2423 Roswell NM 88202	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
12	9314 8699 0430 0119 4836 06	Tim Cavanaugh 7217 Hollis St. NE Albuquerque NM 87109	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
13	9314 8699 0430 0119 4836 13	Colleen Blackman 739 Homestead Circle Las Cruces NM 88011	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
14	9314 8699 0430 0119 4836 20	Cathy Jones 1400 N. Fannin San Benito TX 78586	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
15	9314 8699 0430 0119 4836 37	Patricia Gourley No. 18 Wycklow Overland Park KS 66207	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice



PS Form 3877

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Modrall Sperling Roehl Harris & Sisk P.A.
500 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
16	9314 8699 0430 0119 4836 44	John D. Gourley No. 18 Wycklow Overland Park KS 66207	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
17	9314 8699 0430 0119 4836 51	Charles R. Wiggins P.O. Box 10862 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
18	9314 8699 0430 0119 4836 68	Richard Donnelly, Tte of George Donnelly TA FBO David Preston, Richard Jr. Martha Donnelly P.O. Box 3506 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
19	9314 8699 0430 0119 4836 75	Richard Donnelly 315 Brownell Howland Road Santa Fe NM 87501	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
20	9314 8699 0430 0119 4836 82	Eastland Oil Company 415 W. Wall Street, # 1415 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
21	9314 8699 0430 0119 4836 99	Hooker Energy, LLC 400 Pine Street, Suite 300 Abilene TX 79601	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
22	9314 8699 0430 0119 4837 05	RL & JJ Stevens FP, LP P.O. Box 51240 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
23	9314 8699 0430 0119 4837 12	MAP2006-OK 101 North Robinson, Suite 1000 Oklahoma City OK 73102	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
24	9314 8699 0430 0119 4837 29	Mike Stewart 3714 Mark Lane Midland TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
25	9314 8699 0430 0119 4837 36	David Farmer P.O. Box 1173 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
26	9314 8699 0430 0119 4837 43	Robert H. Marshall P.O. Box 1422 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
27	9314 8699 0430 0119 4837 50	William L. Porter 1700 Community Ln. Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
28	9314 8699 0430 0119 4837 67	Rendova Oil Co., Inc. P.O. Box 3106 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
29	9314 8699 0430 0119 4837 74	Melissa O'Kelley P.O. Box 3106 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
30	9314 8699 0430 0119 4837 81	Katherine Russell Schmidt P.O. Box 2318 Edmond OK 73083	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice



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Karlene Schuman
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500 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
31	9314 8699 0430 0119 4837 98	Deborah Russell Neujahr P.O. Box 3753 Littleton CO 80161	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
32	9314 8699 0430 0119 4838 04	Lana Russell P.O. Box 303424 Austin TX 78703	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
33	9314 8699 0430 0119 4838 11	Spinnaker Oil & Gas, LP 415 W. Wall Street, Suite 1415 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
34	9314 8699 0430 0119 4838 28	Bantam Royalties, LLC 1011 W. Wall Street Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
35	9314 8699 0430 0119 4838 35	TLM4, Ltd. 808 W. Wall St. Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
36	9314 8699 0430 0119 4838 42	TAS Royalty Company P.O. Box 5279 Austin TX 78763	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
37	9314 8699 0430 0119 4838 59	Serenity Resources, LLC P.O. Box 5240 Midland TX 79704	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
38	9314 8699 0430 0119 4838 66	Williams WTX, LP 6000 Green Hill Court Midland TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
39	9314 8699 0430 0119 4838 73	Margaret Jones Kennedy P.O. Drawer 432 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
40	9314 8699 0430 0119 4838 80	Oria Petco Inc. P.O. Box 695 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
41	9314 8699 0430 0119 4838 97	Ruth S. Bell 900 W. Cuthbert Ave. Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
42	9314 8699 0430 0119 4839 03	L.S. Henry, LLC P.O. Box 742735 Dallas TX 75374	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
43	9314 8699 0430 0119 4839 10	Spinnaker Investments, LP 415 West Wall Street, Suite 1415 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
44	9314 8699 0430 0119 4839 27	Jo Ann Rustamier Stinson 2300 Barton Creek Boulevard, Apt. 11 Austin TX 78735	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
45	9314 8699 0430 0119 4839 34	Judy Lee Rustamier Makowsky 1206 West Scharbauer Drive Midland TX 79705	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice



Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
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Albuquerque NM 87102

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04/05/2024

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Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
46	9314 8699 0430 0119 4839 41	The Beneficiarie(s) of the Rustamier Grandchildren's Trust 1206 West Scharbauer Drive Midland TX 79705	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
47	9314 8699 0430 0119 4839 58	Pamela Power Burton P.O. Box 69 Camp Wood TX 78833	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
48	9314 8699 0430 0119 4839 65	David Lee Power 3523 Stanolind Avenue Midland TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
49	9314 8699 0430 0119 4839 72	Rusk Capital Management LLC 7600 West Tidwell Road, Suite 800 Houston TX 77040	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
50	9314 8699 0430 0119 4839 89	Kimbell Royalty Holdings, LLC 777 Taylor Street, Suite 810 Fort Worth TX 76102	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
51	9314 8699 0430 0119 4839 96	Warren Ventures, Ltd. 808 West Wall Street Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
52	9314 8699 0430 0119 4840 09	Eastland Resources, Inc. P.O. Box 3488 Midland TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
53	9314 8699 0430 0119 4840 16	United States of America Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$1.63	\$4.40	\$2.32	\$0.00	81363.0238.Blue Notice
Totals:			\$86.39	\$233.20	\$122.96	\$0.00	
			Grand Total:		\$442.55		



