

**Before the Oil Conservation Division
Examiner Hearing January 9, 2025**

***Case No. 25024
Application of Marathon Oil Permian LLC
To Amend Order R-23066
For The Limited Purpose of
Adding Additional Pooled Parties***



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

**APPLICATION OF MARATHON OIL
PERMIAN LLC TO AMEND ORDER NO. R-23066
FOR THE LIMITED PURPOSE
OF ADDING ADDITIONAL POOLED PARTIES.**

**CASE NO. 25024
ORDER NO. R-23066**

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

**APPLICATION OF MARATHON OIL
PERMIAN LLC TO AMEND ORDER NO. R-23066
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**CASE NO. 25024
ORDER NO. R-23066**

SELF-AFFIRMED STATEMENT OF RYAN GYLLENBAND

Ryan Gyllenband hereby states and declares as follows:

1. I am employed by Marathon Oil Permian LLC (“Marathon”) as a landman. I am over the age of 18, have personal knowledge of the matters addressed herein, and am competent to provide this Self-Affirmed Statement.

2. I have previously testified before the New Mexico Oil Conservation Division (“Division”), and my credentials as an expert in petroleum land matters were accepted as a matter of record.

3. I am familiar with the application filed by Marathon in this case and with the land matters involved in this case. A copy of the application, which includes the proposed hearing notice, is attached as **Exhibit A-1**.

4. On February 28, 2024, the Division entered Order No. R-23066 (“Order”) in Case No. 23755, which pooled uncommitted interests in the Wolfcamp formation underlying a 1,276-acres, more or less, standard horizontal spacing unit comprised of the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New

**Marathon Oil Permian LLC
Case No. 25024
Exhibit A**

Mexico (“Unit”), dedicated to Marathon’s Decimus Fed Com wells (“Wells”). Marathon was designated as operator of the Unit and Wells.

5. A copy of the Order is attached as **Exhibit A-2**.

6. Since the Order was entered, Marathon has identified additional uncommitted mineral interests in the Unit that have not been pooled under the terms of the Order.

7. **Exhibit A-3** identifies the additional interest owners Marathon seeks to pool in this case, including the nature and percentage of ownership.

8. **Exhibit A-4** is a sample well proposal letter and AFE sent to the interest owners Marathon seeks to pool in this case. 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.

9. **Exhibit A-5** is a summary of contacts with the additional parties Marathon seeks to pool.

10. In my opinion, Marathon made a good faith effort to obtain voluntary joinder in the proposed wells.

11. Marathon requests overhead and administrative rates of \$10,000.00/month for drilling a well and \$1000.00/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.

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

13. None of the additional parties proposed to be pooled in this case indicated opposition to this matter proceeding by affidavit, therefore I do not expect any opposition at hearing.

14. Marathon requests the additional uncommitted mineral interest owners be pooled under the terms of the Order.

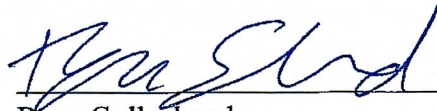
15. In my opinion, the granting of this application would protect correlative rights and prevent waste.

16. The attachments to this Self-Affirmed Statement were prepared by me, or compiled from company business records, or were prepared at my direction.

17. I understand this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico.

[Signature page follows]

Dated: December 18, 2024



Ryan Gyllenband

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

APPLICATION OF MARATHON OIL
PERMIAN LLC TO AMEND ORDER NO. R-23066
FOR THE LIMITED PURPOSE
OF ADDING ADDITIONAL POOLED PARTIES.

CASE NO. 25024
ORDER NO. R-23066

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), Section 70-2-17, for the limited purpose of amending Order No. R-23066 (the "Order") to pool additional parties under the Order. In support of this application, Marathon states:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Order R-23066 was issued in Case No. 23755. Pursuant to Order No. R-23066, Marathon is the operator of a standard 1276-acre, more or less, Wolfcamp horizontal spacing unit comprised of the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.
3. The Order pooled uncommitted interest owners in the spacing unit described above.
4. Since the entry of the Order, Marathon has identified additional interest owners that it seeks to pool under the Order and include under the Order's terms.
5. Marathon sought, but has been unable to obtain, a voluntary agreement from the additional interest owners Marathon seeks to pool in this case 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 Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 9, 2025 and after notice and hearing as required by law, the Division enter its order:

- A. Amending Order No. R-23066 to include additional pooled parties under Order No. R-23066's terms; and
- B. Incorporating all of the provisions of Order No. R-23066.

Respectfully submitted,

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

By: Deana M. Bennett

Earl E. DeBrine, Jr
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 Attorneys for Marathon Oil Permian LLC

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CASE NO. 25024 : Application of Marathon Oil Permian to Amend Order No. R-23066, Eddy County, New Mexico for the Limited Purpose of Adding Additional Pooled Parties. Applicant seeks an order from the Division for the limited purpose of amending Order No. R-23066 to pool additional parties under Order No. R-23066. Order R-23066 was issued in Case No. 23755 and pooled uncommitted interest owners in a standard 1276-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said area is located approximately 3.5 miles northwest of Loving, NM.

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING SUBMITTED BY
MARATHON OIL PERMIAN**

**CASE NO. 23755
ORDER NO. R-23066**

ORDER

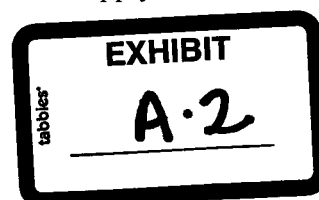
The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on November 2, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

1. Marathon Oil Permian (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.



11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
23. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

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ORDER NO. R-23066

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Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

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- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 30 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M FUGE
DIRECTOR (ACTING)
 DMF/hat

