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|-----------------------------|----------------------|------------------|--------------------------------|
| RECEIVED: <u>10/16/2018</u> | REVIEWER: <u>MAM</u> | TYPE: <u>PLC</u> | APP NO: <u>DMAM18288 5963C</u> |
|-----------------------------|----------------------|------------------|--------------------------------|

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

| | |
|--|---|
| Applicant: <u>Marathon Oil Permian LLC</u> | OGRID Number: <u>372098</u> |
| Well Name: <u>Dee Boot Fee 24 34 26 TB-7H, WA 6H, WXY 3H, WXY 19H</u> | API: <u>30-025-44165; 30-025-44212; 30-025-44162; 30-025-44163</u> |
| Pool: <u>Red Hills Bone Spring North; Antelope Ridge Wolfcamp</u> | Pool Code: <u>96434; 2220</u> |

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

PLC-526

- 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.

Jennifer Van Curen
 Print or Type Name

10/2/18
 Date

Jennifer Van Curen
 Signature

713-296-2500
 Phone Number

jvancuren@marathonoil.com
 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Marathon Oil Permian LLC
OPERATOR ADDRESS: 5555 San Felipe St., Houston, TX 77057
APPLICATION TYPE:
 Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING
Please attach sheets with the following information

| (1) Pool Names and Codes | Gravities / BTU of Non-Commingled Production | Calculated Gravities / BTU of Commingled Production | | Calculated Value of Commingled Production | Volumes |
|---------------------------------------|--|---|----------|---|----------|
| Red Hills; Bone Spring, North (96434) | 42.08/1200 | 42.17/1230 | 309/7207 | | Attached |
| Antelope Ridge; Wolfcamp (2220) | 42.34/1260 | | 309/7207 | | Attached |
| | | | | | |
| | | | | | |

(2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location. See attached
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.
See attached

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Jennifer Van Curen TITLE: Sr. Regulatory Compliance Rep. DATE: 10/2/18
TYPE OR PRINT NAME: Jennifer Van Curen TELEPHONE NO.: 713-296-2500
E-MAIL ADDRESS: jvancuren@marathonoil.com

Process and Flow Descriptions:

The central tank battery is located on the Dee Boot Fee 24 34 26 multi-well pad location in Sec 26, T24S, R34E. The production from each well will flow through its own three phase metering separator with a Micro Motion Coriolis Meter to meter the oil, Mag meter to meter the water, and an orifice meter to meter the gas. VRU gas will be allocated back to each well utilizing a percentage of each wells monthly oil production. After the water is measured with the Mag meter, it is combined with the water for the other wells and with any water knockout from the heater treater and sent to the water tanks. The water tanks have guided wave radar level transmitters which can detect oil/water interfaces. If an interface is seen the operator will use the recycle pump to pump this interface and any oil to the heater treater for further processing.

The Dee Boot Fee 24 34 26 CTB will have six oil tanks that these four wells will utilize and they have a common CDP, (Central Delivery Point) which is located on site. Oil, gas, and water volumes from each well producing to this battery will be determined by using individual metering allocation separator. Oil sold through a common sales line for tanks (information provided upon receipt).

Oil production will be allocated on a daily basis based on the Coriolis Test meter located downstream of the metering test separator and daily tank gauges and truck LACT. The Coriolis meters will be proven, as per API & NMOCD specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter, the factor obtained will be used to allocate the production volumes. Gas production will be allocated on a daily basis utilizing the gas test meters for each well. The gas production from the wells and the gas test meters will commingle and flow to an allocation meter and then to the CDP sales meter, these meters will be calibrated on a regular basis per API & NMOCD specifications. The OCD will be notified of any future changes in the facilities.

Reasoning:

The flow of produced fluids is shown in detail on the enclosed Dee Boot Fee 24 34 26 CTB Process Flow Diagrams along with a description of each vessel. The commingling of this production is the most effective, economic means of producing the reserves and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint and overall emissions.

I have confirmed that the working, royalty and overriding royalty interests are diverse for the Dee Boot Fee 24 34 26 TB 7H, Dee Boot Fee 24 34 26 WA 6H, Dee Boot Fee 24 34 26 WXY 3H, and Dee Boot Fee 24 34 26 WXY 19H wells located in unit A of Section 26, T24S-R34E, Lea County. Please see the attached breakdown of interest ownership in wells with addresses of each interest owner.

Should you have any questions or need further details please let me know.

Thank you



Ryan Gyllenband, CPL
Land Professional – Permian Basin

Marathon Oil Company
5555 San Felipe Street
Houston, TX 77056
Telephone 713.296.2453 Mobile 281.684.7389
Fax 713.235.8033
mrgyllenband@marathonoil.com

Ryan Gyllenband
Senior Land Professional



Marathon Oil Permian LLC
5555 San Felipe Street
Houston, TX 77056
Telephone: 713.296.2453 Mobile: 281.684.7389
Fax: 713.513.4006
mrgyllenband@marathonoil.com

October 3, 2018

DELIVERED VIA:
Certified Mail

Re: Marathon Oil Permian LLC Application for Surface Commingling (Diverse Ownership)
Dee Boot Fee 3H, 6H, 7H, & 19H Wells
E/2 of Section 26, T24S-R34E
Lea County, New Mexico

To whom it my concern:

Marathon Oil Permian LLC ("Marathon") has filed the attached application with the New Mexico Oil Conservation Division ("Division") for administrative approval to surface lease commingle production according to the provisions of NMAC 19.15.12.10.C from the Dee Boot Fee 24 34 26 TB 7H well located in the E/2 E/2 160 acre spacing and proration unit and the Red Hills; Bone Spring, North (Oil) Pool (96434) with the Dee Boot Fee 24 34 26 WXY 3H, Dee Boot Fee 24 34 26 WA 6H, and the Dee Boot Fee 24 34 26 WXY 19H located in the E/2 320 acre spacing and proration unit and the Antelope Ridge; Wolfcamp (Oil) Pool (2220) all located in Section 26, T24S-R34E, Lea County, New Mexico.

As an interest owner in these wells, Marathon is required to notify you of this application. Should you have an objection you must file it in writing with the Division no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, NM 87505).

Should you have any questions please do not hesitate to contact me at 713-296-2453 or by email at mrgyllenband@marathonoil.com.