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Listed by Sender



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9314869904300119484016	2024-04-05 12:07 PM	81363.0238.Blue	United States of America	Bureau of Land Management	Santa Fe	NM	87508	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 12:04 PM
9314869904300119484009	2024-04-05 12:07 PM	81363.0238.Blue	Eastland Resources, Inc.		Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-09 1:10 PM
9314869904300119483996	2024-04-05 12:07 PM	81363.0238.Blue	Warren Ventures, Ltd.		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 11:54 AM
9314869904300119483989	2024-04-05 12:07 PM	81363.0238.Blue	Kimbell Royalty Holdings, LLC		Fort Worth	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 12:06 PM
9314869904300119483972	2024-04-05 12:07 PM	81363.0238.Blue	Rock Capital Management LLC		Houston	TX	77040	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 1:49 PM
9314869904300119483965	2024-04-05 12:07 PM	81363.0238.Blue	David Lee Power		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-10 1:09 PM
9314869904300119483958	2024-04-05 12:07 PM	81363.0238.Blue	Pranish Power Burton		Camp Wood	TX	78833	Lost	Return Receipt - Electronic, Certified Mail	2024-04-08 10:31 AM
9314869904300119483941	2024-04-05 12:07 PM	81363.0238.Blue	The Beneficiary(ies) of the	Rustamier Grandchildren's Trust	Midland	TX	79705	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 10:31 AM
9314869904300119483934	2024-04-05 12:07 PM	81363.0238.Blue	Judy Lee Rustamier Makowsky		Midland	TX	79705	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:36 PM
9314869904300119483927	2024-04-05 12:07 PM	81363.0238.Blue	To Ann Rustamier Stinson		Austin	TX	78735	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	2024-04-18 10:37 AM
9314869904300119483910	2024-04-05 12:07 PM	81363.0238.Blue	Spinnaker Investments, LP		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 12:29 PM
9314869904300119483903	2024-04-05 12:07 PM	81363.0238.Blue	L.S. Henry, LLC		Dallas	TX	75374	Lost	Return Receipt - Electronic, Certified Mail	2024-04-08 3:41 PM
9314869904300119483897	2024-04-05 12:07 PM	81363.0238.Blue	Ruth S. Bell		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-09 5:58 AM
9314869904300119483880	2024-04-05 12:07 PM	81363.0238.Blue	Orla Petco Inc.		Midland	TX	79702	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	2024-04-08 2:36 PM
9314869904300119483873	2024-04-05 12:07 PM	81363.0238.Blue	Margaret Jones Kennedy		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-09 3:59 PM
9314869904300119483866	2024-04-05 12:07 PM	81363.0238.Blue	Williams WTX, LP		Midland	TX	79704	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	2024-04-11 10:18 AM
9314869904300119483859	2024-04-05 12:07 PM	81363.0238.Blue	Serenity Resources, LLC		Midland	TX	78763	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 11:55 AM
9314869904300119483842	2024-04-05 12:07 PM	81363.0238.Blue	TAG Royalty Company		Austin	TX	78761	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:36 PM
9314869904300119483835	2024-04-05 12:07 PM	81363.0238.Blue	TLMA, Ltd.		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 11:52 AM
9314869904300119483828	2024-04-05 12:07 PM	81363.0238.Blue	Bantam Royalties, LLC		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 11:52 AM
9314869904300119483811	2024-04-05 12:07 PM	81363.0238.Blue	Spinnaker Oil & Gas, LP		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 11:52 AM
9314869904300119483804	2024-04-05 12:07 PM	81363.0238.Blue	Lana Russell		Austin	TX	78703	Lost	Return Receipt - Electronic, Certified Mail	2024-04-09 10:45 AM
9314869904300119483798	2024-04-05 12:07 PM	81363.0238.Blue	Deborah Russell Neujahr		Littleton	CO	80161	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-09 3:59 PM
9314869904300119483781	2024-04-05 12:07 PM	81363.0238.Blue	Katherine Russell Schmidt		Edmond	OK	73083	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-09 3:59 PM
9314869904300119483774	2024-04-05 12:07 PM	81363.0238.Blue	Melissa O'Kelly		Midland	TX	79702	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	2024-04-11 10:18 AM
9314869904300119483767	2024-04-05 12:07 PM	81363.0238.Blue	Melinda Oil Co., Inc		Midland	TX	79702	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	2024-04-11 10:18 AM
9314869904300119483750	2024-04-05 12:07 PM	81363.0238.Blue	William L. Porter		Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:36 PM
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9314869904300119483736	2024-04-05 12:07 PM	81363.0238.Blue	David Farmer		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 11:52 AM
9314869904300119483729	2024-04-05 12:07 PM	81363.0238.Blue	Mike Stewart		Midland	TX	79707	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 11:52 AM
9314869904300119483712	2024-04-05 12:07 PM	81363.0238.Blue	MAP2006-OK		Oklahoma City	OK	73102	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-09 10:45 AM
9314869904300119483705	2024-04-05 12:07 PM	81363.0238.Blue	RL & JJ Stevens FP, LP		Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-09 3:59 PM
9314869904300119483699	2024-04-05 12:07 PM	81363.0238.Blue	Hooker Energy, LLC		Ablene	TX	79601	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:36 PM
9314869904300119483682	2024-04-05 12:07 PM	81363.0238.Blue	Eastland Oil Company		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-10 5:43 PM
9314869904300119483675	2024-04-05 12:07 PM	81363.0238.Blue	Richard Donnelly	Santa Fe	NM	87501	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-10 11:35 AM	
9314869904300119483668	2024-04-05 12:07 PM	81363.0238.Blue	Richard Donnelly, Tre of George Donnelly TA FBO	David Preston, Richard Jr. Martha Donnelly	Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:56 PM
9314869904300119483651	2024-04-05 12:07 PM	81363.0238.Blue	Charles R. Wiggins		Midland	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:56 PM
9314869904300119483644	2024-04-05 12:07 PM	81363.0238.Blue	John D. Gourley		Overland Park	KS	66207	Lost	Return Receipt - Electronic, Certified Mail	2024-04-08 5:02 PM
9314869904300119483637	2024-04-05 12:07 PM	81363.0238.Blue	Patricia Gourley		Overland Park	KS	66207	Lost	Return Receipt - Electronic, Certified Mail	2024-04-08 5:02 PM
9314869904300119483620	2024-04-05 12:07 PM	81363.0238.Blue	Cathy Jones		San Benito	TX	78586	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 10:05 AM
9314869904300119483613	2024-04-05 12:07 PM	81363.0238.Blue	Colleen Blackman		San Benito	TX	78586	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-10 10:22 AM
9314869904300119483606	2024-04-05 12:07 PM	81363.0238.Blue	Tim Cavanaugh		San Benito	TX	78586	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-09 1:46 PM
9314869904300119483590	2024-04-05 12:07 PM	81363.0238.Blue	Richardson Mineral & Royalty, LLC		Albuquerque	NM	87109	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	2024-04-08 10:05 AM
9314869904300119483583	2024-04-05 12:07 PM	81363.0238.Blue	CLF Resources, LP		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:53 PM
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9314869904300119483552	2024-04-05 12:07 PM	81363.0238.Blue	R.E.B. Resources, LLC		Denver	CO	80237	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:53 PM
9314869904300119483545	2024-04-05 12:07 PM	81363.0238.Blue	SITL Energy, LLC		Holly Springs	NC	38635	To Be Returned	Return Receipt - Electronic, Certified Mail	2024-04-08 12:14 PM
9314869904300119483538	2024-04-05 12:07 PM	81363.0238.Blue	Chester J. Stuebben		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-11 11:38 AM
9314869904300119483531	2024-04-05 12:07 PM	81363.0238.Blue	Irene Herb McIsaac		Bridgewater	NJ	08807	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-16 15:1 PM
9314869904300119483514	2024-04-05 12:07 PM	81363.0238.Blue	Marathon Oil Permian LLC		Oakton	VA	22124	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 12:59 PM
9314869904300119483507	2024-04-05 12:07 PM	81363.0238.Blue	MFC Permian Company	One Lincoln Center	Houston	TX	77024	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:41 PM
9314869904300119483491	2024-04-05 12:07 PM	81363.0238.Blue	OWY USA WTP, LP		Dallas	TX	75240	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-08 2:41 PM