Date: 2/28/2024

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Exhibit A

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COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23755	APPLICANT'S RESPONSE
Date	November 2, 2023
Applicant	Marathon Oil Permian LLC
Designated Operator & OGRID (affiliation if applicable)	Marathon Oil Permian LLC OGRID No. 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:	Faskin Oil & Ranch LTD.
Well Family	Decimus
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code:	Purple Sage; Wolfcamp (Gas) Pool (Code 98220)
Well Location Setback Rules:	State-Wide Rules Apply
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	Approx. 1276-acres
Building Blocks:	320-Acres
Orientation:	North/South
Description: TRS/County	S/2 of Sections 5 and 6, and the N/2 of Sections 7 and 8, Township South, Range 28 East, N.M.P.M., Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), if No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	Yes.
Proximity Defining Well: if yes, description	The completed intervals for the Decimus Fed Com 702H and Decimus Fed Com 803H wells are expected to be less than 330' from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit.
Applicant's Ownership in Each Tract	See Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

Exhibit A

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Well #2: Decimus Fed Com 701H	SHL: 1670' FSL & 302' FWL, Section 6, T23S, R28E BHL: 1650' FSL & 330' FEL, Section 5, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 9,330 TVD)
Well #4: Decimus Fed Com 702H	SHL: 1610' FSL & 302' FWL, Section 6, T23S, R28E BHL: 300' FSL & 330' FEL, Section 5, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 9,330 TVD)
Well #6: Decimus Fed Com 703H	SHL: 536' FNL & 271' FEL, Section 12, T23S, R27E BHL: 990' FNL & 330' FEL, Section 8, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 9,480 TVD)
Well #8: Decimus Fed Com 704H	SHL: 635' FNL & 272' FEL, Section 12, T23S, R27E BHL: 2310' FNL & 330' FEL, Section 8, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 9,480 TVD)
Well #1: Decimus Fed Com 801H	SHL: 1700' FSL & 302' FWL, Section 6, T23S, R28E BHL: 2310' FSL & 330' FEL, Section 5, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 10,010 TVD)
Well #3: Decimus Fed Com 802H	SHL: 1640' FSL & 302' FWL, Section 6, T23S, R28E BHL: 990' FSL & 330' FEL, Section 5, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 10,010 TVD)
Well #5: Decimus Fed Com 803H	SHL: 505' FNL & 271' FEL, Section 12, T23S, R27E BHL: 300' FNL & 330' FEL, Section 8, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 10,010 TVD)
Well #7: Decimus Fed Com 804H	SHL: 605' FNL & 272' FEL, Section 12, T23S, R27E BHL: 1650' FNL & 330' FEL, Section 8, T23S, R28E Completion Target: Purple Sage Wolfcamp (Approx. 10,160 TVD)
Drilling Supervision/Month \$	\$8,000.00
Production Supervision/Month \$	\$800.00
Justification for Supervision Costs	See Exhibit B Paragraph 23
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B.7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B.7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit B.7
Ownership Determination	

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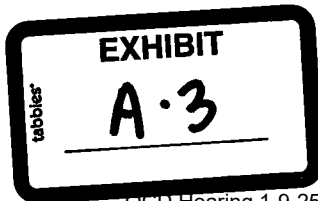
Land Ownership Schematic of the Spacing Unit	Exhibit B.3
Tract List (including lease numbers and owners)	Exhibit B.3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit B.3
Unlocatable Parties to be Pooled	Exhibit B.3
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.4
Overhead Rates In Proposal Letter	Exhibit B.5
Cost Estimate to Drill and Complete	Exhibit B.6
Cost Estimate to Equip Well	Exhibit B.6
Cost Estimate for Production Facilities	Exhibit B.6
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.2
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.2
Well Orientation (with rationale)	Exhibit C.11
Target Formation	Exhibit C.3 to C.6 & Exhibit C.7 to C.10
HSU Cross Section	Exhibit C.5 & Exhibit 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.2
Structure Contour Map - Subsea Depth	Exhibit C.3 & Exhibit C.7
Cross Section Location Map (including wells)	Exhibit C.4 & Exhibit C.8
Cross Section (including Landing Zone)	Exhibit C.5 & Exhibit C.9
Additional Information	
Special Provisions/Stipulations	N/A
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:	10/31/2

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Decimus Additional Interest Owners to be Pooled			
Name		% Interest	Interest Type
Tap Rock Resources III, LLC	523 Park Point Drive, Suite 200, Golden, Colorado 80401	0.653689%	Working Interest
Powderhorn Assets, LLC	600 N. Marienfeld St., Suite 1000, Midland, TX 79701	2.161993%	Working Interest
Kristi Rogge Fitzgerald and Kimberly Susan Rogge Rogers, as co-Trustees of the William Frank Smith and Gertrude Coolidge Smith Trust	1010 North Halagueno Street, Carlsbad, New Mexico 88220, and 1414 Chico Street, Carlsbad, New Mexico 88220	2.349992%	Unleased Mineral Owner





Ryan Gyllenband
Staff Land Professional
Permian

Marathon Oil Company
990 Town & Country Blvd.
Houston, TX 77024
Telephone 713.296.2453
mrgyllenband@marathonoil.com

September 26, 2024

SMP Titan Mineral Holdings, LP, SMP Sidecar Titan Mineral Holdings, LP, SMP Titan Flex, LP, and MSH Family Real Estate Partnership II, LLC
4143 Maple Ave., Ste. 500
Dallas, TX 75219

Re: Decimus Fed Com 701H, 702H, 703H, & 704H (the "Wells")
Participation Proposal
S/2 Sections 5 & 6, N/2 Sections 7 & 8, T23S-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 Wolfcamp formation, at a legal location in S/2 Sections 5 & 6, N/2 Sections 7 & 8, Township 23 South, Range 28 East, Eddy County, New Mexico (the "Subject Lands"). Marathon's drilling plan is proposed in two phases as follows:

Phase 1:

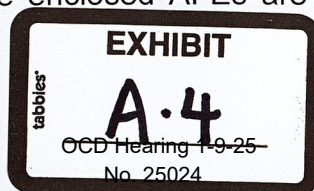
Well Name	First Take Point		Last Take Point		TVD	MD	Target Interval
Decimus WC Fed Com 701H	330' FWL Section 6	1650' FSL Section 6	330' FEL Section 5	1650' FSL Section 5	9,330'	19,580'	Wolfcamp
Decimus WC Fed Com 702H	330' FWL Section 6	300' FSL Section 6	330' FEL Section 5	300' FSL Section 5	9,330'	19,580'	Wolfcamp

