

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

**APPLICATION OF MARATHON OIL PERMIAN, LLC  
TO EXTEND THE DRILLING DEADLINE UNDER  
ORDER NO. R-23223 AND ADD ADDITIONAL POOLED  
PARTIES, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25333  
ORDER NO. R-23223**

**NOTICE OF REVISED EXHIBITS**

COG Operating LLC gives notice that it is filing the attached revised exhibits for acceptance into the record.

**Revised Exhibit C-4** is an updated chronology of contacts showing that Balam Resources, LLC seeks to participate in Marathon's development.

Respectfully submitted,

HOLLAND & HART LLP



Michael H. Feldewert  
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**ATTORNEYS FOR COG OPERATING LLC**

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 5, 2025**

**CASE NO. 25333**

*MAGELLAN EXTENSION ORDER NO. R-23223  
501H-502H BS WELLS*

**EDDY COUNTY, NEW MEXICO**



**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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  - Marathon Exhibit C-3: Sample Well Proposal Letter with AFEs
  - *Revised* Marathon Exhibit C-4: Chronology of Contacts
- **Marathon Exhibit D:** Self-Affirmed Statement of Notice
- **Marathon Exhibit E:** Affidavit of Publication for the Case

**STATE OF NEW MEXICO  
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**CASE NO. 25333  
ORDER NO. R-23223**

**APPLICATION**

Marathon Oil Permian, LLC (“Marathon” or “Applicant”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to extend the drilling deadline under compulsory pooling Order No. R-23223 (“Order”) and to add additional mineral interest owners to the pooling order. In support of its application, Marathon states:

1. Division Order No. R-23223, entered on May 22, 2024, in Case No. 24150, created a standard 640-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Marathon as operator of the Unit.
2. Order No. R-23223 further pooled the uncommitted mineral owners in the Bone Spring formation (Cass Draw; Bone Spring [10380]) in the Unit and 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).
3. Applicant requests that Order No. R-23223 be re-opened and amended to allow Applicant additional time to commence drilling the wells under the Order.
4. There is good cause for Applicant’s request for an extension of time to drill. Marathon was recently acquired by ConocoPhillips and necessarily paused its drilling program

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A  
Submitted by: Marathon Oil Permian, LLC  
Hearing Date: June 5, 2025  
Case No. 25333**

pending closing of the acquisition. Now that the acquisition has closed, Marathon requires additional time to drill the wells.

5. Under the Order, Applicant would be required to commence drilling the wells by May 23, 2025, and therefore, asks for the deadline to commence drilling the wells be extended for a year, to May 23, 2026.

6. 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.

7. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from these additional mineral interest owners.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 8, 2025, and, after notice and hearing as required by law, the Division enter an order extending the time for Marathon to commence drilling the proposed initial wells and add additional pooled parties under the Order.

Respectfully submitted,

HOLLAND & HART LLP

By:   
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ATTORNEYS FOR MARATHON OIL PERMIAN, LLC

CASE \_\_\_\_\_: **Application of Marathon Oil Permian, LLC to Amend Order No. R-23223 to Extend the Drilling Deadline and Add Additional Pooled Parties, Eddy County, New Mexico.** Applicant in the above-styled cause seeks a year extension of time for drilling the wells under Order No. R-23223 and to add additional mineral interest owners to the pooling order. Order No. R-23223 in Case No. 24150 pooled uncommitted mineral interest owners in the Bone Spring formation (Cass Draw; Bone Spring [10380]) underlying the S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard 640-acre horizontal well spacing unit is currently dedicated to the proposed initial **Magellan BS Fee #501H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 29, T22S-R27E, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 28, T22S-R27E, and **Magellan BS Fee #502H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 29, T22S-R27E, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 28, T22S-R27E. Said area is located 3.5 miles southeast of Carlsbad, New Mexico.

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, LLC

CASE NO. 24150  
ORDER NO. R-23223

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on May 2, 2024, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Marathon Oil Permian, LLC (“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

CASE NO. 24150  
ORDER NO. R-23223

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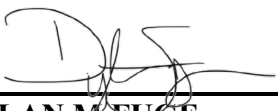


Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who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

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:** 5/22/2024

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ORDER NO. R-23223

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## Exhibit A

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<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 24150</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	May 2, 2024
<b>Applicant</b>	Marathon Oil Permian LLC
<b>Designated Operator &amp; OGRID (affiliation if applicable)</b>	Marathon Oil Permian LLC OGRID 372098
<b>Applicant's Counsel:</b>	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.
<b>Case Title:</b>	APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
<b>Entries of Appearance/Intervenors:</b>	Red River Energy Partners, LLC; Viper Energy Partners
<b>Well Family</b>	Magellan
<b>Formation/Pool</b>	
<b>Formation Name(s) or Vertical Extent:</b>	Bone Spring
<b>Primary Product (Oil or Gas):</b>	Oil
<b>Pooling this vertical extent:</b>	Bone Spring
<b>Pool Name and Pool Code:</b>	Cass Draw; Bone Spring Pool (Code 10380)
<b>Well Location Setback Rules:</b>	Statewide Rules
<b>Spacing Unit</b>	
<b>Type (Horizontal/Vertical)</b>	Horizontal
<b>Size (Acres)</b>	640-acres
<b>Building Blocks:</b>	40-Acres
<b>Orientation:</b>	West/East
<b>Description: TRS/County</b>	S/2 of Sections 28 and 29, Township 22 South, Range 27 East, N.M.P.M., Eddy County.
<b>Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?</b>	Yes.
<b>Other Situations</b>	
<b>Depth Severance: Y/N. If yes, description</b>	No.
<b>Proximity Tracts: If yes, description</b>	Yes. The completed interval for Magellan BS Fee 501H is 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.
<b>Proximity Defining Well: if yes, description</b>	Magellan BS Fee 501H
<b>Applicant's Ownership in Each Tract</b>	Exhibit B.3
<b>Well(s)</b>	
<b>Name &amp; API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)</b>	Add wells as needed



