

# NSL Initial Application

Received March 6, 2019

*This application is only placed in file. It MAY or MAY NOT have been reviewed to be determined Administratively Complete*

RECEIVED: 03/06/19	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1906743706
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

<b>Applicant:</b> Marathon Oil Permian LLC	<b>OGRID Number:</b> 372098
<b>Well Name:</b> Tiberius 33 WA FC 12H	<b>API:</b> 30-0XX-PENDING
<b>Pool:</b> Purple Sage; Wolfcamp (Gas)	<b>Pool Code:</b> 98220

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]
- [ I ] Commingling – Storage – Measurement  
 DHC    CTB    PLC    PC    OLS    OLM
- [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

FOR OCD ONLY	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Deana M. Bennett

Print or Type Name

*Deana M. Bennett*  
 Signature

March 6, 2019  
 Date

505-848-1800  
 Phone Number

dmb@modrall.com  
 e-mail Address



MODRALL SPERLING

L A W Y E R S

March 6, 2019

Deana M. Bennett  
505.848.1834  
dmb@modrall.com

Gabriel Wade  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WA FC 12H well, located in the S/2 N/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

Dear Mr. Wade:

Marathon Oil Permian LLC (“Marathon”), OGRID Number 372098, is seeking administrative approval of an unorthodox well location (“NSL”) for the **Tiberius 33 WA FC 12H** well (the “Well”) to be completed within the Purple Sage; Wolfcamp (Gas) (Pool Code 98220) underlying the S/2 N/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

- Surface Hole Location: 1050’ from the North Line and 720’ from the East Line of Section 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico;
- First Take Point: 2318’ from the North Line and 100’ from the East line of Section 33;
- Last Take Point and Bottom Hole Location: 2314’ from the North Line and 100’ from the West line of Section 32, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Marathon has included as Exhibit B a letter explaining why this application is needed. This well will produce from the Purple Sage; Wolfcamp (Gas) (Pool Code 98220). There are special pool rules for this pool under Order No. R-14262, that establish 330’ foot setback requirements. The completed interval for the proposed well is closer than 330’ from the boundary of the spacing unit.

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

The unorthodox location will encroach towards the NE/4 of Section 31, Township 22 South, Range 28 East and the NW/4 of Section 34, Township 22 South, Range 28 East. Marathon is providing notice to the working interest owners in the NE/4 of Section 31, Township 22 South, Range 28 East and the NW/4 of Section 34, Township 22 South, Range 28 East, as shown in Exhibit C. For information purposes, working ownership is the same for the entire E/2 of Section 31 (with the exception of the NWNE, where Marathon has 100%) and the entire W/2 of Section 34. Marathon also provides a midland map of this area, attached as Exhibit D. Marathon has confirmed that the tracts adjoining the spacing unit by a corner are more the 330' away from the unorthodox locations requested. Proof of mailing is attached hereto as Exhibit E.

Your attention to this matter is appreciated.

Sincerely,



Deana M. Bennett  
*Attorney for Marathon Oil  
Permian LLC*

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 98220	<sup>3</sup> Pool Name PURPLE SAGE; WOLFCAMP (GAS)
<sup>4</sup> Property Code	<sup>5</sup> Property Name TIBERIUS 33 WA FC	<sup>6</sup> Well Number 12H
<sup>7</sup> OGRID No. 372098	<sup>8</sup> Operator Name MARATHON OIL PERMIAN LLC	<sup>9</sup> Elevation 3058'