Phase 2:

Well Name	First Take Point		Last Take Point		TVD	MD	Target Interval
Decimus WC Fed Com 703H	330' FEL Section 8	990' FNL Section 8	330' FWL Section 7	990' FNL Section 7	9,480'	19,730'	Wolfcamp
Decimus WC Fed Com 704H	330' FEL Section 8	2310' FNL Section 8	330' FWL Section 7	2310' FNL Section 7	9,480'	19,730'	Wolfcamp

Authority for Expenditure (AFE)

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



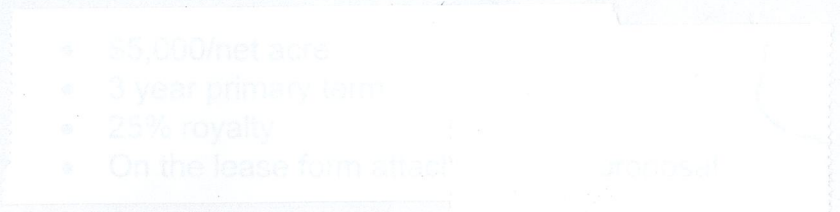
incurred, and by electing to participate, you shall be responsible for your proportionate share of all actual costs incurred.

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 being 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.”

As an unleased mineral owner, Marathon would also like to offer to lease your interest on at the at the following basic terms:



In addition, 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, you will be deemed non-consent in the wells.

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

Ryan Gyllenband

Ryan Gyllenband
Staff Land Professional

PARTICIPATION BALLOT

SMP Titan Mineral Holdings, LP hereby elects to:

Participate in the **Decimus WC Fed Com 701H** Well by paying its proportionate share of all actual costs.
 Not to participate in the **Decimus WC Fed Com 701H** Well.

Participate in the **Decimus WC Fed Com 702H** Well by paying its proportionate share of all actual costs.
 Not to participate in **Decimus WC Fed Com 702H** Well.

Participate in the **Decimus WC Fed Com 703H** Well by paying its proportionate share of all actual costs.
 Not to participate in the **Decimus WC Fed Com 703H** Well.

Participate in the **Decimus WC Fed Com 704H** Well by paying its proportionate share of all actual costs.
 Not to participate in **Decimus WC Fed Com 704H** Well.

By: _____
Title: _____
Print Name: _____
Date: _____

SMP Sidecar Titan Mineral Holdings, LP hereby elects to:

Participate in the **Decimus WC Fed Com 701H** Well by paying its proportionate share of all actual costs.
 Not to participate in the **Decimus WC Fed Com 701H** Well.

Participate in the **Decimus WC Fed Com 702H** Well by paying its proportionate share of all actual costs.
 Not to participate in **Decimus WC Fed Com 702H** Well.

Participate in the **Decimus WC Fed Com 703H** Well by paying its proportionate share of all actual costs.
 Not to participate in the **Decimus WC Fed Com 703H** Well.

Participate in the **Decimus WC Fed Com 704H** Well by paying its proportionate share of all actual costs.
 Not to participate in **Decimus WC Fed Com 704H** Well.

By: _____
Title: _____
Print Name: _____
Date: _____

SMP Titan Flex, LP hereby elects to:

Participate in the **Decimus WC Fed Com 701H** Well by paying its proportionate share of all actual costs.
 Not to participate in the **Decimus WC Fed Com 701H** Well.

____ Participate in the **Decimus WC Fed Com 702H** Well by paying its proportionate share of all actual costs.
____ Not to participate in **Decimus WC Fed Com 702H** Well.

____ Participate in the **Decimus WC Fed Com 703H** Well by paying its proportionate share of all actual costs.
____ Not to participate in the **Decimus WC Fed Com 703H** Well.

____ Participate in the **Decimus WC Fed Com 704H** Well by paying its proportionate share of all actual costs.
____ Not to participate in **Decimus WC Fed Com 704H** Well.

By: _____

Title: _____

Print Name: _____

Date: _____

MSH Family Real Estate Partnership II, LLC hereby elects to:

____ Participate in the **Decimus WC Fed Com 701H** Well by paying its proportionate share of all actual costs.
____ Not to participate in the **Decimus WC Fed Com 701H** Well.

____ Participate in the **Decimus WC Fed Com 702H** Well by paying its proportionate share of all actual costs.
____ Not to participate in **Decimus WC Fed Com 702H** Well.

____ Participate in the **Decimus WC Fed Com 703H** Well by paying its proportionate share of all actual costs.
____ Not to participate in the **Decimus WC Fed Com 703H** Well.

____ Participate in the **Decimus WC Fed Com 704H** Well by paying its proportionate share of all actual costs.
____ Not to participate in **Decimus WC Fed Com 704H** Well.

By: _____

Title: _____

Print Name: _____

Date: _____

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

DATE 9/1/2024
 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
 Formation WOLFCAMP WILDCAT EXPLORATION
 Lease/Facility DECIMUS WC FED COM 701H DEVELOPMENT RECOMPLETION
 Location S/2 Sec. 5 & 6, N/2 Sec. 7 & 8, 235-28E X EXPLOITATION WORKOVER
 Prospect Malaga
 Est Total Depth 19,580' Est Drilling Days 22 Est Completion Days 7

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	127,800
7001250	Land Broker Fees and Services	85,200
		0
	TOTAL LOCATION COST - INTANGIBLE	\$213,000

DRILLING COST - TANGIBLE

7001270	Conductor Pipe	45,350
7012050	Surface Casing	47,164
7012050	Intermediate Casing 1	192,282
7012050	Intermediate Casing 2	-
7012050	Production Casing	943,272
7012050	Drig Uner Hanger, Tieback Eq & Csg Accessories	-
7012550	Drilling Wellhead Equipment	43,536
7012040	Casing & Tubing Access	99,769
7290003	Miscellaneous MRO Materials	9,070
		-
	TOTAL DRILLING - TANGIBLE	\$1,380,442