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No. 24150

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Well #1: Magellan BS Fee 501H	API No. Pending SHL: 1595' FSL & 601' FWL (Unit L), Section 29, T-22-S R-27-E FTP: 1640' FSL & 100' FWL, Section 29, T-22-S R-27-E BHL: 1640' FSL & 100' FWL (Unit I), Section 28, T-22-S R-27-E Orientation: West/East Completion Target: Second Bone Spring Completion Status: Standard TVD: 6,930', MVD: 17,180'
Well #2: Magellan BS Fee 502H	API No. Pending SHL: 1565' FSL & 601' FWL (Unit L), Section 29, T-22-S R-27-E FTP: 330' FSL & 100' FWL, Section 29, T-22-S R-27-E BHL: 330' FSL & 100' FEL (Unit P), Section 28, T-22-S R-27-E Orientation: West/East Completion Target: Second Bone Spring Completion Status: Standard TVD: 6,930', MVD: 17,180'
Horizontal Well First and Last Take Points	Exhibit B.2
Completion Target (Formation, TVD and MD)	Exhibit B.6
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	See Exhibit B Paragraph 25
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
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
<b>Ownership Determination</b>	
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	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
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.4
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	OCD Examiner Hearing 5-2-24 No 24150

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ORDER NO. R-23223

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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.7
Target Formation	Exhibit C.3 to C.6
HSU Cross Section	Exhibit C.5
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
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
Structure Contour Map - Subsea Depth	Exhibit C.3
Cross Section Location Map (including wells)	Exhibit C.4
Cross Section (including Landing Zone)	Exhibit C.5
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	4/30/2024

OCD Examiner Hearing 5-2-24

No. 24-150

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

**APPLICATION OF MARATHON OIL  
PERMIAN, LLC TO EXTEND THE DRILLING  
DEADLINE UNDER ORDER NO. R-23223  
AND ADD ADDITIONAL POOLED  
PARTIES, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25333  
ORDER NO. R-23223**

**SELF-AFFIRMED STATEMENT OF BENJAMIN STECKER**

1. My name is Benjamin Stecker. I work for Marathon Oil Permian, LLC (“Marathon”) as a Landman. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters; therefore I have attached my resume as **Marathon Exhibit C-1**, which summarizes my education and work experience as a petroleum landman. I ask that my credentials as an expert in petroleum land matters be accepted by the Division and made a matter of record.

2. I am familiar with the application filed by Marathon in this case, and I am familiar with the status of the lands in the subject area.

3. None of the uncommitted parties in this case have indicated opposition to proceeding by self-affirmed statement and, therefore, I do not expect any opposition at the hearing.

4. 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 underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico, and initially

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: Marathon Oil Permian, LLC  
Hearing Date: June 5, 2025  
Case No. 25333

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).

5. Good cause exists to extend the deadline to commence drilling under the order for a year. Marathon was recently acquired by ConocoPhillips and necessarily paused its drilling program pending closing of the acquisition. Now that the acquisition has closed, Marathon requires additional time to drill the wells.

6. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the applicable wells, or to pay their estimated share of the costs to drill, complete and equip the applicable wells. And no other operator has proposed to drill or develop the subject acreage. In addition, Marathon is in good standing with the Division's compliance requirements and regulations.

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

8. In my opinion, an extension is justified under these circumstances.

9. **Marathon Exhibit C-2** is an update to the pooling exhibit from Case No. 24150, showing that several pooled parties have conveyed their interest since the original order. Subsequent purchasers subject to Order No. R-23223 are indicated in yellow. Additional parties that Marathon seeks to pool are denoted with an asterisk.

10. **Marathon Exhibit C-3** contains a sample of the well proposal letter and AFEs sent to the additional parties to be pooled with a working interest. The costs reflected in the AFEs are consistent with what Marathon and other operators have incurred for drilling similar horizontal wells in the area in this formation.

11. **Marathon Exhibit C-4** contains a general summary of the contacts with the additional parties to be pooled. As indicated in the exhibit, Marathon has made a good faith effort to locate and has had communications with the additional parties in an effort to reach voluntary joinder. In my opinion, Marathon has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

12. The granting of this application will prevent waste and protect correlative rights.

13. **Marathon Exhibits C-1 through C-4** were either prepared by me or compiled under my direction and supervision.

14. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Benjamin Stecker

Benjamin Stecker

4/30/2025

Date



# Benjamin Stecker

www.linkedin.com/in/benstecker    ben.stecker@gmail.com    (678) 733-0940

## EXPERIENCE

### **ConocoPhillips Company, Midland, TX — Land Negotiator / Associate Land Negotiator**

JUNE 2022 - PRESENT

Managed over 15,000 net acres of ConocoPhillips Midland Basin leasehold by ensuring compliance with lease provisions and satisfying obligations pertaining to both existing, vertical production and new, horizontal production including 34 horizontal wells spud in Q4 2024 and Q1 2025 and to POP prior to the end of 2025. Currently manage ~40 blocks of ConocoPhillips leasehold in Eddy County, NM by ensuring compliance with federal, state, and fee leases and maintaining communitization agreements.

Identify opportunities and create value from existing assets through transactions with external parties including a \$28.3 MM divestiture of ~2900 net acres and 70 vertical wells which closed in October 2024.

Collaborate with several disciplines within ConocoPhillips, Title Attorneys/Brokers, and counterparts at other oil and gas companies to meet the needs of the business.

### **Peregrine Energy Partners, Addison, TX — Internship**

JUNE 2021 - AUGUST 2021

Cold-called over 50 mineral owners per day to initiate conversations around divestiture within the Williston and Appalachian Basins.

Facilitated in-person transaction closing through summarizing and explaining contract documentation.

## EDUCATION

### **Texas Tech University Rawls College of Business, Lubbock, TX — Bachelors of Business Administration, Energy Commerce**

AUGUST 2018 - MAY 2022

## PROJECTS

### **Business Development Due Diligence Project**

Selected to work alongside the Business Development team to perform diligence prior to the potential purchase of a competitor oil and gas company.

### **Mineral Owner Family Development Agreement**

Negotiated and executed development agreement with management of VIP mineral owner to maintain ~10,000 net acres through 12/31/2031.

