## 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 FOR THE PURPOSE OF CONSIDERING:

Case Nos.

Application of Marathon Oil 22202 Permian, LLC for Compulsory Pooling in Eddy County, New Mexico

REPORTER'S TRANSCRIPT OF PROCEEDINGS
THURSDAY, OCTOBER 21, 2021

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Esq. Hearing Examiner, on October 21, 2021, via Webex Virtual Conferencing platform hosted by New Mexico Department of Energy Minerals and Natural Resources

Reported by: Christine J. Roybal
New Mexico CCR #50
PAUL BACA COURT REPORTERS
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3	and city of caribbad.
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17	Dean McClure
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1	EXHIBITS	
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3	Exhibits 5	
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- 1 EXAMINER BRANCARD: So we'll move on to
- 2 Case No. 38 on our list today, case 22202, Marathon Oil
- 3 Permian.
- 4 MS. BENNETT: Good morning, Mr. Examiner.
- 5 Deana Bennett on behalf of Marathon Oil Permian, LLC.
- 6 EXAMINER BRANCARD: All right. Are there any
- 7 other interested persons in case 22202?
- 8 Hearing none, Ms. Bennett, you may proceed.
- 9 MS. BENNETT: Thank you very much. Again,
- 10 Deana Bennett on behalf of Marathon Oil Permian, LLC. In
- 11 this case, Marathon Oil Permian is seeking an additional
- 12 extension of time to commence drilling the initial well
- 13 under order R20996. This order and this case involves
- 14 Marathon's crossbow wells, and I have included in the
- 15 exhibits a self-affirmed declaration of Clayton Rule,
- 16 R-U-L-E, and Mr. Rule has previously testified before the
- 17 Division, and his credentials have been accepted as a matter
- 18 of record.
- 19 As I mentioned in this case, Marathon is seeking an
- 20 extension of time, an additional year, within which to
- 21 commence drilling the initial well under the order. As the
- 22 Division is aware in other cases, Marathon has sought
- 23 similar extensions of time due to COVID, the disruption in
- 24 market and those disruptions continue today and development
- 25 plans have been impacted and continue to be impacted,

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1 although Marathon is working toward getting all of its

- 2 development plans back online and up and running again.
- 3 So Marathon is asking in this case, as I mentioned,
- 4 for an additional year to commence drilling. Under the
- 5 order as it stands, Marathon would be required to commence
- 6 drilling by January 31st, 2022, and Marathon is asking that
- 7 the extension -- that time be extended to January 31st,
- 8 2023. And Mr. Rule's declaration goes into more detail
- 9 about the need for the extension.
- 10 In addition, in the materials I have submitted on
- 11 Tuesday, I included a notice affidavit showing that notice
- 12 of this hearing was timely mailed and timely published.
- 13 With that, I would ask that the exhibits in Case No.
- 14 22202 be admitted into the record and I will stand for any
- 15 questions I may answer.
- 16 EXAMINER BRANCARD: Mr. McClure, any questions?
- 17 MR. MCCLURE: Do we know what was going on with
- 18 this 20996-B? I don't know if you looked into that,
- 19 Mr. Brancard or not.
- 20 EXAMINER BRANCARD: It appears that the original
- 21 case, Ms. Bennett, was appealed to the Commission?
- 22 MS. BENNETT: It was, and that appeal was
- 23 dismissed.
- 24 EXAMINER BRANCARD: Okay. Go ahead.
- MS. BENNETT: It is either dismissed or withdrawn,

Page 6 I can't recall right now, but that appeal is -- no longer 1 2 has legs. EXAMINER BRANCARD: Right. That was filed by MRC 3 Permian and Sugar Creek Resources. So they have not 4 5 appeared in this case, so I guess they are okay with whatever Marathon is doing. 6 7 MR. MCCLURE: I guess on that basis I don't have any questions. 8 9 EXAMINER BRANCARD: Thank you. 10 MR. MCCLURE: Thank you. 11 EXAMINER BRANCARD: Any other interested persons with comments on case 22202? 12 13 Hearing none, the exhibits will be admitted into the record and case 22202 will be taken under advisement. 14 15 Thank you. 16 (Exhibits in case 22202 admitted into the record.) 17 MS. BENNETT: Thank you very much. (Concluded 9:21 a.m.) 18 19 2.0 21 22 23 24 25

	Page 7
1	STATE OF NEW MEXICO )
2	) SS
3	COUNTY OF BERNALILLO )
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5	REPORTER'S CERTIFICATE
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7	I, CHRISTINE J. ROYBAL, New Mexico Reporter
8	No. CCR-50, DO HEREBY CERTIFY that on Thursday, October 21,
9	2021, the proceedings in the above-captioned matter were
10	taken before me; that I did repot in stenographic shorthand
11	the proceedings set forth herein, and the foregoing pages
12	are true and correct transcription to the best of my ability
13	and control.
14	I FURTHER CERTIFY that I am neither employed by nor
15	related to nor contracted with any of the parties or
16	attorneys in this case, and that I have no interest
17	whatsoever in the final disposition of this case in any
18	court.
19	
20	/S/ Christine J. Roybal
21	CHRISTINE J. ROYBAL, CCR, RPR NEW MEXICO CERTIFIED COURT
22	REPORTER NO. 50 LICENSE EXPIRES 12/31/22
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