DRILLING COST - INTANGIBLE

7290002	Drilling Rig Mob/ Demob	181,398
7290002	Drilling Rig - day work/footage	1,033,971
7019040	Directional Drilling Services	294,954
7019020	Cement and Cementing Service Surface	27,210
7019020	Cement and Cementing Service Intermediate 1	45,350
7019020	Cement and Cementing Service Intermediate 2	-
7019020	Cement and Cementing Service Production	272,098
7019140	Mud Fluids & Services	120,176
7012310	Solids Control equipment	77,548
7012020	Bits	217,678
7019010	Casing Crew and Services	72,559
7016350	Fuel (Rig)	133,555
7019140	Fuel (Mud)	54,420
7001460	Water (non potable)	45,350
7012350	Water (potable)	9,070
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	25,101
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	63,489
7019110	Casing inspection/cleaning	27,210
7019110	Drill pipe/collar inspection services	18,140
7016180	Freight - truck	45,350
7001460	Water hauling and disposal (includes soil farming)	108,839
7001180	Contract Services - Disposal/Non-Hazardous Waste	145,119
7001440	Vacuum Trucks	18,140
7000030	Contract Labor - general	54,420
7000010	Contract Labor - Operations	5,442
7001200	Contract Services - Facilities	18,140
7019300	Well Services - Well Control Services	38,547
7019350	Well Services - Well/Wellhead Services	18,140
7290003	Rental Tools and Equipment (surface rentals)	21,541
7260001	Rig Equipment and Misc.	172,328
7001110	Telecommunications Services	9,070
7001120	Consulting Services	180,945
7001400	Safety and Environmental	60,315
7330002	Rental Buildings (trailers)	21,541
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	401,407
	TOTAL DRILLING - INTANGIBLE	\$4,038,558

TOTAL DRILLING COST \$5,419,000

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)	9,656
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	151,739
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)	617,426
7390002	Fracturing Services	3,969,910
7019330	Perforating	180,331
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	461,266
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)	44,832
7290003	Contract Labor - general	-
7000030	Telecommunications Services	34,486
7001110	Safety and Environmental	-
7001400	Consulting Services	90,698
7001120	Zipper Manifold	135,715
7019300	Frack Stack Rentals	117,253
7016180	Freight (Transportation Services)	6,621
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	175,414
7330002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	34,486
7011010	8% Contingency & Taxes	-

TOTAL COMPLETION - INTANGIBLE \$6,029,834

TOTAL COMPLETION COST \$6,044,834

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	121,991
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	132,488
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	35,317
7012270	Miscellaneous Materials (containment system)	36,787
7008060	SCADA	11,638
7016180	Freight - truck	12,167
7001190	Contract Engineering	7,537
7012290	Metering and Instrumentation	206,441
7012290	I&E Materials	121,093
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	14,010
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	195,742
7012500	Tanks	34,455
7012100	Heater Treater	101,834
7012640	Flare & Accessories	14,792
7000010	Electrical Labor	66,911
7000010	Mechanical Labor	144,693
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	27,105

TOTAL SURFACE EQUIPMENT - TANGIBLE \$1,285,000

TOTAL SURFACE EQUIPMENT COST \$ 1,285,000

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	\$ 213,000
TOTAL DRILLING COST	\$ 5,419,000
TOTAL COMPLETIONS COST	\$ 6,044,834
TOTAL SURFACE EQUIPMENT COST	\$ 1,285,000
TOTAL ARTIFICIAL LIFT COST	\$ 255,000
GRAND TOTAL COST	\$13,216,834

By: _____
 Title: _____
 Print Name: _____
 Date: _____

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

DATE 9/1/2024
 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
 Formation WOLFCAMP WILDCAT EXPLORATION
 Lease/Facility DECIMUS WC FED COM 702H DEVELOPMENT RECOMPLETION
 Location S/2 Sec. 5 & 6, N/2 Sec. 7 & 8, 235-28E X EXPLOITATION WORKOVER
 Prospect Malaga
 Est Total Depth 19,580' Est Drilling Days 22 Est Completion Days 7

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	127,800
7001250	Land Broker Fees and Services	85,200
		0
TOTAL LOCATION COST - INTANGIBLE		\$213,000

DRILLING COST - TANGIBLE

7001270	Conductor Pipe	45,350
7012050	Surface Casing	47,164
7012050	Intermediate Casing 1	192,282
7012050	Intermediate Casing 2	-
7012050	Production Casing	943,272
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	-
7012550	Drilling Wellhead Equipment	43,536
7012040	Casing & Tubing Access	99,769
7290003	Miscellaneous MRO Materials	9,070
		-
TOTAL DRILLING - TANGIBLE		\$1,380,442

DRILLING COST - INTANGIBLE

7290002	Drilling Rig Mob/Demob	181,398
7290002	Drilling Rig - day work/footage	1,033,971
7019040	Directional Drilling Services	294,954
7019020	Cement and Cementing Service Surface	27,210
7019020	Cement and Cementing Service Intermediate 1	45,350
7019020	Cement and Cementing Service Intermediate 2	-
7019020	Cement and Cementing Service Production	272,098
7019140	Mud Fluids & Services	120,176
7012310	Solids Control equipment	77,548
7012020	Bits	217,678
7019010	Casing Crew and Services	72,559
7016350	Fuel (Rig)	133,555
7019140	Fuel (Mud)	54,420
7001460	Water (non potable)	45,350
7012350	Water (potable)	9,070
7019000	Well Logging Services	-
7019150	Mud Logging/geosteering	25,101
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	63,489
7019110	Casing inspection/cleaning	27,210
7019110	Drill pipe/collar inspection services	18,140
7016180	Freight - truck	45,350
7001460	Water hauling and disposal (includes soil farming)	108,839
7001160	Contract Services - Disposal/Non-Hazardous Waste	145,119
7001440	Vacuum Trucks	18,140
7000030	Contract Labor - general	54,420
7000010	Contract Labor - Operations	5,442
7001200	Contract Services - Facilities	18,140
7019300	Well Services - Well Control Services	38,547
7019350	Well Services - Well/Wellhead Services	18,140
7290003	Rental Tools and Equipment (surface rentals)	21,541
7260001	Rig Equipment and Misc.	172,328
7001110	Telecommunications Services	9,070
7001120	Consulting Services	180,945
7001400	Safety and Environmental	60,315
7330002	Rental Buildings (trailers)	21,541
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	401,407
TOTAL DRILLING - INTANGIBLE		\$4,038,558