## CERTIFICATIONS AND AWARDS

**Registered Professional Landman (RPL)**  
2025

**Eagle Scout Award**  
JUNE 2015

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-1  
Submitted by: Marathon Oil Permian, LLC  
Hearing Date: June 5, 2025  
Case No. 25333

**Summary of Working Interests:****Magellan BS Fee 501H and 502H****S/2 of Sections 28 and 29, Township 22 South, Range 27 East, Eddy County, NM****Committed Working Interest: 65.369227%**

<u>Interest Owner</u>	<u>Unit WI</u>
Marathon Oil Permian LLC	48.770373%
West Pecos Trading Company, LLC	8.414583%
Granite Ridge Holdings, LLC	2.929688%
New Mexico Western Minerals, Inc., an New Mexico corporation	1.491875%
Carnegie Energy, LLC	0.781250%
PEO LOBO, LLC	0.781250%
Bean Family Limited Company	0.745938%
CBR Oil Properties, LLC	0.477708%
GREP IV-A Permian, LLC	0.429781%
GREP V Holdings, LLC	0.322266%
GREP IV-B Permian, LLC	0.224516%

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C-2

Submitted by: Marathon Oil Permian, LLC

Hearing Date: June 5, 2025

Case No. 25333

**Uncommitted Working Interest: 34.630773%**

<u>Interest Owner</u>	<u>Unit WI%</u>
PEP Frio Development SVP, LLC	12.140208%
Chi Energy, Inc.	6.250000%
Ridge Runner AssetCo II, LLC	3.231711%
Pegasus Resources II, LLC	2.802083%
Red Stone Resources, LLC*	2.637500%
Read & Stevens, Inc.	2.237813%
Balam Resources, LLC*	1.302083%
Northern Oil and Gas, Inc.	0.937500%
Frio Energy Holdings I, LLC	0.638958%
Granite Ridge Holdings, LLC	0.585938%
F.I.S.C.O., Inc.	0.341250%
First Century Oil, Inc.	0.341250%
Stevens Oil & Gas, LLC	0.318474%
Bird Creek Resources, Inc.	0.312500%
David M. Stevens, as his sole and separate property	0.159235%
GREP IV-A Permian, LLC	0.085956%
Loveless Land Holdings, LLC	0.068229%
GREP V Holdings, LLC	0.064453%
McMullen Minerals II, LP	0.062500%
GREP IV-B Permian, LLC	0.044903%
Lucinda Loveless	0.034115%
The Lucinda Loveless Revocable Trust dated 12/21/2006	0.034115%

Yellow highlight = subsequent owner of pooled interest

\* = additional party being pooled

**REVISED EXHIBIT B-3 ORRI Owners:****Magellan BS Fee 501H & 502H****S/2 of Sections 28 and 29, Township 22 South, Range 27 East, Eddy County, NM****ORRI Owners:****Alpha Royalty Partners, LLC**

P. O. Box 10701

Midland, TX 79702

**Colgate Royalties, LP**

306 W. Wall Street, Ste 608

Midland, TX 79701

**Collins Permian, LP**

508 West Wall, Suite 1200

Midland, TX 79701

**Madison Avery Qualls**

602 S. Cedar Ave.

Levelland, TX 79336

**Wallace Family Partnership,  
LP**

508 West Wall, Suite 1200

Midland, TX 79701

Chi Energy, Inc. f/b/o Chi

Royalty Pool

212 N. Main St.

Midland, TX 79701

Chi Energy, Inc.

212 N. Main St.

Midland, TX 79701

Dave Shatzer

3505 Woodhaven

Midland, TX 79707

David M. Stevens, as his sole  
and separate property4600 Montgomery, N.E., Ste 7  
Albuquerque, NM 88202

Gary Womack

P. O. Box 1799

Midland, TX 79702

J. David Williams

2506 Castleford

Midland, TX 79705

Kathleen A. Phillips

3706 Oakmont Dr.

Midland, TX 79707

L.E. Oppermann and wife,

Nicollete A. Oppermann

500 W. Texas, Ste 830

Midland, TX 79701

Patrick Cole Qualls

4801 Rustic Trail

Midland, TX 79707

Read & Stevens Employee  
Benefit Plan400 N. Pennsylvania Ave.  
Roswell, NM 88201

Ronald T. May

2163 Lima Loop, PMB 2123

Laredo, TX 79382

Spindletop Exploration

Company, Inc.

12850 Spurling Dr., Ste 200

Dallas, TX 75230

Stevens Oil &amp; Gas, LLC

110 Lynch Church Rd

Marietta, OH 45750

White Star Energy, Inc.

706 N. Colorado St.

Midland, TX 79701

Wildhorse Interest, LLC

218 N. Main St.

Midland, TX 79701

WPX Energy Permian, LLC

3500 One Williams Center

Tulsa, OK 74172

Ben Stecker, RPL  
Land Negotiator

Marathon Oil Company  
600 W. Illinois Ave.  
Midland, TX 79701  
(432) 688-9120  
[Ben.stecker@conocoPhillips.com](mailto:Ben.stecker@conocoPhillips.com)



May 1, 2025

DELIVERED VIA: Certified Mail  
Tracking #: 9414 8149 0246 9822 2898 59

Red Stone Resources, LLC  
1901 NW 33rd St., Suite 110  
Edmond, OK 73013

Re: Magellan Unit  
Participation Proposal  
Sections S/2 28, & S/2 29, T22S-R27E  
Eddy County, New Mexico

Dear Sir/Madam:

Marathon Oil Permian LLC ("Marathon") proposes the drilling, completion, and equipping of the following wells, at legal location in the S/2 of Sections 28 & Section 29, Township 22 South, Range 27 East, Eddy County, New Mexico (the "Subject Lands), as follows:

WELL NAMES	First Take Point	Last Take Point	Est. TVD	Est. MD	Proration Unit
Magellan WC Fee 701H	330' FWL & 1980' FSL of Section 29	330' FEL & 1980' FSL of Section 28	8,834'	19,084'	S/2 Sections 28 & 29 (640 Acre Pool)
Magellan WC Fee 801H	330' FWL & 1980' FSL of Section 29	330' FEL & 1980' FSL of Section 28	9,430'	19,680'	S/2 Sections 28 & 29 (640 Acre Pool)
Magellan WC Fee 702H	330' FWL & 660' FSL of Section 29	330' FEL & 660' FSL of Section 28	8,834'	19,084'	S/2 Sections 28 & 29 (640 Acre Pool)
Magellan WC Fee 802H	330' FWL & 660' FSL of Section 29	330' FEL & 660' FSL of Section 28	9,430'	19,680'	S/2 Sections 28 & 29 (640 Acre Pool)
Magellan BS Fee 501H	100' FWL & 1640' FSL of Section 29	100' FEL & 1640' FSL of Section 28	6,930'	17,180'	S/2 Sections 28 & 29 (640 Acre Pool)
Magellan BS Fee 502H	100' FWL & 330' FSL of Section 29	100' FEL & 330' FSL of Section 28	6,930'	17,180'	S/2 Sections 28 & 29 (640 Acre Pool)

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-3  
Submitted by: Marathon Oil Permian, LLC  
Hearing Date: June 5, 2025  
Case No. 25333

**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 begin in 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 in the top of this letter.