<sup>10</sup> Surface Location

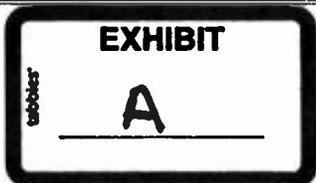
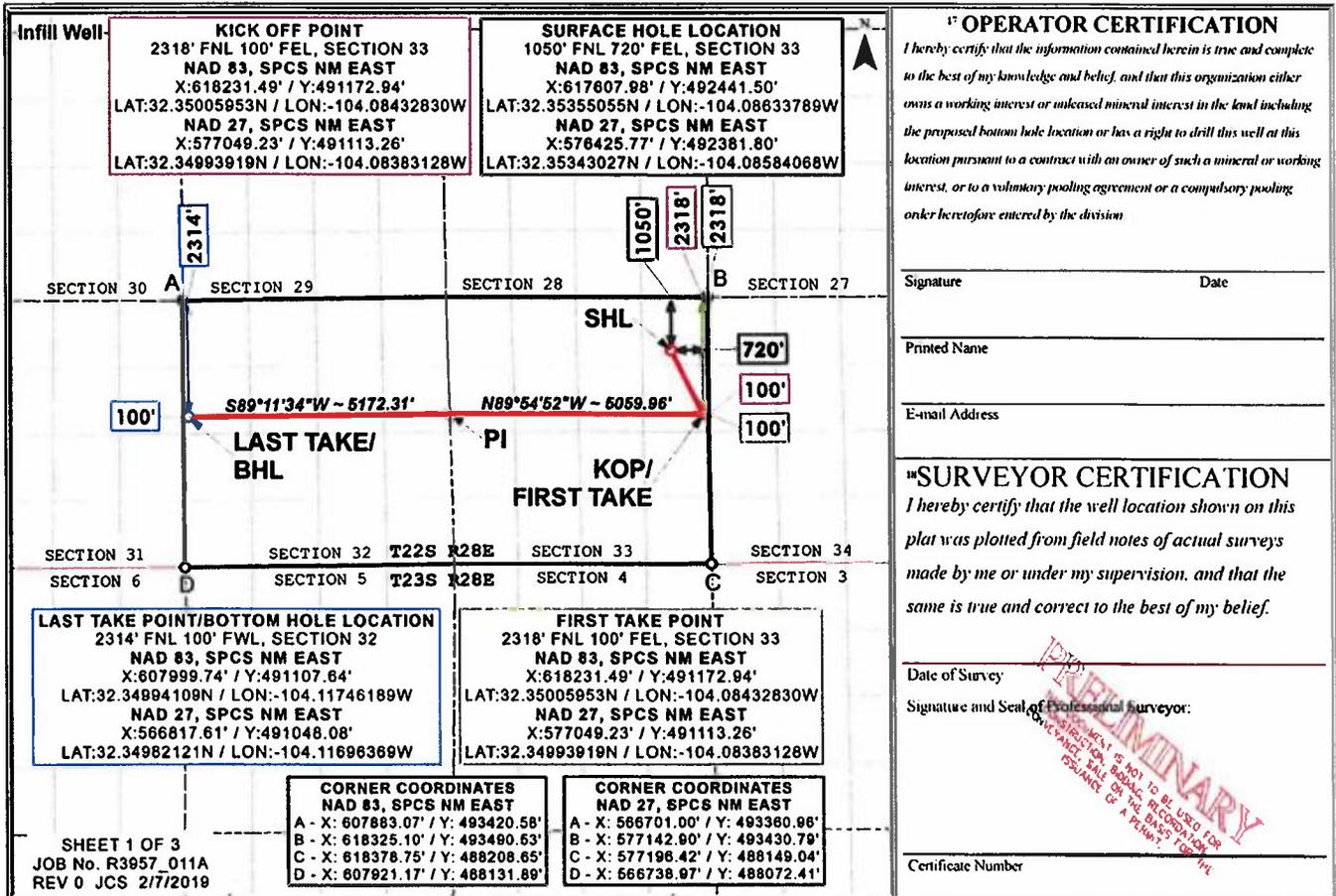
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	33	22S	28E		1050	NORTH	720	EAST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	32	22S	28E		2314	NORTH	100	WEST	EDDY

<sup>12</sup> Dedicated Acres 1280.0	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.





MODRALL SPERLING

L A W Y E R S

March 6, 2019

**VIA CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

**TO AFFECTED PARTIES**

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WA FC 2H well, located in the S/2 S/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WXY FC 5H well, located in the S/2 S/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WA FC 7H well, located in the N/2 S/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WXY FC 10H well, located in the N/2 S/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WA FC 12H well, located in the S/2 N/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WXY FC 15H well, located in the S/2 N/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WA FC 17H well, located in the N/2 N/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

Deana M. Bennett  
505.848.1834  
dmb@modrall.com

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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

**Re: Application of Marathon Oil Permian LLC for administrative approval of unorthodox well location for its Tiberius 33 WXY FC 20H well, located in the N/2 N/2 Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.**

Ladies and Gentlemen:

Enclosed in the notice are copies of the above referenced applications filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application may be administratively approved by the Division.

If you have any questions concerning this application, please contact:

Travis H. Prewett  
Land Professional  
Marathon Oil Company  
713.296.3696 (Office)  
[thprewett@marathonoil.com](mailto:thprewett@marathonoil.com)

If you have no objection to this application, please sign the waiver as indicated below and return the original. Your assistance and cooperation in this matter are appreciated.

Sincerely,



Deana M. Bennett

*Attorney for Marathon Oil  
Permian LLC*

**WAIVER**

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for **Tiberius 33 WA FC 2H** well located in the S/2 S/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dated: \_\_\_\_\_  
Signature \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for **Tiberius 33 WXY FC 5H** well located in the S/2 S/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dated: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for **Tiberius 33 WA FC 7H** well located in the N/2 S/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dated: \_\_\_\_\_  
Signature \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for **Tiberius 33 WXY FC 10H** well located in the N/2 S/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dated: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for **Tiberius 33 WA FC 12H** well located in the S/2 N/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dated: \_\_\_\_\_  
Signature \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for **Tiberius 33 WXY FC 15H** well located in the S/2 N/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dated: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for **Tiberius 33 WA FC 17H** well located in the N/2 N/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dated: \_\_\_\_\_