TOTAL DRILLING COST \$5,419,000

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)	9,656
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	151,739
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)	617,426
7390002	Fracturing Services	3,969,910
7019330	Perforating	180,331
7019360	Wireline Services	-
7001450	Water Hauling & Disposal (frac fluids)	461,266
7016180	Freight - Truck (haul pipe; drig & compl)	-
7290003	BOP Rental & Testing	-
7290003	Rental Tools and Equipment (incl drig; lightplant,hydra-walk)	-
7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	44,832
7290003	Contract Labor - general	-
7000030	Telecommunications Services	34,486
7001110	Safety and Environmental	-
7001400	Consulting Services	90,698
7001120	Zipper Manifold	135,715
7019300	Frack Stack Rentals	117,253
7016180	Freight (Transportation Services)	6,621
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	175,414
7330002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	34,486
7011010	8% Contingency & Taxes	-

TOTAL COMPLETION - INTANGIBLE \$6,029,834

TOTAL COMPLETION COST \$6,044,834

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	121,991
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	132,488
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	35,317
7012270	Miscellaneous Materials (containment system)	36,787
7008060	SCADA	11,638
7016180	Freight - truck	12,167
7001190	Contract Engineering	7,537
7012290	Metering and Instrumentation	206,441
7012290	I&E Materials	121,093
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	14,010
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	195,742
7012500	Tanks	34,455
7012100	Heater Treater	101,834
7012640	Flare & Accessories	14,792
7000010	Electrical Labor	66,911
7000010	Mechanical Labor	144,693
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	27,105

TOTAL SURFACE EQUIPMENT - TANGIBLE \$1,285,000

TOTAL SURFACE EQUIPMENT COST \$ 1,285,000

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	\$ 213,000
TOTAL DRILLING COST	\$ 5,419,000
TOTAL COMPLETIONS COST	\$ 6,044,834
TOTAL SURFACE EQUIPMENT COST	\$ 1,285,000
TOTAL ARTIFICIAL LIFT COST	\$ 255,000
GRAND TOTAL COST	\$13,216,834

By: _____
 Title: _____
 Print Name: _____
 Date: _____

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

DATE 9/1/2024
 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
 Formation WOLFCAMP WILDCAT EXPLORATION
 Lease/Facility DECIMUS WC FED COM 703H DEVELOPMENT RECOMPLETION
 Location S/2 Sec. 5 & 6, N/2 Sec. 7 & 8, 23S-28E X EXPLOITATION WORKOVER
 Prospect Malaga
 Est Total Depth 19,730' Est Drilling Days 22 Est Completion Days 7

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	127,800
7001250	Land Broker Fees and Services	85,200
		0
TOTAL LOCATION COST - INTANGIBLE		\$213,000

DRILLING COST - TANGIBLE

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7012050	Surface Casing	47,164
7012050	Intermediate Casing 1	192,282
7012050	Intermediate Casing 2	-
7012050	Production Casing	943,272
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	-
7012550	Drilling Wellhead Equipment	43,536
7012040	Casing & Tubing Access	99,769
7290003	Miscellaneous MRO Materials	9,070
		-
TOTAL DRILLING - TANGIBLE		\$1,380,442

DRILLING COST - INTANGIBLE

7290002	Drilling Rig Mob/Demob	181,398
7290002	Drilling Rig - day work/footage	1,033,971
7019040	Directional Drilling Services	294,954
7019020	Cement and Cementing Service Surface	27,210
7019020	Cement and Cementing Service Intermediate 1	45,350
7019020	Cement and Cementing Service Intermediate 2	-
7019020	Cement and Cementing Service Production	272,098
7019140	Mud Fluids & Services	120,176
7012310	Solids Control equipment	77,548
7012020	Bits	217,678
7019010	Casing Crew and Services	72,559
7016350	Fuel (Rig)	133,555
7019140	Fuel (Mud)	54,420
7001460	Water (non potable)	45,350
7012350	Water (potable)	9,070
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	25,101
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	63,489
7019110	Casing inspection/cleaning	27,210
7019110	Drill pipe/collar inspection services	18,140
7016180	Freight - truck	45,350
7001460	Water hauling and disposal (includes soil farming)	108,839
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7000010	Contract Labor - Operations	5,442
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7019300	Well Services - Well Control Services	38,547
7019350	Well Services - Well/Wellhead Services	18,140
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7001110	Telecommunications Services	9,070
7001120	Consulting Services	180,945
7001400	Safety and Environmental	60,315
7330002	Rental Buildings (trailers)	21,541
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	401,407
TOTAL DRILLING - INTANGIBLE		\$4,038,558

TOTAL DRILLING COST \$5,419,000

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)	9,656
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	151,739
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)	617,426
7390002	Fracturing Services	3,969,910
7019330	Perforating	180,331
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	461,266
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)	44,832
7290003	Contract Labor - general	-
7000030	Telecommunications Services	34,488
7001110	Safety and Environmental	-
7001400	Consulting Services	90,698
7001120	Zipper Manifold	135,715
7019300	Frack Stack Rentals	117,253
7016180	Freight (Transportation Services)	6,621
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	175,414
7330002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	34,488
7011010	8% Contingency & Taxes	-
TOTAL COMPLETION - INTANGIBLE		\$6,029,834

TOTAL COMPLETION COST \$6,044,834

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	121,991
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	132,488
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	35,317
7012270	Miscellaneous Materials (containment system)	36,787
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7012290	I&E Materials	121,093
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	14,010
7012350	Power	-
7012610	Vapor Recovery Unit	-
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7012500	Tanks	34,455
7012100	Heater Treater	101,834
7012640	Flare & Accessories	14,792
7000010	Electrical Labor	66,911
7000010	Mechanical Labor	144,693
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	27,105
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,285,000