Best Regards,  
**Marathon Oil Permian LLC**

Ben Stecker, RPL  
Land Negotiator

PARTICIPATION BALLOT

Red Stone Resources, LLC hereby elects to:

☐ Not to participate in the **Magellan WC Fee 701H** Well.

☒ Participate in the **Magellan WC Fee 701H** Well by paying its proportionate share of all actual costs.

☐ Not to participate in the **Magellan WC Fee 801H** Well.

☒ Participate in the **Magellan WC Fee 801H** Well by paying its proportionate share of all actual costs.

☐ Not to participate in the **Magellan WC Fee 702H** Well.

☒ Participate in the **Magellan WC Fee 702H** Well by paying its proportionate share of all actual costs.

☐ Not to participate in the **Magellan WC Fee 802H** Well.

☒ Participate in the **Magellan WC Fee 802H** Well by paying its proportionate share of all actual costs.

☐ Not to participate in the **Magellan WC Fee 501H** Well.

☒ Participate in the **Magellan WC Fee 501H** Well by paying its proportionate share of all actual costs.

☐ Not to participate in the **Magellan WC Fee 502H** Well.

☒ Participate in the **Magellan WC Fee 502H** Well by paying its proportionate share of all actual costs.

By: 

Print Name:

*Stathis Giannakopoulos*

Title:

*Director of Acquisitions*

Date:

*05/09/2025*



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

DATE 1/26/2023  
 DRILLING & LOCATION PREPARED BY COURT NELSON  
 COMPLETION PREPARED BY KRISTEN DRAIN  
 FACILITIES PREPARED BY HARSHA DISSANAYAKE  
 ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE

Asset Team	PERMIAN		
Field	Bone Spring	WILDCAT	EXPLORATION
Lease/Facility	Magellan BS Fee 501H	DEVELOPMENT	RECOMPLETION
Location	Sections 28 & 29-22S-27E	X EXPLOITATION	WORKOVER
Prospect	Red Hills		

Est Total Depth 17,400 Est Drilling Days 17.7 Est Completion Days 7

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	165,000
7001250	Land Broker Fees and Services	110,000
		0
TOTAL LOCATION COST - INTANGIBLE		\$275,000

DRILLING COST - TANGIBLE

7001270	Conductor Pipe	34,719
7012050	Surface Casing	23,609
7012050	Intermediate Casing 1	72,215
7012050	Intermediate Casing 2	-
7012050	Production Casing	361,073
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	34,719
7012550	Drilling Wellhead Equipment	33,330
7012040	Casing & Tubing Access	76,381
7290003	Miscellaneous MRO Materials	6,944
TOTAL DRILLING - TANGIBLE		\$642,988

DRILLING COST - INTANGIBLE

7290002	Drilling Rig Mob/Demob	90,268
7290002	Drilling Rig - day work/footage	561,052
7019040	Directional Drilling Services	186,369
7019020	Cement and Cementing Service Surface	20,831
7019020	Cement and Cementing Service Intermediate 1	34,719
7019020	Cement and Cementing Service Intermediate 2	-
7019020	Cement and Cementing Service Production	208,311
7019140	Mud Fluids & Services	87,074
7012310	Solids Control equipment	50,495
7012020	Bits	166,649
7019010	Casing Crew and Services	55,590
7016350	Fuel (Rig)	86,963
7019140	Fuel (Mud)	41,662
7001460	Water (non potable)	34,719
7012350	Water (potable)	6,944
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	15,519
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	48,606
7019110	Casing inspection/cleaning	20,831
7019110	Drill pipe/collar inspection services	13,887
7016180	Freight - truck	34,719
7001460	Water hauling and disposal (includes soil farming)	83,325
7001160	Contract Services - Disposal/Non-Hazardous Waste	111,099
7001440	Vacuum Trucks	13,887
7000030	Contract Labor - general	41,662
7000010	Contract Labor - Operations	4,166
7001200	Contract Services - Facilities	13,887
7019300	Well Services - Well Control Services	27,046
7019350	Well Services - Well/Wellhead Services	13,887
7290003	Rental Tools and Equipment (surface rentals)	14,026
7260001	Rig Equipment and Misc.	112,210
7001110	Telecommunications Services	6,944
7001120	Consulting Services	117,821
7001400	Safety and Environmental	39,274
7330002	Rental Buildings (trailers)	14,026
7010310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	241,713
TOTAL DRILLING - INTANGIBLE		\$2,620,142

TOTAL DRILLING COST \$3,263,130

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

DATE 1/26/2023

Asset Team	PERMIAN
Field	Bone Spring
Lease/Facility	Magellan BS Fee 501H

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)	8,071
7290002	Drilling Rig During Completion	-
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	126,831
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)	318,105
7390002	Fracturing Services	3,318,261
7019330	Perforating	150,731
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	238,181
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)	37,473
7290003	Contract Labor - general	-
7000030	Telecommunications Services	28,825
7001110	Safety and Environmental	-
7001400	Consulting Services	75,811
7001120	Zipper Manifold	113,438
7019300	Frack Stack Rentals	98,006
7016180	Freight (Transportation Services)	5,534
7260001	Equipment Rental ( w/o operator, frac tanks, lightplants)	146,620
7330002	Rental Buildings (trailers)	-
7000030	Contract Labor - Pumping (pump-down pumps)	28,825
7011010	8% Contingency & Taxes	-
TOTAL COMPLETION - INTANGIBLE		\$4,694,792
TOTAL COMPLETION COST		\$4,709,792

## SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	130,155
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	141,355
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	37,680
7012270	Miscellaneous Materials (containment system)	39,249
7008060	SCADA	12,417
7016180	Freight - truck	12,981
7001190	Contract Engineering	8,041
7012290	Metering and Instrumentation	220,258
7012290	I&E Materials	129,197
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	14,948
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	208,842
7012500	Tanks	36,761
7012100	Heater Treater	108,649
7012640	Flare & Accessories	15,782
7000010	Electrical Labor	71,389
7000010	Mechanical Labor	154,377
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	28,919
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,371,000
TOTAL SURFACE EQUIPMENT COST		\$ 1,371,000

## ARTIFICIAL LIFT

7000030	Contract Labor	5,071
7001120	Consultant	4,056
7008230	Time Writing/Overhead	5,071
7012180	Artificial Lift Equipment	265,699
7012350	Materials & Supplies	2,028
7012550	Production Tree	5,071
7012580	Tubing	106,482
7016190	Freight	5,071
7018150	Rentals	6,085
7019130	Kill Fluid	2,028
7019220	Well Services & Rig	24,339
TOTAL ARTIFICIAL LIFT		431,000
TOTAL ARTIFICIAL LIFT COST		\$ 431,000

## SUMMARY OF ESTIMATED DRILLING WELL COSTS

## TOTAL COST

TOTAL LOCATION COST	\$ 275,000
TOTAL DRILLING COST	\$ 3,263,130
TOTAL COMPLETIONS COST	\$ 4,709,792
TOTAL SURFACE EQUIPMENT COST	\$ 1,371,000
TOTAL ARTIFICIAL LIFT COST	\$ 431,000

## GRAND TOTAL COST

\$10,049,922



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

DATE 1/26/2023  
DRILLING & LOCATION PREPARED BY COURT NELSON  
COMPLETION PREPARED BY KRISTEN DRAIN  
FACILITIES PREPARED BY HARSHA DISSANAYAKE  
ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE

Asset Team  
Field  
Lease/Facility  
Location  
Prospect

PERMIAN  
Bone Spring  
Magellan BS Fee 502H  
Sections 28 & 29-225-27E  
Red Hills

WILDCAT  
DEVELOPMENT  
X EXPLOITATION  
EXPLORATION  
RECOMPLETION  
WORKOVER

Est Total Depth 17,400 Est Drilling Days 17.7 Est Completion Days 7

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		-
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7012020	Bits	166,649
7019010	Casing Crew and Services	55,550
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7019140	Fuel (Mud)	41,662
7001460	Water (non potable)	34,719
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TOTAL DRILLING COST \$3,263,130

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

DATE 1/26/2023

Asset Team  
Field  
Lease/Facility

PERMIAN  
Bone Spring  
Magellan BS Fee 502H

COMPLETION - TANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
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7012040	Tubing Accessories (nipple, wireline entry)	-
7012550	Wellhead Equip	15,000
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7019270	Pulling/Swab Units	-
7016350	Fuel (from drlg)	-
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7016180	Freight - Truck (haul pipe; drlg & compl)	-
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7290003	Rental Tools and Equipment ( incl drlg; lightplant,hydra-walk)	-
7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	37,473
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7000030	Contract Labor - Pumping (pump-down pumps)	28,825
7011010	8% Contingency & Taxes	-
TOTAL COMPLETION - INTANGIBLE		\$4,694,792

## TOTAL COMPLETION COST

\$4,709,792

## SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	130,155
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	141,355
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	37,680
7012270	Miscellaneous Materials (containment system)	39,249
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7012290	I&E Materials	129,197
7012200	Gas Treating	-
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7012010	Compressor	14,948
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7012610	Vapor Recovery Unit	-
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7012500	Tanks	36,761
7012100	Heater Treater	108,649
7012640	Flare & Accessories	15,782
7000010	Electrical Labor	71,389
7000010	Mechanical Labor	154,377
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	28,919
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,371,000

## TOTAL SURFACE EQUIPMENT COST

\$ 1,371,000

## ARTIFICIAL LIFT

7000030	Contract Labor	5,071
7001120	Consultant	4,056
7008230	Time Writing/Overhead	5,071
7012180	Artificial Lift Equipment	265,699
7012350	Materials & Supplies	2,028
7012550	Production Tree	5,071
7012580	Tubing	106,482
7016190	Freight	5,071
7018350	Rentals	6,085
7019130	Kill Fluid	2,028
7019220	Well Services & Rig	24,339
TOTAL ARTIFICIAL LIFT		431,000

## TOTAL ARTIFICIAL LIFT COST

\$ 431,000

## SUMMARY OF ESTIMATED DRILLING WELL COSTS

## TOTAL COST

TOTAL LOCATION COST	\$ 275,000
TOTAL DRILLING COST	\$ 3,263,130
TOTAL COMPLETIONS COST	\$ 4,709,792
TOTAL SURFACE EQUIPMENT COST	\$ 1,371,000
TOTAL ARTIFICIAL LIFT COST	\$ 431,000

## GRAND TOTAL COST

\$10,049,922

Type	Interest Owner	Unit WI	Date Proposal Sent	Date Proposal Received	Follow Up	Follow Up Date	Committed or Uncommitted	Pool Yes/No	Notes
WI	Balam Resources, LLC P.O. Box 714 Midland, TX 79702	1.302083%	5/2/2025	5/13/2025	Received email confirmation 6/2 that Balam wishes to participate. Requested a JOA. Sent JOA draft 6/3	6/2/2025	Uncommitted	Yes	Tracking #: 9414814902469822289842 Arrived at Midland, TX 79701 post office at 11:04am on 5/10/2025 and is ready for pickup. Picked up from the post office at 1:38pm on 5/13/2025
WI	Red Stone Resources, LLC 1901 NW 33rd St Suite 110 Edmond, OK 73013	2.637500%	5/2/2025	5/7/2025	Elected to Participate	5/7/2025	Uncommitted	Yes	Sent signed elections via email 5/12/2025

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Revised Exhibit No. C-4  
Submitted by: Marathon Oil Permian, LLC  
Hearing Date: June 5, 2025  
Case No. 25333

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

**APPLICATION OF MARATHON OIL PERMIAN, LLC  
TO EXTEND THE DRILLING DEADLINE UNDER  
ORDER NO. R-23223 AND ADD ADDITIONAL POOLED  
PARTIES, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 25333  
ORDER NO. R-23223**

**SELF-AFFIRMED STATEMENT OF  
ADAM G. RANKIN**

1. I am attorney in fact and authorized representative of Marathon Oil Permian, LLC (“Marathon”) the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of May 23, 2025.