\_\_\_\_\_ hereby waives objection to the above referenced Application for an Unorthodox Location for **Tiberius 33 WXY FC 20H** well located in the N/2 N/2, Sections 32 and 33, Township 22 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

Dated: \_\_\_\_\_



**Yuri Rodionov**  
Reservoir Engineer

**Marathon Oil Permian LLC**  
5555 San Felipe Street  
Houston, TX 77056  
713.296.3497  
yrodionov@marathonoil.com

March 6, 2019

Gabriel Wade  
Oil Conservation Division  
New Mexico Department of Energy  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Non-Standard Location Application  
Tiberius 33 WA FC 12H  
Eddy County, New Mexico

Dear Mr. Wade:

Marathon Oil Permian LLC respectfully requests administrative approval of the non-standard location for the Tiberius 33 WA FC 12H well, to be drilled in Purple Sage; Wolfcamp (Gas) pool (98220). Marathon plans for this well to have a first take point at 100' FEL and 2310' FNL Section 33, and last take point at 100' FWL and 2310' FNL Section 32, which is closer to the unit line than allowed under the subject field rules. Marathon requests this non-standard location because the placement conforms to the first and last take points of the other wells in the section. This spacing best fits into the spacing for the other wells in the development plan of the entire section and we believe that it will result in the greatest recovery of reserves.

Thank you for your consideration. Should you have any questions please contact me at (713) 296-34-97.

Sincerely,

A handwritten signature in black ink that reads 'Yuri Rodionov' with a checkmark at the end.

Yuri Rodionov  
Reservoir Engineer  
Permian Asset



## **EXHIBIT C**

### **NE/4 Section 31**

Kilmar Oil Co.  
824 South Avenue C  
Kermit, TX 79745

American Energy Resources, LLC  
511 Leavel Dr  
Carlsbad, NM 88220

JKM Energy, LLC  
26 E. Compress Rd.  
Artesia, NM 88210

OXY USA WTP, LP  
6 Desta Dr., #6000  
Midland, TX 79705

### **NW/4 Section 34**

Devon Energy Production Company, LP  
333 W. Sheridan Ave  
Oklahoma City, OK 73102

Hamman Oil & Refining  
PO Box 13028  
Houston, TX 77219

Plantation Operating, LLC  
2203 Timberloch Pl., Suite 229  
Woodlands, TX 77380

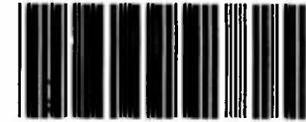
James A. Davidson  
PO Box 494  
Midland, TX 79702



EXHIBIT  
D

Leslie Morse  
 Modrall Spering Law Firm  
 P.O. Box 2168  
 500 4th St., NW, Suite 1000  
 Albuquerque NM 87103-2168

PS Form 3877  
 Type of Mailing: CERTIFIED  
 03/06/2019



Firm Mailing Book ID: 162130

Line	Article Number	Name, Street & P.O. Address	Postage	Fee	R.R.Fee	Reference	Rest.Del.Fee Contents
1	9314 8699 0430 0056 5871 77	Kilmar Oil Co. 824 South Avenue C Kermit TX 79745	\$1.90	\$3.50	\$1.60	81363-0166	\$0.00 Notice
2	9314 8699 0430 0056 5871 84	American Energy Resources, LLC 511 Leavel Drive Carlsbad NM 88220	\$1.90	\$3.50	\$1.60	81363-0166	\$0.00 Notice
3	9314 8699 0430 0056 5871 91	JKM Energy, LLC 26 E. Compress Rd. Artesia NM 88210	\$1.90	\$3.50	\$1.60	81363-0166	\$0.00 Notice
4	9314 8699 0430 0056 5872 07	OXY USA WTP, LP 6 Desta Drive, #6000 Midland TX 79705	\$1.90	\$3.50	\$1.60	81363-0166	\$0.00 Notice
5	9314 8699 0430 0056 5872 14	Devon Energy Production Company, LP 333 W. Sheridan Ave. Oklahoma City OK 73102	\$1.90	\$3.50	\$1.60	81363-0166	\$0.00 Notice
6	9314 8699 0430 0056 5872 21	Hamman Oil & Refining P.O. Box 13028 Houston TX 77219	\$1.90	\$3.50	\$1.60	81363-0166	\$0.00 Notice
7	9314 8699 0430 0056 5872 38	Plantation Operating, LLC 2203 Timberloch Pl., Suite 229 Woodlands TX 77380	\$1.90	\$3.50	\$1.60	81363-0166	\$0.00 Notice
8	9314 8699 0430 0056 5872 45	James A. Davidson P.O. Box 494 Midland TX 79702	\$1.90	\$3.50	\$1.60	81363-0166	\$0.00 Notice
<b>Totals:</b>			<b>\$15.20</b>	<b>\$28.00</b>	<b>\$12.80</b>		<b>\$0.00</b>
<b>Grand Total:</b>							<b>\$56.00</b>

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

8