TOTAL SURFACE EQUIPMENT COST \$ 1,285,000

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	\$ 213,000
TOTAL DRILLING COST	\$ 5,419,000
TOTAL COMPLETIONS COST	\$ 6,044,834
TOTAL SURFACE EQUIPMENT COST	\$ 1,285,000
TOTAL ARTIFICIAL LIFT COST	\$ 255,000
GRAND TOTAL COST	<u>\$13,216,834</u>

By: _____
 Title: _____
 Print Name: _____
 Date: _____

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

DATE 9/1/2024
 DRILLING & LOCATION PREPARED BY COURT NELSON
 COMPLETION PREPARED BY KRISTEN DRAIN
 FACILITIES PREPARED BY HARSHA DISSANAYAKE
 ARTIFICIAL LIFT PREPARED BY CLAYTON DIETZE

Asset Team	<u>PERMIAN</u>		
Formation	<u>WOLFCAMP</u>	<u>WILDCAT</u>	<u>EXPLORATION</u>
Lease/Facility	<u>DECIMUS WC FED COM 704H</u>	<u>DEVELOPMENT</u>	<u>RECOMPLETION</u>
Location	<u>S/2 Sec. 5 & 6, N/2 Sec. 7 & 8, 235-28E</u>	<u>X</u>	<u>EXPLOITATION</u>
Prospect	<u>Malaga</u>		<u>WORKOVER</u>
Est Total Depth	<u>19,730'</u>	Est Drilling Days <u>22</u>	Est Completion Days <u>7</u>

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
<u>7001270</u>	<u>Location and Access</u>	<u>127,800</u>
<u>7001250</u>	<u>Land Broker Fees and Services</u>	<u>85,200</u>
		<u>0</u>
TOTAL LOCATION COST - INTANGIBLE		<u>\$213,000</u>

DRILLING COST - TANGIBLE

<u>7001270</u>	<u>Conductor Pipe</u>	<u>45,350</u>
<u>7012050</u>	<u>Surface Casing</u>	<u>47,164</u>
<u>7012050</u>	<u>Intermediate Casing 1</u>	<u>192,282</u>
<u>7012050</u>	<u>Intermediate Casing 2</u>	<u>-</u>
<u>7012050</u>	<u>Production Casing</u>	<u>943,272</u>
<u>7012050</u>	<u>Drig Liner Hanger, Tieback Eq & Csg Accessories</u>	<u>-</u>
<u>7012550</u>	<u>Drilling Wellhead Equipment</u>	<u>43,536</u>
<u>7012040</u>	<u>Casing & Tubing Access</u>	<u>99,769</u>
<u>7290003</u>	<u>Miscellaneous MRO Materials</u>	<u>9,070</u>
		<u>-</u>
TOTAL DRILLING - TANGIBLE		<u>\$1,380,442</u>

DRILLING COST - INTANGIBLE

<u>7290002</u>	<u>Drilling Rig Mob/Demob</u>	<u>181,398</u>
<u>7290002</u>	<u>Drilling Rig - day work/footage</u>	<u>1,033,971</u>
<u>7019040</u>	<u>Directional Drilling Services</u>	<u>294,954</u>
<u>7019020</u>	<u>Cement and Cementing Service Surface</u>	<u>27,210</u>
<u>7019020</u>	<u>Cement and Cementing Service Intermediate 1</u>	<u>45,350</u>
<u>7019020</u>	<u>Cement and Cementing Service Intermediate 2</u>	<u>-</u>
<u>7019020</u>	<u>Cement and Cementing Service Production</u>	<u>272,098</u>
<u>7019140</u>	<u>Mud Fluids & Services</u>	<u>120,176</u>
<u>7012310</u>	<u>Solids Control equipment</u>	<u>77,548</u>
<u>7012020</u>	<u>Bits</u>	<u>217,678</u>
<u>7019010</u>	<u>Casing Crew and Services</u>	<u>72,559</u>
<u>7016350</u>	<u>Fuel (Rig)</u>	<u>133,555</u>
<u>7019140</u>	<u>Fuel (Mud)</u>	<u>54,420</u>
<u>7001460</u>	<u>Water (non potable)</u>	<u>45,350</u>
<u>7012350</u>	<u>Water (potable)</u>	<u>9,070</u>
<u>7019000</u>	<u>Well Logging Services</u>	<u>-</u>
<u>7019150</u>	<u>Mud Logging+geosteering</u>	<u>25,101</u>
<u>7019250</u>	<u>Stabilizers, Hole Openers, Underreamers (DH rentals)</u>	<u>63,489</u>
<u>7019110</u>	<u>Casing inspection/cleaning</u>	<u>27,210</u>
<u>7019110</u>	<u>Drill pipe/collar inspection services</u>	<u>18,140</u>
<u>7016180</u>	<u>Freight - truck</u>	<u>45,350</u>
<u>7001460</u>	<u>Water hauling and disposal (includes soil farming)</u>	<u>108,839</u>
<u>7001160</u>	<u>Contract Services - Disposal/Non-Hazardous Waste</u>	<u>145,119</u>
<u>7001440</u>	<u>Vacuum Trucks</u>	<u>18,140</u>
<u>7000030</u>	<u>Contract Labor - general</u>	<u>54,420</u>
<u>7000010</u>	<u>Contract Labor - Operations</u>	<u>5,442</u>
<u>7001200</u>	<u>Contract Services - Facilities</u>	<u>18,140</u>
<u>7019300</u>	<u>Well Services - Well Control Services</u>	<u>38,547</u>
<u>7019350</u>	<u>Well Services - Well/Wellhead Services</u>	<u>18,140</u>
<u>7290003</u>	<u>Rental Tools and Equipment (surface rentals)</u>	<u>21,541</u>
<u>7260001</u>	<u>Rig Equipment and Misc.</u>	<u>172,328</u>
<u>7001110</u>	<u>Telecommunications Services</u>	<u>9,070</u>
<u>7001120</u>	<u>Consulting Services</u>	<u>180,945</u>
<u>7001400</u>	<u>Safety and Environmental</u>	<u>60,315</u>
<u>7330002</u>	<u>Rental Buildings (trailers)</u>	<u>21,541</u>
<u>7019310</u>	<u>Coring (sidewalls & analysis)</u>	<u>-</u>
<u>7011010</u>	<u>8% Contingency & Taxes</u>	<u>401,407</u>
		<u>-</u>
TOTAL DRILLING - INTANGIBLE		<u>\$4,038,558</u>