Sincerely,

Ryan Gyllenband

Ryan Gyllenband
Senior Land Professional
Lea County, New Mexico

Marathon Oil Permian LLC Application For Surface Commingling (Diverse Ownership)
Dee Boot Fee 3H, 6H, 7H, & 19H Wells

Subject wells:

- Dee Boot Fee 24 34 26 TB 7H: API # 30-025-44165
 - SHL 271' FNL, 1,145' FEL Section 26, 24S-34E
 - BHL 105' FSL, 955' FEL Section 26, 24S-34E
- Dee Boot Fee 24 34 26 WA 6H: API # 30-025-44212
 - SHL 271' FNL, 1,175' FEL Section 26, 24S-34E
 - BHL 90' FSL, 1,356' FEL Section 26, 24S-34E
- Dee Boot Fee 24 34 26 WXY 3H: API # 30-025-44162
 - SHL 271' FNL, 1,205' FEL Section 26, 24S-34E
 - BHL 106' FSL, 2,286' FEL Section 26, 24S-34E
- Dee Boot Fee 24 34 26 WXY 19H: API #30-025-44163
 - SHL 271' FNL, 1,115' FEL Section 26, 24S-34E
 - BHL 105' FSL, 335' FEL Section 26, 24S-34E

| Well | Name | Address | Address 2 | Attention: | FED Ex or Certified Tracking # | Date Certified Mailed: |
|-------------|---|-------------------------------------|----------------------------|------------|--------------------------------|------------------------|
| Dee Boot SC | 5588 Oil, LLC | P.O. Box 470925 | Fort Worth, TX 76147 | | 91 7199 9991 7037 7637 3667 | 10/5/2018 |
| Dee Boot SC | Amanda Hembree | 9457 Triathlon Lane | Elk Grove, CA 95758 | | 91 7199 9991 7037 7637 3674 | 10/5/2018 |
| Dee Boot SC | Arrakis Holdings, LLC | 12020 Cherrywood Ct. | Allen, TX 75002 | | 91 7199 9991 7037 7637 3681 | 10/5/2018 |
| Dee Boot SC | Betty Jean Holland and E. Horace Holland | 35 Ruby Court | Muscle Shoals, AL 35661 | | 91 7199 9991 7037 7637 3698 | 10/5/2018 |
| Dee Boot SC | Bill G. Taylor, Jr. | 199 11th Ave. NW | Rio Rancho, NM 87144 | | 91 7199 9991 7037 7634 9013 | 10/5/2018 |
| Dee Boot SC | Billy Joe Templeton | 2601 Radio Blvd | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9020 | 10/5/2018 |
| Dee Boot SC | Blackbird Royalties LLC | 28 Haley Circle | Roswell, NM 88201 | | 91 7199 9991 7037 7634 9037 | 10/5/2018 |
| Dee Boot SC | Carl Clinton Bruce, Jr. | 3706 Lotus Drive | San Diego, CA 92106 | | 91 7199 9991 7037 7634 9044 | 10/5/2018 |
| Dee Boot SC | Carolyn A. Taylor | 1702 Curry Road | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9051 | 10/5/2018 |
| Dee Boot SC | Centennial Resource Development, Inc. | 1001 Seventeenth Street, Suite 1800 | Denver, CO 80202 | | 91 7199 9991 7037 7634 9068 | 10/5/2018 |
| Dee Boot SC | CEP Minerals, LLC | P.O. Box 50820 | Midland, TX 79710 | | 91 7199 9991 7037 7634 9075 | 10/5/2018 |
| Dee Boot SC | Charlie Sumner | P.O. Box 524 | Lexington, Oregon 97839 | | 91 7199 9991 7037 7634 9082 | 10/5/2018 |
| Dee Boot SC | CTH Royalties, LLC | P.O. Box 52521 | Midland, TX 79710 | | 91 7199 9991 7037 7634 9099 | 10/5/2018 |
| Dee Boot SC | Curtis Robert Taylor | 507 East Russell | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9105 | 10/5/2018 |
| Dee Boot SC | Daniel H. Bruce | 9221 Middle Glen Drive | Dallas, TX 75243 | | 91 7199 9991 7037 7634 9112 | 10/5/2018 |
| Dee Boot SC | Della G. Laman | 1419 Eagle Avenue | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9129 | 10/5/2018 |
| Dee Boot SC | Elena Jo Davis | 17908 Farm Road 197 | Sumner, TX 75486 | | 91 7199 9991 7037 7634 9136 | 10/5/2018 |
| Dee Boot SC | Energen Resources Corporation | 605 Richard Arrington, Jr. Blvd. | North Birmingham, AL 35203 | | 91 7199 9991 7037 7634 9143 | 10/5/2018 |
| Dee Boot SC | Escondido Oil and Gas, LLC | P.O. Box 51390 | Midland, TX 79710 | | 91 7199 9991 7037 7634 9150 | 10/5/2018 |
| Dee Boot SC | Fort Worth Mineral Company LLC | 500 Main Street, Suite 1200 | Fort Worth, TX 76102 | | 91 7199 9991 7037 7634 9167 | 10/5/2018 |
| Dee Boot SC | Fortis Minerals II, LLC | 1111 Bagby Street, Suite 2150 | Houston, TX 77002 | | 91 7199 9991 7037 7634 9174 | 10/5/2018 |
| Dee Boot SC | Gary W. Page | P.O. Box 2516 | Bloomfield, NM 87413 | | 91 7199 9991 7037 7634 9181 | 10/5/2018 |
| Dee Boot SC | Geraldene B. Stetson | 708 Eldene Lane #A | Rapid City, SD 57701 | | 91 7199 9991 7037 7634 9198 | 10/5/2018 |
| Dee Boot SC | Harvey R. Taylor | 124 S. 5th Street | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9204 | 10/5/2018 |
| Dee Boot SC | Ina Jean Cowden | 1002 S. Division | Walla Walla, WA 99362 | | 91 7199 9991 7037 7634 9211 | 10/5/2018 |
| Dee Boot SC | Jack A. Taylor, Sr. | 2001 McKinley | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9228 | 10/5/2018 |
| Dee Boot SC | Jacqueline J. Jones | 1029 Birmingham Street | Medford, OR 97501 | | 91 7199 9991 7037 7634 9235 | 10/5/2018 |
| Dee Boot SC | Jeffrey Sumner | 1031 Northwest 2nd Avenue | Hillsboro, OR 97124 | | 91 7199 9991 7037 7634 9242 | 10/5/2018 |
| Dee Boot SC | John Wayne Taylor | 4031 Harmon Lane | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9259 | 10/5/2018 |
| Dee Boot SC | Joyce Page Clardy | 509 E. Elm St. | Denver City, TX 79323 | | 91 7199 9991 7037 7634 9266 | 10/5/2018 |
| Dee Boot SC | JWD Resources, LLC | P.O. Box 51908 | Midland, TX 79710 | | 91 7199 9991 7037 7634 9273 | 10/5/2018 |
| Dee Boot SC | Kathy J. Smith | 233 New Mexico Drive | Portales, NM 88130 | | 91 7199 9991 7037 7634 9280 | 10/5/2018 |
| Dee Boot SC | Kenneth Lee Taylor | 5027 Grandi Road | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9297 | 10/5/2018 |
| Dee Boot SC | Krystle Sumner McEntire | 26859 225th Avenue Southeast | Maple Valley, WA 98038 | | 91 7199 9991 7037 7634 9303 | 10/5/2018 |
| Dee Boot SC | Lela M. Williams, Trustee of the Joe & Lela Williams 2001 Family Trust | 1602 Misson | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9310 | 10/5/2018 |
| Dee Boot SC | Lela Madera | 187 George Straight | Canyon Lake, TX 78133 | | 91 7199 9991 7037 7634 9327 | 10/5/2018 |
| Dee Boot SC | Marilyn S. Taylor | 2310 Avenue B | Carlsbad, NM 88220 | | 91 7199 9991 7037 7634 9334 | 10/5/2018 |
| Dee Boot SC | Mary H. Banks | 3006 SW Krik Street | Pendleton, OR 97801 | | 91 7199 9991 7037 7634 9341 | 10/5/2018 |
| Dee Boot SC | Michael Fred Madera | 16044 Pierce Road | Le Pine, OR 97739 | | 91 7199 9991 7037 7634 9358 | 10/5/2018 |
| Dee Boot SC | Mildred Madera McCall | 1710 Brookside Pine Lane | Kingwood, TX 77345-1909 | | 91 7199 9991 7037 7634 9365 | 10/5/2018 |
| Dee Boot SC | MO Oil, LLC | P.O. Box 429 | Roswell, NM 88202 | | 91 7199 9991 7037 7634 9372 | 10/5/2018 |
| Dee Boot SC | Mrs. Katherine "Kitty" Madera | P.O. Box 443 | Manhattan, MT 59741 | | 91 7199 9991 7037 7634 9389 | 10/5/2018 |
| Dee Boot SC | Nina Page | 1396 Chenault | Bloomfield, NM 87413 | | 91 7199 9991 7037 7634 9396 | 10/5/2018 |
| Dee Boot SC | NM Royalty, LLC | P.O. Box 51908 | Midland, TX 79710 | | 91 7199 9991 7037 7634 9402 | 10/5/2018 |
| Dee Boot SC | Oak Valley Mineral and Land, LP, Foundation Minerals LLC and Mavros Minerals II LLC | P.O. Box 50820 | Midland, TX 79710 | | 91 7199 9991 7037 7634 9419 | 10/5/2018 |
| Dee Boot SC | Ozark Royalty Co., LLC | P.O. Box 11247 | Memphis, TN 38111 | | 91 7199 9991 7037 7634 9426 | 10/5/2018 |
| Dee Boot SC | Pamela Madera, as Trustee of the Madera Trust U/A dated July 20, 2016 | 3 Rayos De Luz | Placitas, NM 87043 | | 91 7199 9991 7037 7634 9433 | 10/5/2018 |
| Dee Boot SC | Paul Stetson | 31 Sun River Cascade Road | Sun River, MT 59483 | | 91 7199 9991 7037 7634 9440 | 10/5/2018 |
| Dee Boot SC | Pitchfork Cattle Company, LLC | P.O. Box 2795 | Ruidoso, NM 88355 | | 91 7199 9991 7037 7634 9457 | 10/5/2018 |
| Dee Boot SC | Riverview Property Co., LLC | P.O. Box 729 | Tulsa, OK 74101 | | 91 7199 9991 7037 7634 9464 | 10/5/2018 |
| Dee Boot SC | Roy Light | P.O. Box 396 | Eastsound, WA 98245 | | 91 7199 9991 7037 7634 9471 | 10/5/2018 |
| Dee Boot SC | Royann O. Almond | 7312 69th Avenue NE | Marysville, WA 98270 | | 91 7199 9991 7037 7634 9488 | 10/5/2018 |
| Dee Boot SC | Sally Runyan | 5530 Northeast 199th Avenue | Vancouver, WA 98682 | | 91 7199 9991 7037 7634 9495 | 10/5/2018 |
| Dee Boot SC | Sam L. Shackelford | 1096 Mechem Drive, Suite G-16 | Ruidoso, NM 88345 | | 91 7199 9991 7037 7634 9501 | 10/5/2018 |
| Dee Boot SC | Sandra Lee Banks | 4561 N O'Connor Road #2292 | Irving, TX 75062 | | 91 7199 9991 7037 7636 1015 | 10/5/2018 |
| Dee Boot SC | Tanya Joe-Lee Templeton | 2601 Radio Blvd. | Carlsbad, NM 88220 | | 91 7199 9991 7037 7636 1022 | 10/5/2018 |
| Dee Boot SC | Tap Rock Resources, LLC | 602 Park Point Drive, Suite 200 | Golden, CO 80401 | | 91 7199 9991 7037 7636 1039 | 10/5/2018 |
| Dee Boot SC | Ted Collins, Jr. | P.O. Box 27 | Midland, TX 79702 | | 91 7199 9991 7037 7636 1046 | 10/5/2018 |
| Dee Boot SC | Telitha Pauline Templeton Plank | 2601 Radio Blvd. | Carlsbad, NM 88220 | | 91 7199 9991 7037 7636 1053 | 10/5/2018 |
| Dee Boot SC | The Umbria Group, LLC c/o Mark Zannotti | 525 South main Street, Suite 1111 | Tulsa, OK 74103 | | 91 7199 9991 7037 7636 1060 | 10/5/2018 |
| Dee Boot SC | Tina Dell Jones | 2601 Radio Blvd. | Carlsbad, NM 88220 | | 91 7199 9991 7037 7636 1077 | 10/5/2018 |
| Dee Boot SC | Wallace Family Partnership, LLC | 508 W. Wall St., Suite 1200 | Midland, TX 79701 | | 91 7199 9991 7037 7636 1084 | 10/5/2018 |
| Dee Boot SC | WBA Resources, Ltd. | P.O. Box 50468 | Midland, TX 79710 | | 91 7199 9991 7037 7636 1091 | 10/5/2018 |