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STATE OF WISCONSIN, COUNTY OF BROWN

The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

04/10/2024

and that the fees charged are legal.
Sworn to and subscribed before on 04/10/2024

CASE NO. 24183: Notice to all affected parties, as well as heirs and devisees of: OXY USA WTP, LP; MRC Permian Company; Irene Hryb McIsaac; Chester J. Stuebben; SITL Energy LLC; R.E.B. Resources, LLC; Sisbro Oil and Gas LLC; Ozark Exploration, Inc.; CL&F Resources, LP; Richardson Mineral & Royalty, LLC; Tim Cavanaugh; Colleen Blackman; Cathy Jones; Patricia Gourley; John D. Gourley; Charles R. Wiggins; Richard Donnelly, Trustee Under the George A. Donnelly TA FBO David Preston, Richard Jr. and Martha Brittain Donnelly; Richard Donnelly; Eastland Oil Company; Hooker Energy, LLC; RL & JJ Stevens FP, LP; MAP2006-OK; Mike Stewart; David Farmer; Robert H. Marshall; William L. Porter; Rendova Oil Co., Inc.; Melissa O'Kelley; Katherine Russell Schmidt; Deborah Russell Neujahr; Lana Russell; Spinnaker Oil & Gas, LP; Bantam Royalties, LLC; TLM4 Ltd.; TAS Royalty Company; Serenity Resources, LLC; Williams WTX, LP; Margaret Jones Kennedy; Orla Petco Inc.; Ruth S. Bell; L.S. Henry, LLC; Spinnaker Investments, LP; JoAnn Rustamier Stinson; Judy Lee Rustamier Makowsky; The Beneficiary(s) of the Rustamier Grandchildren's Trust; Pamela Power Burton; David Lee Power; Rusk Capital Management LLC; Kimbell Royalty Holdings, LLC; Warren Ventures, Ltd.; Eastland Resources, Inc.; United States of America Bureau of Land Management of the Application of Marathon Oil Permian LLC for Compulsory Pooling, Eddy 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 May 16, 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit underlying the S/2 of Section 36, Township 22 South, Range 27 East, and the S/2 of Sections 31 and 32, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Blue Barracuda Federal Com 301H and Blue Barracuda Federal Com 501H wells to be horizontally with first take points in the SW/4 SW/4 (Unit M) of Section 36 with last take points in the SE/4 SE/4 (Unit P) of Section 32; and the Blue Barracuda Federal Com 302H and Blue Barracuda Federal Com 502H wells to be horizontally drilled with first take points in the NW/4 SW/4 (Unit L) of Section 36 and last take points in the NE/4 SE/4 (Unit I) of Section 32. The producing area for the wells is expected to be orthodox. The completed intervals for the Blue Barracuda Federal Com 302H and Blue Barracuda Federal Com 501H are expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 5.45 miles northwest of Loving, New Mexico.
#10051085, Current Argus, April 10, 2024

Linda [Signature]
Legal Clerk

[Signature]
Notary, State of WI, County of Brown

My commission expires

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State of Wisconsin

EXHIBIT
D.4