5. I caused a notice to be published to all parties subject to this proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Marathon Oil Permian, LLC  
Hearing Date: June 5, 2025  
Case No. 25333**



---

Adam G. Rankin

May 27, 2025

Date



**Adam G. Rankin**  
**Partner**  
**Phone** (505) 988-4421  
agrarkin@hollandhart.com

April 18, 2025

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Marathon Oil Permian, LLC to Amend Order No. R-23223,  
Eddy County, New Mexico: Magellan BS Fee #501H and #502H wells**

Ladies & Gentlemen:

This letter is to advise you that Marathon Oil Permian, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 8, 2025, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/oed/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/oed/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Ben Stecker at (432) 688-9120 or Ben.Stecker@conocophillips.com.

Sincerely,

A handwritten signature in blue ink, appearing to read 'AG Rankin', written over a horizontal line.

Adam G. Rankin  
**ATTORNEY FOR MARATHON OIL PERMIAN,  
LLC**

**Location**  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501-1849

**Mailing Address**  
P.O. Box 2208  
Santa Fe, NM 87504-2208

**Contact**  
p: 505.988.4421 | f: 505.983.6043  
[www.hollandhart.com](http://www.hollandhart.com)

Holland & Hart LLP Anchorage Aspen Billings Boise Boulder Cheyenne Denver Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C.





**Adam G. Rankin**  
**Partner**  
**Phone** (505) 988-4421  
agrarkin@hollandhart.com

April 25, 2025

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Marathon Oil Permian, LLC to Amend Order No. R-23223,  
Eddy County, New Mexico: Magellan BS Fee #501H and #502H wells**

Ladies & Gentlemen:

This letter is to advise you that Marathon Oil Permian, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 8, 2025, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/oed/>.

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If you have any questions about this matter, please contact Ben Stecker at (432) 688-9120 or Ben.Stecker@conocophillips.com.

Sincerely,

A handwritten signature in blue ink, appearing to read 'A. Rankin', with a stylized flourish at the end.

Adam G. Rankin  
**ATTORNEY FOR MARATHON OIL PERMIAN,  
LLC**

**Location**  
110 North Guadalupe, Suite 1  
Santa Fe, NM 87501-1849

**Mailing Address**  
P.O. Box 2208  
Santa Fe, NM 87504-2208

**Contact**  
p: 505.988.4421 | f: 505.983.6043  
[www.hollandhart.com](http://www.hollandhart.com)

Holland & Hart LLP Anchorage Aspen Billings Boise Boulder Cheyenne Denver Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C.

Marathon - Magellan Extention Orders R-23223 BS and R-23224 WC - Case nos. 25333-25334  
Postal Delivery Report

9414811898765449840112	Alpha Royalty Partners, LLC	PO Box 10701	Midland	TX	79702-7701	Your item has been delivered and is available at a PO Box at 3:29 pm on May 2, 2025 in MIDLAND, TX 79701.
9414811898765449840150	Balam Resources, LLC	PO Box 714	Midland	TX	79702-0714	Your item was picked up at the post office at 3:08 pm on April 29, 2025 in MIDLAND, TX 79701.
9414811898765449840129	Bird Creek Resources, Inc.	1437 S Boulder Ave Ste 930	Tulsa	OK	74119-3618	Your item was picked up at the post office at 12:33 pm on May 5, 2025 in TULSA, OK 74103.
9414811898765449840198	Chi Energy, Inc.	212 N Main St	Midland	TX	79701-5221	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765449840143	Chi Energy, Inc. f/b/o Chi Royalty Pool	212 N Main St	Midland	TX	79701-5221	Your item was delivered to an individual at the address at 10:20 am on April 23, 2025 in MIDLAND, TX 79701.
9414811898765449840136	Colgate Royalties, LP	306 W Wall St Ste 608	Midland	TX	79701-5171	Your item has been delivered to the original sender at 11:02 am on April 29, 2025 in SANTA FE, NM 87501.
9414811898765449840174	Collins Permian, LP	508 W Wall St Ste 1200	Midland	TX	79701-5076	Your item was delivered to an individual at the address at 3:07 pm on April 22, 2025 in MIDLAND, TX 79701.
9414811898765449840358	Dave Shatzer	3505 Woodhaven Dr	Midland	TX	79707-4536	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765449840365	David M. Stevens, as his sole and separate property	3101 Diamond A Dr	Roswell	NM	88201-3420	Your item was picked up at the post office at 2:01 pm on April 30, 2025 in ROSWELL, NM 88201.
9414811898765449840327	David M. Stevens, as his sole and separate property	4600 Montgomery Blvd NE Ste 7	Albuquerque	NM	87109-1210	Your item has been delivered to the original sender at 11:18 am on May 5, 2025 in SANTA FE, NM 87501.



Marathon - Magellan Extention Orders R-23223 BS and R-23224 WC - Case nos. 25333-25334  
Postal Delivery Report

