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

APPLICATIONS OF AVANT OPERATING, LLC FOR COMPULSORY POOLING AND APPROVAL OF AN OVERLAPPING NON-STANDARD HORIZONRTAL SPACING UNIT, LEA COUNTY, NEW MEXICO.

CASE NOS. 24632 - 24633

MARATHON OIL PERMIAN LLC'S PRE-HEARING STATEMENT

Marathon Oil Permian LLC ("Marathon") submits this Pre-Hearing Statement for the above-referenced consolidated cases.

APPEARANCES

<u>APPLICANT</u>	<u>ATTORNEY</u>
Avant Operating, LLC	Benjamin B. Holiday –
	ben@theenergylawgroup.com;
	ben-svc@theenergylawgroup.com

OPPONENT

Magnum Hunter Production,	<u>Jennifer Bradfute</u> –
Inc.	jennifer@bradfutelaw.com

OTHER PARTIES
WITH AN EOA IN
AVANT'S CASES

Marathon Oil Permian	Jennifer Bradfute –
LLC	jennifer@bradfutelaw.com

COG Operating LLC &	Elizabeth Ryan –
Concho Oil and Gas	beth.ryan@conocophillips.com
	Keri L. Hatley –
	keri.hatley@conocophillips.com

Foran Oil Company & Permian Resources Operating, LLC Michael H. Feldewert – mfeldewert@hollandhart.com
Adam G. Rankin – agrankin@hollandhart.com
Paula M. Vance - pmvance@hollandhart.com

STATEMENT OF CASES

These cases are set for hearing on November 5, 2024. In these cases, Avant seeks to create:

- 1. A 1,280-acre, more or less, non-standard horizontal spacing unit ("HSU") composed of all of Sections 29 and 32, Township 18 South, Range 34 East, N.M.P.M. (the "Application Lands"), and (2) pooling all uncommitted mineral interests in the Bone Spring Formation, but excluding the BS2 Bench; and
- 2. A 1,280-acre, more or less, non-standard horizontal spacing unit ("HSU") composed of all of Sections 29 and 32, Township 18 South, Range 34 East, N.M.P.M. (the "Application Lands"), and (2) pooling all uncommitted mineral interests in the Wolfcamp Formation, designated as an oil pool, underlying said HSU.

Marathon owns working interests in both Sections 28 and 32 in the Bone Spring and Wolfcamp formations. After Avant filed its exhibits in these cases, Marathon saw that its interests were inaccurately stated in Avant's exhibits. As a result, Marathon wishes to file the attached affidavit in the record which correctly states its ownership interests in these Sections.

DISPUTED MATERIAL FACTS AND ISSUES

Marathon's sole issue in this case is stating its correct ownership interest in the record. It
 believes that Avant has mistakenly calculated its interest in Avant's proposes spacing unit.

Avant reached out to Marathon on 11/4/2024 to discuss this issue. Marathon wishes to enter some factual evidence in this hearing stating its correct ownership percentages.

PROPOSED EVIDENCE

Witness	Estimated Time	Exhibits
Farley Duvall - Landman	Affidavit & approx. 10 min.	Affidavit of Farley
		Duvall

PROCEDURAL MATTERS

Marathon filed an Entry of Appearance after seeing Avant's exhibits. In its entry, it asked for permission to present this ownership evidence at the hearing. Marathon did not have notice of this issue before the deadline for filing prehearing exhibits had passed. This presents good cause for Marathon to be allowed to present this evidence in the record.

Respectfully submitted,

Jennifer L. Bradfute

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on November 4, 2024:

Elizabeth Ryan – beth.ryan@conocophillips.com
Keri L. Hatley – keri.hatley@conocophillips.com
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Michael H. Feldewert — <u>mfeldewert@hollandhart.com</u>

Adam G. Rankin – agrankin@hollandhart.com

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

QUESTIONS

Action 399011

QUESTIONS

Operator:	OGRID:
MARATHON OIL PERMIAN LLC	372098
990 Town & Country Blvd.	Action Number:
Houston, TX 77024	399011
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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