TOTAL DRILLING COST

\$5,419,000

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>9,656</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>151,739</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 drig)</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>

7019080	Well Testing Services (flow hand & equip)	617,426
7390002	Fracturing Services	3,969,910
7019330	Perforating	180,331
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	461,268
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)	44,832
7290003	Contract Labor - general	-
7000030	Telecommunications Services	34,486
7001110	Safety and Environmental	-
7001400	Consulting Services	90,698
7001120	Zipper Manifold	135,715
7019300	Frack Stack Rentals	117,253
7016180	Freight (Transportation Services)	6,621
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	175,414
7350002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	34,486
7011010	8% Contingency & Taxes	-
TOTAL COMPLETION - INTANGIBLE		\$6,029,834

TOTAL COMPLETION COST \$6,044,834

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	121,991
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	132,488
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	35,317
7012270	Miscellaneous Materials (containment system)	36,787
7008060	SCADA	11,638
7016180	Freight - truck	12,167
7001190	Contract Engineering	7,537
7012290	Metering and Instrumentation	206,441
7012290	I&E Materials	121,093
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	14,010
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	195,742
7012500	Tanks	34,455
7012100	Heater Treater	101,834
7012640	Flare & Accessories	14,792
7000010	Electrical Labor	66,911
7000010	Mechanical Labor	144,693
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	27,105
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,285,000

TOTAL SURFACE EQUIPMENT COST \$ 1,285,000

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

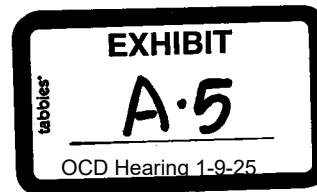
TOTAL ARTIFICIAL LIFT COST \$ 255,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS	TOTAL COST
TOTAL LOCATION COST	\$ 213,000
TOTAL DRILLING COST	\$ 5,419,000
TOTAL COMPLETIONS COST	\$ 6,044,834
TOTAL SURFACE EQUIPMENT COST	\$ 1,285,000
TOTAL ARTIFICIAL LIFT COST	\$ 255,000
GRAND TOTAL COST	\$13,216,834

By: _____
 Title: _____
 Print Name: _____
 Date: _____

Summary of Contact with Additional Interest Owners to be Pooled

Name	% Interest	Proposal Letter Sent	Proposal Letter Received	Follow Up
Tap Rock Resources III, LLC	0.653689%	9/26/2024	9/27/2024	Initial discussions and lease offers began in July 2024 with Elk Range Resources. Elk Range and MOP agreed to terms and were planning to execute a lease when Elk Range received an offer from Tap Rock. Once it was clear Elk Range was going to lease to someone other than MOP, but before the lessee was known, proposal letters were sent to Elk Range. On 11/11/24 it was learned that Tap Rock was the lessee and they were immediately reached out to. Well proposals and a JOA form was sent to Tap Rock on 11/11/24. Tap Rock and MOP have been in contact since then. Tap Rock has expressed interest in signing the JOA, but they have not yet done so.
Powderhorn Assets, LLC	2.161993%	9/26/2024	9/27/2024	Initial discussions and lease offers began in August 2024 with Pegasus Resources. Pegasus let MOP know they would likely be leasing to a 3rd party in September 2024. Once it was clear Pegasus was going to lease to someone other than MOP, but before the lessee was known, proposal letters were sent to Pegasus. On 11/12/24 it was learned that Powderhorn was the lessee and they were reached out to 11/13/24. Well proposals and a JOA form was sent to Powderhorn on 11/15/24. Powderhorn and MOP have been in contact since then. Powderhorn has expressed interest in signing the JOA, but they have not yet done so.
Kristi Rogge Fitzgerald and Kimberly Susan Rogge Rogers, as co-Trustees of the William Frank Smith and Gertrude Coolidge Smith Trust	2.349992%	9/26/2024	9/27/2024	Sent lease offer to owners in July 2024 and have continued discussions with them since then, following up weekly. The owners are somewhat responsive but the trustees don't get along and they have not provided much feedback other than they are discussing with their attorney. Proposals were finally sent in September since MOP was going to spud the wells and we needed to get their interest committed.



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

**APPLICATION OF MARATHON OIL
PERMIAN LLC TO AMEND ORDER NO. R-23066
FOR THE LIMITED PURPOSE
OF ADDING ADDITIONAL POOLED PARTIES.**

**CASE NO. 25024
ORDER NO. R-23066**

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 December 16, 2024, attached hereto, labeled Exhibit B.1.
- 2) Exhibit B.2 is the mailing list, which show the notice letters were delivered to the USPS for mailing December 16, 2024.
- 3) Exhibit B.3 is the certified mailing tracking information, which is automatically compiled 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 B.4 is the Affidavit of Publication from the Carlsbad Current Argus, confirming that notice of the January 9, 2025 hearing was published on December 21, 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.

EXHIBIT B

Dated: December 30, 2024

By: Deana M. Bennett
Deana M. Bennett



MODRALL SPERLING
LAWYERS

December 16, 2024

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

**Re: APPLICATION OF MARATHON OIL PERMIAN LLC TO
AMEND ORDER NO. R-23066 FOR THE LIMITED PURPOSE OF
ADDING ADDITIONAL POOLED PARTIES.**

**CASE NO. 25024
ORDER NO. R-23066**

TO: AFFECTED PARTIES

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

In Case No. 25024, Marathon seeks an order from the Division for the limited purpose of amending Order No. R-23066 to pool additional parties under Order No. R-23066. Order R-23066 was issued in Case No. 23755 and pooled uncommitted interest owners in a standard 1276-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said area is located approximately 3.5 miles northwest of Loving, NM.

The hearing is set for January 9, 2025 beginning at 9:00 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.