9414811898765449840396	F.I.S.C.O., Inc.	PO Box 3087	Roswell	NM	88202-3087	Your item was picked up at the post office at 11:28 am on April 22, 2025 in ROSWELL, NM 88201.
9414811898765449840341	First Century Oil, Inc.	400 N Pennsylvania Ave Ste 1000	Roswell	NM	88201-4780	Your item was delivered to the front desk, reception area, or mail room at 10:16 am on April 25, 2025 in ROSWELL, NM 88201.
9414811898765449840334	Frio Energy Holdings I, LLC	303 W Wall St Ste 1100	Midland	TX	79701-5139	Your item was delivered to an individual at the address at 2:25 pm on April 22, 2025 in MIDLAND, TX 79701.
9414811898765449840013	Gary Womack	PO Box 1799	Midland	TX	79702-1799	Your item has been delivered and is available at a PO Box at 10:08 am on April 30, 2025 in MIDLAND, TX 79701.
9414811898765449840051	Granite Ridge Holdings, LLC	12300 Park Central Dr	Dallas	TX	75251-1801	Your item was delivered to an individual at the address at 5:13 pm on April 22, 2025 in DALLAS, TX 75251.
9414811898765449840068	GREP IV-A Permian, LLC	1999 Bryan St Ste 900	Dallas	TX	75201-3140	Your item was picked up at a postal facility at 9:56 am on May 14, 2025 in DALLAS, TX 75201.
9414811898765449840020	GREP V Holdings, LLC	1999 Bryan St Ste 900	Dallas	TX	75201-3140	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765449840099	J. David Williams	2506 Castleford Rd	Midland	TX	79705-2612	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on May 22, 2025 at 6:42 pm. The item is currently in transit to the destination.
9414811898765449840044	Kathleen A. Phillips	3706 Oakmont Dr	Midland	TX	79707-4226	Your item was picked up at a postal facility at 12:55 pm on May 6, 2025 in MIDLAND, TX 79705.

Marathon - Magellan Extention Orders R-23223 BS and R-23224 WC - Case nos. 25333-25334  
Postal Delivery Report

9414811898765449840082	L.E. Oppermann and wife, Nicollete A. Oppermann	500 W Texas Ave Ste 830	Midland	TX	79701-4276	Your item has been delivered to the original sender at 10:55 am on May 12, 2025 in SANTA FE, NM 87501.
9414811898765449840037	Loveless Land Holdings, LLC	PO Box 12454	Dallas	TX	75225-0454	Your item could not be delivered on May 21, 2025 at 6:25 pm in DALLAS, TX 75225. It was held for the required number of days and is being returned to the sender.
9414811898765449840457	Lucinda Loveless	PO Box 8	Hondo	NM	88336-0008	Your item was picked up at a postal facility at 12:08 pm on April 25, 2025 in HONDO, NM 88336.
9414811898765449840426	Madison Avery Qualls	602 S Cedar Ave	Levelland	TX	79336-5744	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765449840495	McMullen Minerals II, LP	PO Box 470857	Fort Worth	TX	76147-0857	Your item has been delivered and is available at a PO Box at 9:28 am on April 24, 2025 in FORT WORTH, TX 76107.
9414811898765449840433	Northern Oil and Gas, Inc.	4350 Baker Rd Ste 400	Minnetonka	MN	55343-8628	Your item has been delivered to an agent at the front desk, reception, or mail room at 10:18 am on April 22, 2025 in HOPKINS, MN 55343.
9414811898765449840518	Patrick Cole Qualls	4801 Rustic Trl	Midland	TX	79707-1402	Your item was delivered to an individual at the address at 12:08 pm on April 23, 2025 in MIDLAND, TX 79707.
9414811898765449840563	Pegasus Resources II, LLC	PO Box 731077	Dallas	TX	75373-1077	Your item has been delivered and is available at a PO Box at 6:21 pm on April 22, 2025 in DALLAS, TX 75373.
9414811898765449840501	PEP Frio Development SVP, LLC	100 Waugh Dr Ste 600	Houston	TX	77007-6340	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

Marathon - Magellan Extention Orders R-23223 BS and R-23224 WC - Case nos. 25333-25334  
Postal Delivery Report

9414811898765449840549	Read & Stevens Employee Benefit Plan	400 N Pennsylvania Ave	Roswell	NM	88201-4754	Your item has been delivered to the original sender at 11:02 am on April 29, 2025 in SANTA FE, NM 87501.
9414811898765449840532	Read & Stevens, Inc.	PO Box 1518	Roswell	NM	88202-1518	Your item has been delivered to the original sender at 11:02 am on April 29, 2025 in SANTA FE, NM 87501.
9414811898765449840570	Red Stone Resources, LLC	1901 W 33rd St Ste 110	Edmond	OK	73013-3878	Your item was delivered to an individual at the address at 9:35 am on April 22, 2025 in EDMOND, OK 73013.
9414811898765449848255	Ridge Runner AssetCo II, LLC	20405 State Highway 249 Ste 820	Houston	TX	77070-2893	Your item was delivered to an individual at the address at 12:21 pm on April 28, 2025 in HOUSTON, TX 77070.
9414811898765449848262	Ronald T. May	2163 Lima Loop PMB 2123	Laredo	TX	78045-6420	Your item was picked up at a postal facility at 10:31 am on April 22, 2025 in LAREDO, TX 78045.
9414811898765449848200	Spindletop Exploration Company, Inc.	12850 Spurling Dr Ste 200	Dallas	TX	75230-1279	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765449848293	Stevens Oil & Gas, LLC	PO Box 3087	Roswell	NM	88202-3087	Your item was picked up at the post office at 9:56 am on April 24, 2025 in ROSWELL, NM 88201.
9414811898765449848248	Stevens Oil & Gas, LLC	110 Lynch Church Rd	Marietta	OH	45750-7545	Your item was delivered to an individual at the address at 2:46 pm on April 22, 2025 in MARIETTA, OH 45750.
9414811898765449848286	The Lucinda Loveless Revocable Trust dated 12/21/2006	PO Box 8	Hondo	NM	88336-0008	Your item was picked up at a postal facility at 12:40 pm on April 23, 2025 in HONDO, NM 88336.
9414811898765449848231	Wallace Family Partnership, LP	508 W Wall St Ste 1200	Midland	TX	79701-5076	Your item was delivered to an individual at the address at 3:07 pm on April 22, 2025 in MIDLAND, TX 79701.

Marathon - Magellan Extention Orders R-23223 BS and R-23224 WC - Case nos. 25333-25334  
Postal Delivery Report

9414811898765449848811	White Star Energy, Inc.	706 N Colorado St	Midland	TX	79701-3437	Your item was delivered to the front desk, reception area, or mail room at 8:22 am on April 22, 2025 in MIDLAND, TX 79701.
9414811898765449848859	Wildhorse Interest, LLC	218 N Main St	Midland	TX	79701-5205	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765449848828	WPX Energy Permian, LLC	3500 One Williams Ctr	Tulsa	OK	74172-0135	Your item has been delivered to the original sender at 9:58 am on May 1, 2025 in SANTA FE, NM 87501.