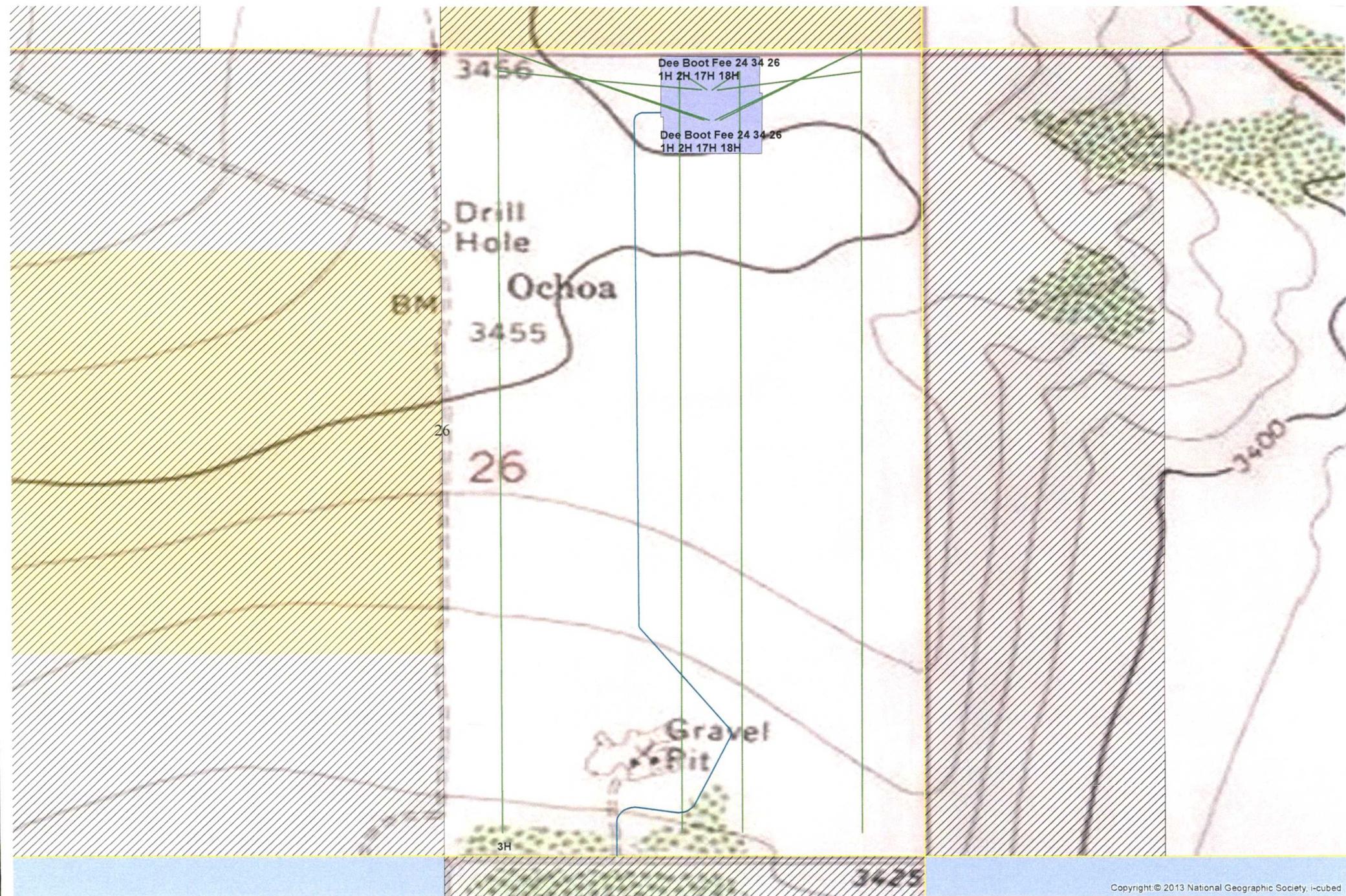
| Owner | Dee Boot Fee 24 34 26 TB 7H | | | Dee Boot Fee 24 34 26 WXY 3H, WA 6H, WXY 19H | | |
|--|--------------------------------|----|------|--|----|------|
| | WI | RI | ORRI | WI | RI | ORRI |
| MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240 | X | | | X | | |
| Energen Resources Corporation 605 Richard Arrington, Jr. Blvd. North Birmingham, AL 35203 | X | | | X | | |
| Tap Rock Resources, LLC 602 Park Point Drive, Suite 200 Golden, CO 80401 | X | | | X | | |
| Centennial Resource Development, Inc. 1001 Seventeenth Street, Suite 1800 Denver, CO 80202 | X | | | X | | |
| Sam L. Shackelford 1096 Mechem Drive, Suite G-16 Ruidoso, NM 88345 | | | X | | | X |
| Escondido Oil and Gas, LLC P.O. Box 51390 Midland, TX 79710 | | | X | | | X |
| MO Oil, LLC P.O. Box 429 Roswell, NM 88202 | | | X | | | X |
| Roy Light P.O. Box 396 Eastsound, WA 98245 | | X | | | X | |
| Wallace Family Partnership, LLC 508 W. Wall St., Suite 1200 Midland, TX 79701 | | X | | | X | |
| Ted Collins, Jr. P.O. Box 27 Midland, TX 79702 | | X | | | X | |
| WBA Resources, Ltd. P.O. Box 50468 Midland, TX 79710 | | X | | | X | |
| JWD Resources, LLC P.O. Box 51908 Midland, TX 79710 | | X | | | X | |
| CTH Royalties, LLC P.O. Box 52521 Midland, TX 79710 | | X | | | X | |
| NM Royalty, LLC P.O. Box 51908 Midland, TX 79710 | | X | | | X | |