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

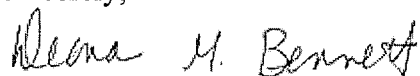
Tel: 505.848.1800
www.modrall.com

EXHIBIT B.1

Page 2

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 TO AMEND ORDER NO. R-23066
FOR THE LIMITED PURPOSE
OF ADDING ADDITIONAL POOLED PARTIES.**

**CASE NO. 25024
ORDER NO. R-23066**

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), Section 70-2-17, for the limited purpose of amending Order No. R-23066 (the “Order”) to pool additional parties under the Order. In support of this application, Marathon states:

1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
2. Order R-23066 was issued in Case No. 23755. Pursuant to Order No. R-23066, Marathon is the operator of a standard 1276-acre, more or less, Wolfcamp horizontal spacing unit comprised of the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.
3. The Order pooled uncommitted interest owners in the spacing unit described above.
4. Since the entry of the Order, Marathon has identified additional interest owners that it seeks to pool under the Order and include under the Order’s terms.
5. Marathon sought, but has been unable to obtain, a voluntary agreement from the additional interest owners Marathon seeks to pool in this case 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 Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 9, 2025 and after notice and hearing as required by law, the Division enter its order:

- A. Amending Order No. R-23066 to include additional pooled parties under Order No. R-23066's terms; and
- B. Incorporating all of the provisions of Order No. R-23066.

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. 25024 : Application of Marathon Oil Permian to Amend Order No. R-23066, Eddy County, New Mexico for the Limited Purpose of Adding Additional Pooled Parties. Applicant seeks an order from the Division for the limited purpose of amending Order No. R-23066 to pool additional parties under Order No. R-23066. Order R-23066 was issued in Case No. 23755 and pooled uncommitted interest owners in a standard 1276-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said area is located approximately 3.5 miles northwest of Loving, NM.

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

PS Form 3877
 Type of Mailing: **CERTIFIED MAIL**
 12/16/2024

Firm Mailing Book ID: 278591

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0129 4560 72	Tap Rock Resources III, LLC 523 Park Point Drive, Suite 200 Golden CO 80401	\$1.77	\$4.85	\$2.62	\$0.00	81363.0217. Notice
2	9314 8699 0430 0129 4560 89	Kristi Rogge Fitzgerald & Kimberly Susan Rogers co trustees of Smith Trust 1010 North Halagueno Street Carlsbad NM 88220	\$1.77	\$4.85	\$2.62	\$0.00	81363.0217. Notice
3	9314 8699 0430 0129 4560 96	Kimberly Susan Rogers & Kristi Rogge Fitzgerald co trustees of Smith Trust 1414 Chico Street Carlsbad NM 88220	\$1.77	\$4.85	\$2.62	\$0.00	81363.0217. Notice
4	9314 8699 0430 0129 4561 02	Powderhorn Assets, LLC 600 N. Marienfeld St., Suite 1000 Midland TX 79701	\$1.77	\$4.85	\$2.62	\$0.00	81363.0217. Notice
Totals:			\$7.08	\$19.40	\$10.48	\$0.00	
Grand Total:						\$36.96	

List Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster: Name of receiving employee	Dated:
4			



EXHIBIT B.2

Transaction Report Details - CertifiedPro.net
 Firm Mail Book ID= 278591
 Generated: 12/30/2024 9:32:18 AM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Batch ID	Mail Delivery Date
9314869904300129456102	2024-12-16 1:54 PM	81363.0217.	Powderhorn Assets, LLC		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	299092	2024-12-19 10:48 AM
9314869904300129456096	2024-12-16 1:54 PM	81363.0217.	Kimberly Susan Rogers & Kristi Rogge Fitzgerald	co trustees of Smith Trust	Carlsbad	NM	88220	Delivered	Return Receipt - Electronic, Certified Mail	299092	2024-12-21 1:00 PM
9314869904300129456089	2024-12-16 1:54 PM	81363.0217.	Kristi Rogge Fitzgerald & Kimberly Susan Rogers	co trustees of Smith Trust	Carlsbad	NM	88220	Delivered	Return Receipt - Electronic, Certified Mail	299092	2024-12-27 8:00 AM
9314869904300129456072	2024-12-16 1:54 PM	81363.0217.	Tap Rock Resources III, LLC		Golden	CO	80401	Mailed	Return Receipt - Electronic, Certified Mail	299092	

EXHIBIT B.3

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS
PO BOX 507
HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS
COUNTY OF EDDY }

Account Number: 80
Ad Number: 26550
Description: 25024 Marathon Decinus
Ad Cost: \$89.35

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

December 21, 2024

That said newspaper was regularly issued and circulated on those dates.
SIGNED:

Sherry Groves

Agent

Subscribed to and sworn to me this 21th day of December 2024.

Leanne Kaufenberg

Leanne Kaufenberg, Notary Public, Redwood County Minnesota

Modrall Sperling
Pobox 2168
Albuquerque, NM 87103

PUBLIC NOTICE

CASE NO. 25024: Notice to all affected parties, as well as heirs and devisees of: Tap Rock Resources III, LLC; Kristi Rogge Fitzgerald and Kimberly Susan Rogge Rogers, as co-Trustees of the William Frank Smith and Gertrude Coolidge Smith Trust; Powderhorn Assets, LLC of the Application of Marathon Oil Permian to Amend Order No. R-23066, Eddy County, New Mexico for the Limited Purpose of Adding Additional Pooled Parties. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a status conference at 9:00 a.m. on **January 9, 2025** to consider this application. The conference 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 a 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 for the limited purpose of amending Order No. R-23066 to pool additional parties under Order No. R-23066. Order R-23066 was issued in Case No. 23755 and pooled uncommitted interest owners in a standard 1276-acre, more or less, Wolfcamp horizontal spacing unit underlying the S/2 of Sections 5 and 6 and the N/2 of Sections 7 and 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said area is located approximately 3.5 miles northwest of Loving, NM.

Published in the Carlsbad Current-Argus December 21, 2024.
#26550

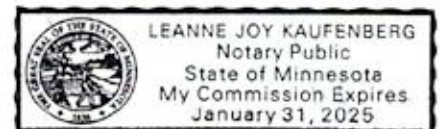


EXHIBIT B.4