

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

APPLICATIONS FOR COMPULSORY POOLING:

RIDGE RUNNER RESOURCES OPERATING, LLC	CASE NO. 20105
RIDGE RUNNER RESOURCES OPERATING, LLC	CASE NO. 20106
RIDGE RUNNER RESOURCES OPERATING, LLC	CASE NO. 20107
RIDGE RUNNER RESOURCES OPERATING, LLC	CASE NO. 20717
RIDGE RUNNER RESOURCES OPERATING, LLC	CASE NO. 20718

MARATHON OIL PERMIAN, LLC	CASE NO. 20840
MARATHON OIL PERMIAN, LLC	CASE NO. 20841
MARATHON OIL PERMIAN, LLC	CASE NO. 20842
MARATHON OIL PERMIAN, LLC	CASE NO. 20843
MARATHON OIL PERMIAN, LLC	CASE NO. 20844
MARATHON OIL PERMIAN, LLC	CASE NO. 20845
MARATHON OIL PERMIAN, LLC	CASE NO. 20846
MARATHON OIL PERMIAN, LLC	CASE NO. 20847
MARATHON OIL PERMIAN, LLC	CASE NO. 20848

PRE-HEARING ORDER

This Pre-Hearing Order sets forth the procedures for the hearings on the above-referenced applications to compulsory pool overlapping acreages in the Bone Springs and Wolfcamp formations in Township 22 South, Range 28 East, Sections 2, 27, 34, and 35.

1. The hearing will commence on March 26, 2020, at 8:30 a.m., and continue as necessary through March 27, 2020 in Porter Hall.
2. Those matters concerning Sections 27 and 34 will be heard first, and Ridge Runner Resources Operating, LLC shall present first: Cases No. 20106, 20107, and 20717. Marathon Oil Permian, LLC, shall present Cases No. 20840, 20841, 20842, 20843, 20844, and 20848.
3. Those matters concerning Sections 2 and 35 will be heard next, and Marathon shall present first: Cases No. 20845, 20846, and 20847. Ridge Runner shall present Cases No. 20105 and 20718.

4. In addition to the testimony and exhibits that each party desires to present regarding the applications, each party shall provide the following supplemental testimony:
 - a. A description and comparison of the geology of the competing well locations and the potential of the competing prospects to efficiently recover the oil and gas reserves underlying the property;
 - b. A description and comparison of the acreage used and stranded by the competing prospects;
 - c. A description and comparison of the risk associated with the competing proposals to explore and develop the property;
 - d. A description of the ability of each applicant to prudently operate the property and to prevent waste;
 - e. A description of the negotiations by each applicant prior to filing the application;
 - f. A description of each applicant's well cost estimates (AFEs) and other operational costs; and
 - g. A description of the mineral interest owned by each applicant.
5. The OCD's Guidelines for Presentation of Cases by Witnesses shall be applicable.

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**FELICIA L. ORTH
HEARING EXAMINER**

Date: 2/25/2020