| | | | | | | |
|---|--|---|--|--|---|--|
| Fort Worth Mineral Company LLC 500 Main Street, Suite 1200 Fort Worth, TX 76102 | | X | | | X | |
| Royann O. Almond 7312 69th Avenue NE Marysville, WA 98270 | | X | | | X | |
| Ina Jean Cowden 1002 S. Division Walla Walla, WA 99362 | | X | | | X | |
| Paul Stetson 31 Sun River Cascade Road Sun River, MT 59483 | | X | | | X | |
| Geraldean B. Stetson 708 Eldene Lane #A Rapid City, SD 57701 | | X | | | X | |
| Riverview Property Co., LLC P.O. Box 729 Tulsa, OK 74101 | | X | | | X | |
| The Umbria Group, LLC c/o Mark Zannotti 525 South main Street, Suite 1111 Tulsa, OK 74103 | | X | | | X | |
| Nina Page 1396 Chenault BloomField, NM 87413 | | X | | | X | |
| Gary W. Page P.O. Box 2516 Bloomfield, NM 87413 | | X | | | X | |
| Joyce Page Clardy 509 E. Elm St. Denver City, TX 79323 | | X | | | X | |
| Mary H. Banks 3006 SW Krik Street Pendleton, OR 97801 | | X | | | X | |
| Elena Jo Davis 17908 Farm Road 197 Sumner, TX 75486 | | X | | | X | |
| Sandra Lee Banks 4561 N O'Connor Road #2292 Irving, TX 75062 | | X | | | X | |
| Carl Clinton Bruce, Jr. 3706 Lotus Drive San Diego, CA 92106 | | X | | | X | |
| Daniel H. Bruce 9221 Middle Glen Drive Dallas, TX 75243 | | X | | | X | |

| | | | | | | |
|---|--|---|--|--|---|--|
| Telitha Pauline Templeton Plank 2601 Radio Blvd. Carlsbad, NM 88220 | | X | | | X | |
| Tanya Joe-Lee Templeton 2601 Radio Blvd. Carlsbad, NM 88220 | | X | | | X | |
| Tina Dell Jones 2601 Radio Blvd. Carlsbad, NM 88220 | | X | | | X | |
| Amanda Hembree 9457 Triathlon Lane Elk Grove, CA 95758 | | X | | | X | |
| Della G. Laman 1419 Eagle Avenue Carlsbad, NM 88220 | | X | | | X | |
| Jack A. Taylor, Sr. 2001 McKinley Carlsbad, NM 88220 | | X | | | X | |
| Fortis Minerals II, LLC 1111 Bagby Street, Suite 2150 Houston, TX 77002 | | X | | | X | |
| Oak Valley Mineral and Land, LP P.O. Box 50820 Midland, TX 79710 | | X | | | X | |
| Mavros Minerals, LLC P.O. Box 50820 Midland, TX 79710 | | X | | | X | |
| Jacqueline J. Jones 1029 Birmingham Street Medford, Oregon 97501 | | X | | | X | |
| Jeffrey Sumner 1031 Northwest 2nd Avenue Hillsboro, Oregon 97124 | | X | | | X | |
| Krystle Sumner McEntire 26859 225th Avenue Southeast Maple Valley, Washington 98038 | | X | | | X | |
| Charlie Sumner P.O. Box 524 Lexington, Oregon 97839 | | X | | | X | |
| Sally Runyan 5530 Northeast 199th Avenue Vancouver, Washington 98682 | | X | | | X | |
| Bill G. Taylor, Jr. 199 11th Ave. NW Rio Rancho, NM 87144 | | X | | | X | |