Marathon - Magellan Extension Order R-23223 BS and R-23224 WC wells - Case nos. 25333-25334  
Postal Delivery Report - Additional mailing

9214 8901 9403 8311 6637 74	GRANITE RIDGE HOLDINGS LLC GREP IV-A PERMIAN LLC GREP V HOLDINGS LLC GREP IV-B PERMIAN LLC 5217 MCKINNEY AVE SUITE 400 DALLAS TX 75205	Delivered Signature Received
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## AFFIDAVIT OF PUBLICATION

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

STATE OF NEW MEXICO } SS  
COUNTY OF EDDY }

Account Number: 1232  
Ad Number: 44480  
Description: Marathon - Magellan Ext 25333  
Ad Cost: \$125.65

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:

April 22, 2025

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

SIGNED:

*Sherry Groves*

Agent

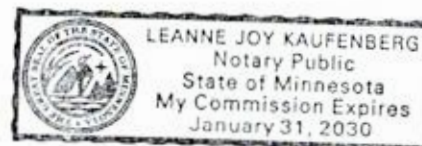
Subscribed to and sworn to me this 22<sup>th</sup> day of April 2025.

*Leanne Kaufenberg*

Leanne Kaufenberg, Notary Public, Redwood County  
Minnesota

Case No. 25333: Application of Marathon Oil Permian, LLC to Amend Order No. R-23223 to Extend the Drilling Deadline and Add Additional Pooled Parties, Eddy County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Alpha Royalty Partners, LLC; Balam Resources, LLC; Bird Creek Resources, Inc.; Chi Energy, Inc.; Chi Energy, Inc. f/b/o Chi Royalty Pool; Colgate Royalties, LP; Collins Permian, LP; Dave Shatzer; David M. Stevens, as his sole and separate property; F.I.S.C.O., Inc.; First Century Oil, Inc.; Frio Energy Holdings I, LLC; Gary Womack; Granite Ridge Holdings, LLC; GREP IV-A Permian, LLC; GREP V Holdings, LLC; J. David Williams; Kathleen A. Phillips; L.E. Oppermann and wife, Nicollette A. Oppermann; Loveless Land Holdings, LLC; Lucinda Loveless; Madison Avery Qualls; McMullen Minerals II, LP; Northern Oil and Gas, Inc.; Patrick Cole Qualls; Pegasus Resources II, LLC; PEP Frio Development SVP, LLC; Read & Stevens Employee Benefit Plan; Read & Stevens, Inc.; Red Stone Resources, LLC; Ridge Runner AssetCo II, LLC; Ronald T. May; Spindletop Exploration Company, Inc.; Stevens Oil & Gas, LLC; The Lucinda Loveless Revocable Trust dated 12/21/2006; Wallace Family Partnership, LP; White Star Energy, Inc.; Wildhorse Interest, LLC; WPX Energy Permian, LLC. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on May 8, 2025, 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 hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at [Freya.Tschantz@emnrd.nm.gov](mailto:Freya.Tschantz@emnrd.nm.gov). Applicant in the above-styled cause seeks a year extension of time for drilling the wells under Order No. R-23223 and to add additional mineral interest owners to the pooling order. Order No. R-23223 in Case No. 24150 pooled uncommitted mineral interest owners in the Bone Spring formation (Cass Draw; Bone Spring [10380]) underlying the S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard 640-acre horizontal well spacing unit is currently dedicated to the proposed initial **Magellan BS Fee #501H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 29, T22S-R27E, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 28, T22S-R27E, and **Magellan BS Fee #502H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 29, T22S-R27E, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 28, T22S-R27E. Said area is located 3.5 miles southeast of Carlsbad, New Mexico.

Published in the Carlsbad Current-Argus April 22, 2025.  
#44480



KARI REESE  
HOLLAND & HART LLP  
420 L STREET, SUITE 550  
ANCHORAGE, AK 99501  
[kreese@hollandhart.com](mailto:kreese@hollandhart.com)

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. E  
Submitted by: Marathon Oil Permian, LLC  
Hearing Date: June 5, 2025  
Case No. 25333



AFFIDAVIT OF PUBLICATION

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

STATE OF NEW MEXICO } SS  
COUNTY OF EDDY }

Account Number: 83  
Ad Number: 45430  
Description: Marathon - Magellan BS  
Ad Cost: \$115.88

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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:

May 1, 2025

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

SIGNED:

*Sherry Groves*

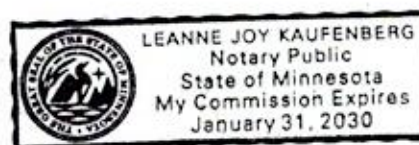
Agent

Subscribed to and sworn to me this 1<sup>st</sup> day of May 2025.

*Leanne Kaufenberg*

Leanne Kaufenberg, Notary Public, Redwood County  
Minnesota

Holland And Hart  
HOLLAND AND HART  
110 N Guadalupe ST # 1  
Santa Fe, NM 87501-1849  
kethaggard@hollandhart.com



Case No. 25333: Application of Marathon Oil Permian, LLC to Amend Order No. R-23223 to Extend the Drilling Deadline and Add Additional Pooled Parties, Eddy County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Granite Ridge Holdings, LLC; GREP IV-A Permian, LLC; GREP V Holdings, LLC; and GREP IV-B Permian, LLC. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on May 8, 2025, 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 hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at [Freya.Tschantz@emnrd.nm.gov](mailto:Freya.Tschantz@emnrd.nm.gov). Applicant in the above-styled cause seeks a year extension of time for drilling the wells under Order No. R-23223 and to add additional mineral interest owners to the pooling order. Order No. R-23223 in Case No. 24150 pooled uncommitted mineral interest owners in the Bone Spring formation (Cass Draw; Bone Spring [10380]) underlying the S/2 of Sections 28 and 29, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. This standard 640-acre horizontal well spacing unit is currently dedicated to the proposed initial **Magellan BS Fee #501H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 29, T22S-R27E, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 28, T22S-R27E, and **Magellan BS Fee #502H** (API No. 30-015-PENDING), to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 29, T22S-R27E, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 28, T22S-R27E. Said area is located 3.5 miles southeast of Carlsbad, New Mexico.

Published in the Carlsbad Current-Argus May 1, 2025.  
#45430