

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

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

CASE NO. 23357

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- Exhibit D.4: Resume

¹ Inadvertently identified as Exhibits C in Declaration.

ALL INFORMATION IN THE APPLICATION MUST B	F SLIPPORTED BY SIGNED AFFIDAVITS
Case: 23357	APPLICANT'S RESPONSE
	AFFLICAIVI 3 RESPONSE
Date: April 20, 2023	March of Old Post of the
Applicant	Marathon Oil Permian LLC
Designated Operator & OGRID (affiliation if applicable)	Marathon Oil Permian LLC OGRID 372098
Applicant's Counsel: Case Title:	Modrall Sperling APPLICATION OF MARATHON OIL PERMIAN LLC FOR A NON-STANDARD UNIT, AND COMPULSORY POOLING,
	LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	EOG Resources Inc.
Well Family	Goliath
Formation/Poel	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	WC-025 G-08 S233412K; Bone Spring (96672)
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	800
Building Blocks:	40
Orientation:	North South
Description: TRS/County	W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	N. Seeking approval of W/2 non-standard unit in lieu of 2 standard units (W/2W/2 and E/2W/2). Approval of the non-standard unit IS requested in this application. See also Tab B.7.3 for notice information and Tab D and exhibits.
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	See Exhibit B-3.
Well(s)	
Name & API (if assigned), surface and bottom hole location,	Add wells as needed
ootages, completion target, orientation, completion status standard or non-standard)	
Well #1: Goliath 24 Federal Com 301H (API Pending)	SHL: 269' FNL & 1394' FWL, Section 24, T-26-S R-34-E FTP: 100' FNL & 440' FWL Section 24, T-26-S R-34-E BHL: 100' FSL & 440' FWL Section 36, T-26-S R-34-E Orientation: North South Completion Target: Bone Spring Completion Status: Standard TVD: 10750', MVD: 23500'



NA

Depth Severance Discussion Released to Imaging: 4/19/2023 8:09:48 AM-

Forms, Figures and Tables	
C-102	Exhibit B-2
Tracts	Exhibit B-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B-3
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-3
Structure Contour Map - Subsea Depth	Exhibit C-3; C-7
Cross Section Location Map (including wells)	Exhibit C-4; C-8
Cross Section (including Landing Zone)	Exhibit C-5; C-9
Additional Information	
Special Provisions/Stipulations	NA
CERTIFICATION: I hereby certify that the information pro	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana/M. Bennett
Signed Name (Attorney or Party Representative):	May Albant
Date:	20-Apr-23

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

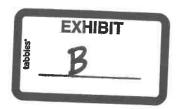
APPLICATION OF MARATHON OIL PERMIAN LLC FOR A NON-STANDARD UNIT, AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 23357

SELF AFFIRMED DECLARATION OF SAMUEL COX

Samuel Cox hereby states and declares as follows:

- 1. I am over the age of 18, I am a landman for Marathon Oil Permian LLC and have personal knowledge of the matters stated herein.
 - 2. I have not previously testified before the Oil Conservation Division ("Division").
- 3. I graduated from the University of Oklahoma in 2012 with a bachelor's in business administration. I have worked as a landman with Marathon since 2019. Before joining Marathon, I worked as a landman with Apache Corporation from 2012 to 2019. My resume is attached as Exhibit B.8.
- 4. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
- 5. I am familiar with the application filed by Marathon in this case, which is attached as **Exhibit B.1**.
 - 6. I am familiar with the status of the lands that are subject to the application.
- 7. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling application.



- 8. The purpose of the application is to force pool all uncommitted interests into the horizontal spacing unit described below, and in the wells to be drilled in the unit.
- 9. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells.
- 10. In this case, Marathon seeks an order from the Division (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico.
- 11. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 12. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.
- 13. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 14. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 15. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.

- 16. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 17. Marathon is also submitting a declaration from a reservoir engineer providing additional detail regarding the need for a non-standard unit.
- The spacing unit will be dedicated to the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
 - 19. Attached as **Exhibit B.2** are the proposed C-102s for the wells.
- 20. The C-102s identify the proposed surface hole locations, first take point, and bottom hole locations. The C-102s also identify the pool and pool code.
- 21. These wells will be located within the WC-025 G-08 S263412K; Bone Spring pool (96672)
 - 22. There are no depth severances within the proposed spacing unit.
- 23. **Exhibit B.3** includes a lease tract map outlining the unit being pooled. Exhibit B.3 also includes the parties being pooled, the nature, and the percent of their interests.
- 24. Exhibit B.3 also includes tract map comparing what a standard unit would be to Marathon's proposed non-standard unit, a tract map showing the general location of the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells within the proposed non-standard unit, and a list of the wells with the pool code.
- 25. Marathon has conducted a diligent search of the public records in the county where the wells are located, and conducted phone directory and computer searches to locate contact

information for parties entitled to notification, and mailed well proposals to all parties entitled to well proposals, including an Authorization for Expenditure.

- 26. In my opinion, Marathon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.
 - 27. **Exhibit B.4** is a summary of contacts with the working interest owners.
- 28. **Exhibit B.5** is a sample of the well proposal letter that was sent to all working interest owners. The proposal letter identifies the proposed surface hole and bottom hole locations and approximate TVD/MD for the wells.
- 29. **Exhibit B.6** contains the Authorization for Expenditure for the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.
- 30. Marathon requests overhead and administrative rates of \$8000.00/month for drilling a well and \$800.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Marathon requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 31. Marathon requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.
 - 32. Marathon requests that it be designated operator of the wells.
- 33. Marathon seeks to pool overriding royalty interest owners, and they were provided notice of this hearing.
 - 34. The parties Marathon is seeking to pool were notified of this hearing.