| | | | | | | |
|--|--|---|--|--|---|---|
| Kathy J. Smith 233 New Mexico Drive Portales, NM 88130 | | X | | | X | |
| Harvey R. Taylor 124 S. 5th Street Carlsbad, NM 88220 | | X | | | X | |
| Marilyn S. Taylor 2310 Avenue B Carlsbad, NM 88220 | | X | | | X | |
| Carolyn A. Taylor 1702 Curry Road Carlsbad, NM 88220 | | X | | | X | |
| Blackbird Royalties LLC 28 Haley Circle Roswell, NM 88201 | | X | | | X | |
| Foundation Minerals, LLC P.O. Box 50820 Midland, TX 79710 | | X | | | X | |
| John Wayne Taylor 4031 Harmon Lane Carlsbad, NM 88220 | | X | | | X | |
| Curtis Robert Taylor 507 East Russell Carlsbad, NM 88220 | | X | | | X | |
| Kenneth Lee Taylor 5027 Grandi Road Carlsbad, NM 88220 | | X | | | X | |
| Lela M. Williams, Trustee of the Joe & Lela Williams 2001 Family Trust 1602 Misson Carlsbad, NM 88220 | | X | | | X | |
| Betty Jean Holland and E. Horace Holland 35 Ruby Court Muscle Shoals, AL 35661 | | X | | | X | |
| Ozark Royalty Co., LLC P.O. Box 11247 Memphis, TN 38111 | | | | | | X |
| Pitchfork Cattle Company, LLC P.O. Box 2795 Ruidoso, NM 88355 | | | | | X | |
| Mildred Madera McCall 1017 Brookside Pine Lane Kingwood, TX 77345 | | | | | X | |
| Pamela Madera, as Trustee of the Madera Trust U/A dated July 20, 2016 3 Rayos De Luz Placitas, NM 87043 | | | | | X | |

| | | | | | | | |
|--|--|--|--|--|--|---|--|
| Arrakis Holdings, LLC 12020 Cherrywood Ct. Allen, TX 75002 | | | | | | X | |
| Lela Madera 187 George Straight Canyon Lake, TX 78133 | | | | | | X | |
| Mrs. Katherine "Kitty" Madera P.O. Box 443 Manhattan, MT 59741 | | | | | | X | |
| Michael Fred Madera 16044 Pierce Road Le Pine, OR 97739 | | | | | | X | |
| 5588 Oil, LLC P.O. Box 50820 Midland, TX 79710 | | | | | | X | |
| CEP Minerals, LLC P.O. Box 50820 Midland, TX 79710 | | | | | | X | |
| Billy Joe Templeton 2601 Radio Blvd Carlsbad, NM 88220 | | | | | | X | |



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District IV
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State of New Mexico
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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

| | | |
|---------------------------------------|--|---|
| ¹ API Number 22-5-44165 | ² Pool Code 96434 | ³ Pool Name RED HILLS: BONE SPRING, NORTH |
| ⁴ Property Code | ⁵ Property Name DEE BOOT FEE 24 34 26 TB | ⁶ Well Number 7H |
| ⁷ OGRID No. 372098 | ⁸ Operator Name MARATHON OIL PERMIAN LLC | ⁹ Elevation 3447' |

" 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 | 26 | T24S | R34E | | 271 | NORTH | 1145 | EAST | LEA |

" 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P | 26 | T24S | R34E | | 105 | SOUTH | 955 | EAST | LEA |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160.00 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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.

| | | | | | |
|--|--|---|--|---|--|
| ¹⁶ KICK OFF POINT 7,014' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:819093.34' / Y:436012.14' LAT:32.19548672N / LON:103.43541790W NAD 27, SPCS NM EAST X:777908.08' / Y:435953.42' LAT:32.19536165N / LON:103.43494622W | | | | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. | |
| SECTION 22 SECTION 23 SECTION 24 SECTION 25 SURFACE HOLE LOCATION 271' FNL 1145' FEL, SECTION 26 NAD 83, SPCS NM EAST X:818943.35' / Y:435841.15' LAT:32.19502018N / LON:103.43590735W NAD 27, SPCS NM EAST X:777758.07' / Y:435782.47' LAT:32.19489512N / LON:103.43543572W | | Signature _____ Date _____ Printed Name _____ E-mail Address _____ | | | |
| FIRST TAKE POINT 12,432' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:818972.05' / Y:435782.54' LAT:32.19485843N / LON:103.43581615W NAD 27, SPCS NM EAST X:777786.78' / Y:435723.83' LAT:32.19473336N / LON:103.43534454W | | ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. | | | |
| LAST TAKE POINT 17,262' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:819164.67' / Y:430982.92' LAT:32.18166185N / LON:103.43532309W NAD 27, SPCS NM EAST X:777979.17' / Y:430924.34' LAT:32.18153670N / LON:103.43485228W | | PRELIMINARY THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, SALE OR THE BASIS FOR THE ISSUANCE OF A PERMIT. Date of Survey _____ Signature of Sealed Professional Surveyor _____ Certificate Number _____ | | | |
| BOTTOM HOLE LOCATION 17,307' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:819167.09' / Y:430938.20' LAT:32.18153888N / LON:103.43531646W NAD 27, SPCS NM EAST X:777981.59' / Y:430879.62' LAT:32.18141373N / LON:103.43484567W | | | | | |
| SECTION 27 SECTION 26 SECTION 25 SECTION 24 CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 818762.23' / Y: 436111.60' B - X: 820086.51' / Y: 436117.58' C - X: 820123.29' / Y: 430839.41' D - X: 818808.00' / Y: 430830.50' | | SECTION 27 SECTION 26 SECTION 25 SECTION 24 CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 777576.96' / Y: 436052.92' B - X: 778901.21' / Y: 436058.88' C - X: 778937.75' / Y: 430780.85' D - X: 777622.48' / Y: 430771.96' | | | |

| | | |
|------|------------|-----|
| 2 | 07/31/2018 | DEF |
| REV. | DATE | BY |

NOTE; ALL DIMENSIONS IN U.S. FEET

District I
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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

| | | |
|-------------------------------------|--|--|
| ¹ API Number 025-4212 | ² Pool Code 2220 | ³ Pool Name ANTELOPE RIDGE: WOLFCAMP |
| ⁴ Property Code | ⁵ Property Name DEE BOOT FEE 24 34 26 WA | ⁶ Well Number 6174 |
| ⁷ OGRID No. 372098 | ⁸ Operator Name MARATHON OIL PERMIAN LLC | ⁹ Elevation 3447' |

