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

APPLICATIONS OF MARATHON OIL PERMIAN, LLC TO EXTEND THE DRILLING DEADLINE UNDER ORDER NOS. R-23223 AND R-23224 AND ADD ADDITIONAL POOLED PARTIES, EDDY COUNTY, NEW MEXICO.

> CASE NOS. 25333-25334 ORDER NOS. R-23223 & R-23224

MARATHON OIL PERMIAN, LLC S CONSOLIDATED PRE-HEARING STATEMENT

Marathon Oil Permian, LLC ("Marathon" or "Applicant"), the applicant in the abovereferenced matters, submits this consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

ATTORNEY

Marathon Oil Permian, LLC.

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile

APPLICANT'S STATEMENT OF CASE

Under these consolidated cases, Marathon seeks orders pooling for the referenced acreage, all in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico, as follows:

 Under Case No. 25333, Marathon seeks to amend Division Order R-23223 to allow for an extension of time to drill the initial proposed wells and to pool additional uncommitted interests under the Pooling Order. Division Order R-23223 was issued on May 22, 2024 in Case No. 24150 and pooled the uncommitted interests in the Bone Spring formation (Cass Draw; Bone Spring [10380]) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 28 and 29, and initially dedicated the unit to the proposed initial **Magellan BS Fee #501H** (API No. 30-015-PENDING) and **Magellan BS Fee #502H** (API No. 30-015-PENDING).

• Under Case No. 25334, Marathon seeks to amend Division Order R-23224 to allow for an extension of time to drill the initial proposed wells and to pool additional uncommitted interests under the Pooling Order. Division Order R-23224 was issued on May 22, 2024 in Case No. 24151 and pooled the uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp [98220]) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 28 and 29, and initially dedicated the unit to the proposed initial Magellan WC Fee #701H (API No. 30-015-PENDING), Magellan WC Fee #702H (API No. 30-015-PENDING), Magellan WC Fee #801H (API No. 30-015-PENDING), and Magellan WC Fee #802H (API No. 30-015-PENDING).

Under both Orders, Applicant would be required to commence drilling the above wells by May 23, 2025, and therefore asks for the deadline to commence drilling be extended for a year, to May 23, 2026. There is good cause for Applicant's request for an extension of time to drill.

Applicant has also discovered additional mineral interest owners in the pooled acreage that were not subject to the pooling proceedings giving rise to Order R-23223 and R-23224. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from the additional interest owners in the spacing unit. The pooling of interests will avoid the drilling

of unnecessary wells, will prevent waste, will protect correlative rights, and allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands.

APPLICANT'S PROPOSED EVIDENCE

WITNESS
Name and Expertise

ESTIMATED TIME

EXHIBITS

Ben Stecker, Landman

Self-Affirmed Statement

Approx. 5

PROCEDURAL MATTERS

Marathon requests that these matters be consolidated for hearing and intends to present these cases by self-affirmed statement if there is no opposition at the time of hearing.

Respectfully submitted,

HOLLAND & HART LLP

By:

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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 468353

QUESTIONS

Operator:	OGRID:
MARATHON OIL PERMIAN LLC	372098
600 W Illinois Ave	Action Number:
Midland, TX 79701	468353
	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.	