

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

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

CASE NO. 16418

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

CASE NO. 16419

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

CASE NO. 16420

MARATHON'S PRE-HEARING STATEMENT

Marathon Oil Permian LLC ("Marathon") submits this Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Marathon Oil Permian LLC

ATTORNEY

Jennifer L. Bradfute
Deana M. Bennett
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STATEMENT OF CASE

APPLICANT:

In Case No. 16418 Marathon seeks an order from the Division: approving the creation of a non-standard spacing and proration unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Ramathorn Federal Com 22 32 14 TB 1H and Ramathorn Federal Com 22 32 14 FB 22H wells, to be horizontally drilled. The producing area for these wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed.

In Case No. 16419 Marathon seeks an order from the Division: approving the creation of a non-standard spacing and proration unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Ramathorn Federal Com 22 32 14 SB 8H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed.

In Case No. 16420 Marathon seeks an order from the Division: approving the creation of a non-standard spacing and proration unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Ramathorn Federal Com 22 32 14 WA 2H and Ramathorn Federal Com 22 32 14 WXY 7H wells, to be horizontally drilled. The producing area for these wells will be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: TBD	Approx. 30 minutes	Approx. 8
Geologist: TBD	Approx. 30 minutes	Approx. 6

PROCEDURAL ISSUES

Marathon asks that these matters be consolidated at hearing. Additionally, if there are no objections to these matters, Marathon intends to present them by affidavit.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
& SISK, P.A.

By: Deana M. Bennett

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