¹⁰ 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 | 26 | T24S | R34E | | 271 | NORTH | 4175 | EAST | LEA |

¹¹ 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P | 26 | T24S | R34E | | 90 | SOUTH | 1356 | EAST | LEA |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 320.00 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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.

| | | | | | |
|--|------------|---|---|---|------------|
| ¹⁶ SURFACE HOLE LOCATION 271' FNL 1175' FEL, SECTION 26 NAD 83, SPCS NM EAST X:818913.35' / Y:435841.15' LAT:32.19502087N / LON:103.43600432W | | NAD 27, SPCS NM EAST X:777728.07' / Y:435782.47' LAT:32.19489581N / LON:103.43553269W | | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. | |
| SECTION 22 | SECTION 23 | A | B | SECTION 24 | SECTION 25 |
| SECTION 27 | SECTION 26 | KICK OFF POINT 4,549' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:818746.44' / Y:436011.52' LAT:32.19549298N / LON:103.43653924W NAD 27, SPCS NM EAST X:777561.19' / Y:435952.81' LAT:32.19536792N / LON:103.43606756W | | FIRST TAKE SHL KOP 1307' 1262' 1341' 1386' 1175' | |
| FIRST TAKE POINT 12,309' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:818701.95' / Y:435961.32' LAT:32.19535602N / LON:103.43668440W NAD 27, SPCS NM EAST X:777516.69' / Y:435902.61' LAT:32.19523096N / LON:103.43621272W | | (NEAREST) MEASURED DEPTH = 13,660' | | Signature _____ Date _____ Printed Name _____ E-mail Address _____ | |
| LAST TAKE POINT 17,462' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:818769.94' / Y:430980.24' LAT:32.18166355N / LON:103.43659889W NAD 27, SPCS NM EAST X:777584.45' / Y:430921.66' LAT:32.18153841N / LON:103.43612803W | | (FARTHEST) MEASURED DEPTH = 15,926' | | ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. | |
| BOTTOM HOLE LOCATION 17,522' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:818766.78' / Y:430920.32' LAT:32.18149890N / LON:103.43661070W NAD 27, SPCS NM EAST X:777581.29' / Y:430861.74' LAT:32.18137378N / LON:103.43613987W | | LAST TAKE/BHL 1279' 1275' 1352' 1356' | | PRELIMINARY THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, RECORDATION, CONTRACTING, SALE OR THE BASIS FOR THE ISSUANCE OF A PERMIT. Date of Survey _____ Signature and Seal of Professional Surveyor: _____ Certificate Number _____ | |
| SECTION 27 | SECTION 26 | CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 817437.94' / Y: 436105.61' B - X: 820086.51' / Y: 436117.58' C - X: 820123.29' / Y: 430839.41' D - X: 817492.71' / Y: 430821.59' | | CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 776252.70' / Y: 436046.94' B - X: 778901.21' / Y: 436058.88' C - X: 778937.75' / Y: 430780.85' D - X: 776307.22' / Y: 430763.06' | |
| SECTION 34 | SECTION 35 | D | | SECTION 36 | |

| | | |
|------|------------|-----|
| 1 | 08/21/2018 | DEF |
| REV. | DATE | BY |

NOTE; ALL DIMENSIONS IN U.S. FEET

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Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---------------------------------------|---|--|
| ¹ API Number 025-4416-2 | ² Pool Code 2220 | ³ Pool Name ANTELOPE RIDGE: WOLFCAMP |
| ⁴ Property Code | ⁵ Property Name DEE BOOT FEE 24 34 26 WXY | ⁶ Well Number 3H |
| ⁷ OGRID No. 372098 | ⁸ Operator Name MARATHON OIL PERMIAN LLC | ⁹ Elevation 3447' |

¹⁰ 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 | 26 | T24S | R34E | | 271 | NORTH | 1205 | EAST | LEA |

¹¹ 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| O | 26 | T24S | R34E | | 106 | SOUTH | 2286 | EAST | LEA |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 320.00 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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.

| | | |
|---|---|--|
| <p>¹⁶ SURFACE HOLE LOCATION 271' FNL 1205' FEL, SECTION 26 NAD 83, SPCS NM EAST X:817739.24 / Y:435806.97 LAT:32.19502156N / LON:103.43610129W</p> <p>SECTION 22 SECTION 23 SECTION 27 SECTION 26</p> <p>KICK OFF POINT 11,216' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:817739.24 / Y:435806.97 LAT:32.19502156N / LON:103.43979504W NAD 27, SPCS NM EAST X:776554.01 / Y:435948.27 LAT:32.19537850N / LON:103.43932322W</p> <p>FIRST TAKE POINT 12,359' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:817719.67 / Y:435940.42 LAT:32.19532105N / LON:103.43986011W NAD 27, SPCS NM EAST X:776534.44 / Y:435881.72 LAT:32.19519603N / LON:103.43938827W</p> <p>LAST TAKE POINT 17,452' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:817837.55 / Y:430973.93 LAT:32.18166751N / LON:103.43961248W NAD 27, SPCS NM EAST X:776652.08 / Y:430915.36 LAT:32.18154243N / LON:103.43914148W</p> <p>BOTTOM HOLE LOCATION 17,496' MEASURED DEPTH IN FEET NAD 83, SPCS NM EAST X:817837.09 / Y:430930.06 LAT:32.18154695N / LON:103.43961513W NAD 27, SPCS NM EAST X:776651.62 / Y:430871.49 LAT:32.18142186N / LON:103.43914415W</p> <p>SECTION 27 SECTION 26 SECTION 34 SECTION 35</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 817437.94 / Y: 436105.61' B - X: 820086.51 / Y: 436117.58' C - X: 820123.29 / Y: 430839.41' D - X: 817482.71 / Y: 430821.59'</p> | <p>(NEAREST) MEASURED DEPTH = 12,225'</p> <p>(FARTHEST) MEASURED DEPTH = 16,591'</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 776252.70 / Y: 436046.94' B - X: 778901.21 / Y: 436058.88' C - X: 778937.75 / Y: 430780.85' D - X: 776307.22 / Y: 430763.06'</p> | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey _____ Signature and Seal of Professional Surveyor _____</p> <p>PRELIMINARY THIS DOCUMENT IS NOT TO BE USED FOR CONVEYANCE, SALE, BIDDING, RECORDATION, OR THE BASIS FOR THE ISSUANCE OF A PERMIT.</p> <p>Certificate Number _____</p> |
|---|---|--|

| 2 | 08/22/2018 | DEF |
|------|------------|-----|
| REV. | DATE | BY |

NOTE: ALL DIMENSIONS IN U.S. FEET

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|--|
| ¹ API Number 30-025-44163 | ² Pool Code 2220 | ³ Pool Name ANTELOPE RIDGE: WOLFCAMP |
| ⁴ Property Code | ⁵ Property Name DEE BOOT FEE 24 34 26 WXY | ⁶ Well Number 19H |
| ⁷ OGRID No. 372098 | ⁸ Operator Name MARATHON OIL PERMIAN LLC | ⁹ Elevation 3446' |

