

**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
HORIZONTAL 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

APPLICANT

Avant Operating, LLC

ATTORNEY

Benjamin B. Holiday –
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OPPONENT

Magnum Hunter Production,
Inc.

Jennifer Bradfute –
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**OTHER PARTIES
WITH AN EOA IN
AVANT'S CASES**

Marathon Oil Permian
LLC

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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 proposed 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.

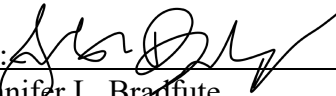
PROPOSED EVIDENCE

| Witness | Estimated Time | Exhibits |
|--------------------------------|-----------------------------|----------------------------|
| <i>Farley Duvall - Landman</i> | 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,

By: 
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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:

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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 399342

QUESTIONS

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| Operator: MARATHON OIL PERMIAN LLC 990 Town & Country Blvd. Houston, TX 77024 | OGRID: 372098 |
| | Action Number: 399342 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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