¹⁰ 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 | 26 | T24S | R34E | | 271 | NORTH | 1115 | EAST | LEA |

¹¹ 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P | 26 | T24S | R34E | | 105 | SOUTH | 335 | EAST | LEA |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 320.00 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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.

| | | | | |
|--|--|--|--|---|
| <p>¹⁶</p> | | | | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> |
| <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>PRELIMINARY</p> <p>THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, RECORDATION, CONTRACTING, SALE OR THE BASIS FOR THE ISSUANCE OF A PERMIT.</p> <p>Date of Survey _____ Signature of Professional Surveyor _____</p> <p>Certificate Number _____</p> | | | | |

| 1 | 08/21/2018 | DEF |
|------|------------|-----|
| REV. | DATE | BY |

NOTE: ALL DIMENSIONS IN U.S. FEET

| | Oil/bbl | Gas/mcf |
|------------------------------|------------|---------------|
| Dee Boot Fee 24-34-26 WXY 3H | 11/1/2019 | 253.68 406.02 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/2/2019 | 253.14 405.21 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/3/2019 | 252.61 404.41 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/4/2019 | 252.08 403.61 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/5/2019 | 251.56 402.81 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/6/2019 | 251.03 402.02 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/7/2019 | 250.51 401.22 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/8/2019 | 249.99 400.44 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/9/2019 | 249.47 399.65 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/10/2019 | 248.96 398.87 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/11/2019 | 248.44 398.09 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/12/2019 | 247.93 397.32 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/13/2019 | 247.42 396.55 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/14/2019 | 246.92 395.78 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/15/2019 | 246.41 395.01 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/16/2019 | 245.91 394.25 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/17/2019 | 245.41 393.49 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/18/2019 | 244.91 392.73 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/19/2019 | 244.41 391.98 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/20/2019 | 243.92 391.23 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/21/2019 | 243.43 390.48 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/22/2019 | 242.94 389.74 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/23/2019 | 242.45 389 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/24/2019 | 241.97 388.26 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/25/2019 | 241.48 387.53 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/26/2019 | 241 386.79 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/27/2019 | 240.52 386.06 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/28/2019 | 240.04 385.34 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/29/2019 | 239.57 384.61 |
| Dee Boot Fee 24-34-26 WXY 3H | 11/30/2019 | 239.09 383.89 |

| | | | |
|-----------------------------|------------|--------|--------|
| Dee Boot Fee 24-34-26 WA 6H | 11/1/2019 | 253.68 | 406.02 |
| Dee Boot Fee 24-34-26 WA 6H | 11/2/2019 | 253.14 | 405.21 |
| Dee Boot Fee 24-34-26 WA 6H | 11/3/2019 | 252.61 | 404.41 |
| Dee Boot Fee 24-34-26 WA 6H | 11/4/2019 | 252.08 | 403.61 |
| Dee Boot Fee 24-34-26 WA 6H | 11/5/2019 | 251.56 | 402.81 |
| Dee Boot Fee 24-34-26 WA 6H | 11/6/2019 | 251.03 | 402.02 |
| Dee Boot Fee 24-34-26 WA 6H | 11/7/2019 | 250.51 | 401.22 |
| Dee Boot Fee 24-34-26 WA 6H | 11/8/2019 | 249.99 | 400.44 |
| Dee Boot Fee 24-34-26 WA 6H | 11/9/2019 | 249.47 | 399.65 |
| Dee Boot Fee 24-34-26 WA 6H | 11/10/2019 | 248.96 | 398.87 |
| Dee Boot Fee 24-34-26 WA 6H | 11/11/2019 | 248.44 | 398.09 |
| Dee Boot Fee 24-34-26 WA 6H | 11/12/2019 | 247.93 | 397.32 |
| Dee Boot Fee 24-34-26 WA 6H | 11/13/2019 | 247.42 | 396.55 |
| Dee Boot Fee 24-34-26 WA 6H | 11/14/2019 | 246.92 | 395.78 |
| Dee Boot Fee 24-34-26 WA 6H | 11/15/2019 | 246.41 | 395.01 |
| Dee Boot Fee 24-34-26 WA 6H | 11/16/2019 | 245.91 | 394.25 |
| Dee Boot Fee 24-34-26 WA 6H | 11/17/2019 | 245.41 | 393.49 |
| Dee Boot Fee 24-34-26 WA 6H | 11/18/2019 | 244.91 | 392.73 |
| Dee Boot Fee 24-34-26 WA 6H | 11/19/2019 | 244.41 | 391.98 |
| Dee Boot Fee 24-34-26 WA 6H | 11/20/2019 | 243.92 | 391.23 |
| Dee Boot Fee 24-34-26 WA 6H | 11/21/2019 | 243.43 | 390.48 |
| Dee Boot Fee 24-34-26 WA 6H | 11/22/2019 | 242.94 | 389.74 |
| Dee Boot Fee 24-34-26 WA 6H | 11/23/2019 | 242.45 | 389 |
| Dee Boot Fee 24-34-26 WA 6H | 11/24/2019 | 241.97 | 388.26 |
| Dee Boot Fee 24-34-26 WA 6H | 11/25/2019 | 241.48 | 387.53 |
| Dee Boot Fee 24-34-26 WA 6H | 11/26/2019 | 241 | 386.79 |
| Dee Boot Fee 24-34-26 WA 6H | 11/27/2019 | 240.52 | 386.06 |
| Dee Boot Fee 24-34-26 WA 6H | 11/28/2019 | 240.04 | 385.34 |
| Dee Boot Fee 24-34-26 WA 6H | 11/29/2019 | 239.57 | 384.61 |
| Dee Boot Fee 24-34-26 WA 6H | 11/30/2019 | 239.09 | 383.89 |

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION TO CONSIDER:**

**CASE NO. 15906
ORDER NO. R-14577**

**APPLICATION OF MARATHON OIL PERMIAN LLC FOR A NON-STANDARD
OIL SPACING AND PRORATION UNIT, NON-STANDARD LOCATION, AND
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on January 25, 2018, at Santa Fe, New Mexico, before Examiner William V. Jones.

NOW, on this 8th day of February, 2018, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.
- (2) Marathon Oil Permian LLC (the "Applicant") seeks approval of a 320-acre non-standard oil spacing and proration unit and project area (the "Unit") for oil and gas production from the Wolfcamp formation, Antelope Ridge; Wolfcamp Pool (Pool code 2220), comprising the E/2 of Section 26, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) Applicant further seeks an order pooling all uncommitted interests in the Unit for the Wolfcamp formation.
- (4) Applicant seeks to dedicate the Unit to the following wells "the proposed wells", and approval of non-standard locations for each of the wells:

Knife Fight Fee 24 34 26 WXY Well No. 3H, API No. 30-025-44162

**SHL: 271 feet from the North line and 1205 feet from the East line,
(Unit A) of Section 26, Township 24 South, Range 34 East, NMPM.**

(22) EOG filed a pre-hearing statement in which it argued that the Division does not have the authority to approve the requested non-standard unit because it cannot be "efficiently and economically drained and developed by one well, as required for a standard proration unit by 70-2-17(B), NMSA. 1978. The argument is not well taken. 70-2-18(C), NMSA 1978 authorizes the Division to create non-standard spacing or proration units. Spacing and proration units are not the same thing. *Rutter & Wilbanks v. NMOCC*, 87 N.M. 286, 288 (NM Sup 1975). The Unit may be approved as a non-standard spacing unit without regard to whether or not it may constitute a non-standard proration unit because the allowable for the Unit can be computed pursuant to Division Rule 19.15.16.B(3) NMAC based on the allowables provided for the standard proration units included in the Unit.

IT IS THEREFORE ORDERED THAT:

(1) Pursuant to the application of Marathon Oil Permian LLC, a 320-acre non-standard oil spacing unit and project area (the "Unit") is hereby established for oil and gas production from the Wolfcamp formation, Antelope Ridge; Wolfcamp Pool (Pool code 2220), comprising the E/2 of Section 26, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

(2) All uncommitted interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit, are hereby pooled.

(3) The Unit shall be dedicated to Applicant's following wells "the proposed wells" all drilled and completed at non-standard locations;

Knife Fight Fee 24 34 26 WXY Well No. 3H, API No. 30-025-44162

SHL: 271 feet from the North line and 1205 feet from the East line,
(Unit A) of Section 26, Township 24 South, Range 34 East, NMPM.
BHL: 150 feet from the South line and 2301 feet from the East line
(Unit O) of Section 26, Township 24 South, Range 34 East, NMPM.

Knife Fight Fee 24 34 26 WA Well No. 6H, API No. 30-025-44212

SHL: 271 feet from the North line and 1175 feet from the East line,
(Unit A) of Section 26, Township 24 South, Range 34 East, NMPM.
BHL: 150 feet from the South line and 1316 feet from the East line
(Unit P) of Section 26, Township 24 South, Range 34 East, NMPM.

Knife Fight Fee 24 34 26 WXY Well No. 19H, API No. 30-025-44163

SHL: 271 feet from the North line and 1115 feet from the East line,
(Unit A) of Section 26, Township 24 South, Range 34 East, NMPM.
BHL: 150 feet from the South line and 330 feet from the East line
(Unit P) of Section 26, Township 24 South, Range 34 East, NMPM.

(4) The non-standard locations for each of the proposed wells as the completed intervals are shown on forms C-102 of the exhibits for this case, are hereby approved.

(5) The operator of the Unit shall commence drilling the first proposed well, the Knife Fight Fee 24 34 26 WA Well No. 6H, API No. 30-025-44212 on or before February 28, 2019, and shall thereafter continue drilling the proposed wells with due diligence to test the Wolfcamp formation.

(6) In the event the operator does not commence drilling such well on or before February 28, 2019, Ordering Paragraphs (1) and (2) shall be of no effect, unless the operator obtains a time extension from the Division Director for good cause demonstrated by satisfactory evidence.

(7) The operator shall notify each pooled working interest owner whose address is known before it files with the Division any request for extension of the time to commence drilling and shall certify its compliance with this requirement in its request for extension. The Division may grant an extension in its discretion after 20 days from receipt of the request if no objection is received. Otherwise, the Division shall not grant the extension without a hearing.

(8) Unless the Knife Fight Fee 24 34 26 WA Well No. 6H, API No. 30-025-44212 is drilled and completed within 120 days after commencement of said well, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the Unit and project area created by this order shall terminate, unless operator files a written request for extension alleging good cause and supported by satisfactory evidence, and the Division approves the extension in writing.

(9) If the Knife Fight Fee 24 34 26 WA Well No. 6H, API No. 30-025-44212 is not completed by hydraulic fracture treatment in all of the standard spacing units included in the proposed project area (or Unit) then the operator shall apply to the Division for an amendment to this order to contract the Unit so that it includes only those standard spacing units in which said well is completed, and to provide appropriate spacing units for the other proposed wells.

(10) Upon final plugging and abandonment of the proposed well or wells and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled Unit shall terminate, unless this Order has been amended to authorize further operations.

(11) Infill wells within the Unit shall be subject to the terms and conditions of this order.

(12) Marathon Oil Permian LLC (OGRID 372098) is hereby designated the operator of the proposed well or wells and the Unit.

(13) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit a

separate itemized schedule of estimated costs of drilling, completing and equipping each of the proposed wells ("well costs").

(14) Within 30 days from the date the schedule of estimated well costs is furnished for any well, any pooled working interest owner shall have the right to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided, and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges for such well. Pooled working interest owners who elect not to pay their share of estimated well costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(15) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 90 days following completion of the proposed wells. If no objection to the actual well costs is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs after public notice and hearing.

(16) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well or wells in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.

(17) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- (a) The proportionate share of reasonable well costs attributable to such interest; and
- (b) As a charge for the risk involved in drilling the well, 200% of the above costs.

(18) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs.

(19) Reasonable charges for supervision (combined fixed rates) are hereby fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates may, at the election of the operator, be adjusted annually pursuant to the overhead adjustment provisions of the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from each pooled working

interest owner's share of production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating such well, not more than what are reasonable, attributable to such pooled working interest owner.

(20) During the cost recovery period for any well, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each such well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs actually incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to Ordering Paragraph (13), that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(21) Except as provided above, all proceeds from production from the proposed well or wells that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(22) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this Order. Any well costs or charges that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(23) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(24) The operator of the wells and the Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(25) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Done at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

HEATHER RILEY
Director

McMillan, Michael, EMNRD

From: Van Curen, Jennifer (MRO) <jvancuren@marathonoil.com>
Sent: Tuesday, October 16, 2018 5:19 AM
To: McMillan, Michael, EMNRD
Subject: [EXT] RE: Dee Boot Surface commingle application

Sorry. I forgot to let you know the unit letter is noted on the facility flow diagram. Unit A.

Jennifer Van Curen
Sr. Regulatory Compliance Representative
Marathon Oil Permian LLC.
Marathon Oil Company

5555 San Felipe Street
Houston, TX 77056
E: jvancuren@marathonoil.com
O: 713.296.2500 | C: 713.569.7681

From: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Sent: Monday, October 15, 2018 5:45 PM
To: Van Curen, Jennifer (MRO) <jvancuren@marathonoil.com>
Subject: [External] Dee Boot Surface commingle application

Beware of links/attachments.

Jennifer:

I need the surface facility diagram for the Dee Boot wells, and it Unit Letter where it is located

Thanks

Mike

Michael McMillan
1220 South St. Francis
Santa Fe, New Mexico
505-476-3448
Michael.mcmillan@state.nm.us