- 35. Marathon also provided notice to offsetting operators and working interest owners for purposes of Marathon's non-standard unit application, including in Texas.
- 36. **Exhibit B.7** is an affidavit of notice prepared by counsel for Marathon that shows the parties who were notified of this hearing, the status of whether they received notice, and an affidavit of publication from the Carlsbad Current Argus, confirming that notice of the originally scheduled March 2, 2023 hearing was published on February 15, 2023, and additional notice was published on March 22, 2023.
- 37. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.
- 38. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: April 17, 2023

Samuel Cox

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

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

CASE NO. 23357

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.



Received by OCD: 1/31/2023 9:07:37 AM

4. Marathon seeks approval of the 800-acre non-standard spacing unit for several

reasons.

5. First, Marathon seeks to minimize surface disturbance by consolidating facilities

and commingling production from the wells in the proposed non-standard spacing unit.

6. Approval of this application will allow Marathon to efficiently locate surface

facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote

effective well spacing, which is consistent with Division rules. See, e.g., Rule 19.15.16.7(P)

NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).

7. Second, to allow the wells to be dedicated to the acreage subject to the desired

Communitzation Agreement, Marathon requires approval of this corresponding non-standard

spacing unit in the Bone Spring formation.

8. Section 36 is located on the state line between New Mexico and Texas, and is the

equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead

proposing to drill across the entirety of Section 36.

9. Marathon sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Bone Spring formation underlying the proposed spacing unit to participate

in the drilling of the wells or to otherwise commit their interests to the wells.

10. The pooling of all interests in the Bone Spring formation underlying the proposed

unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an

Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as

required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

2

- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant

CASE NO. 23357: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

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

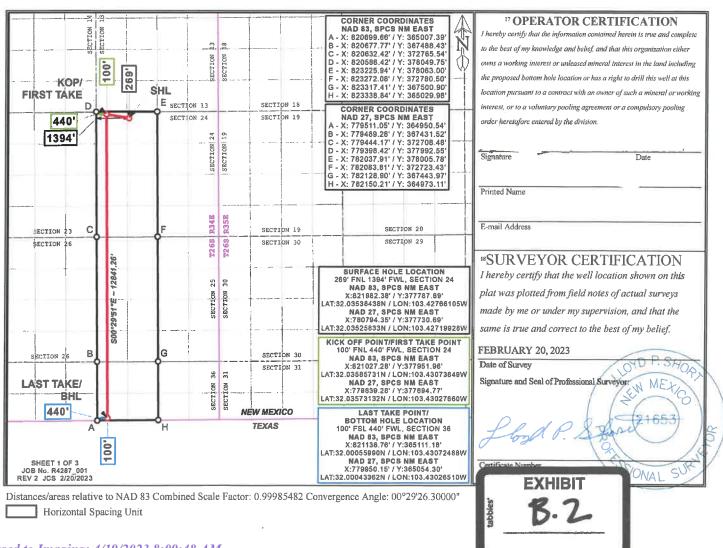
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 1	¹ API Number ² Pool Code ³ Pool Name												
				96672		WC-025 G-08 S263412K; BONE SPRING							
4 Property (Code				5 Property	Name			6 /	Vell Number			
			GOLIATH 24 FEDERAL COM							301H			
OGRID 1	OGRID No. 8 Operator Name									⁹ Elevation			
37209	8			MARA	THON OIL	N OIL PERMIAN LLC							
					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			
C	24	26S	34E		269	NORTH	ST	LEA					
"Data Hala I anti- If Different Programs Conference													

¹¹ Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Idn Feet from the North/South line East/West line Feet from the County **LEA** L 4 36 26S 34E 100 SOUTH 440 WEST 12 Dedicated Acres Joint or Infill ¹⁴ Consolidation Code 5 Order No. 789.94

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.



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

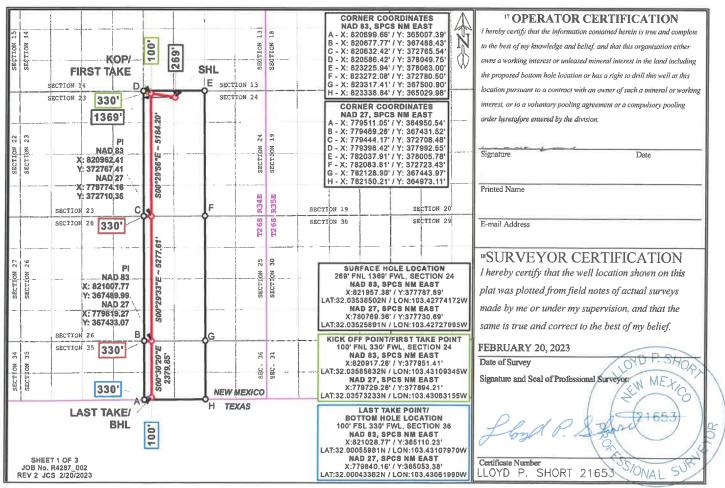
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code			
		96672	WC-025 G-08 S263412K; BC	NE SPRING	
⁴ Property Code		⁵ Pr	operty Name	⁶ Well Number	
		GOLIATH 2	4 FEDERAL COM	601H	
7 OGRID No.		8 OI	perator Name	⁹ Elevation	
372098		MARATHON	OIL PERMIAN LLC	3233'	

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
C	24	26S	34E		269	NORTH	1369	WEST	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
L 4	36	26S	34E		100	SOUTH	330	WEST	LEA
12 Dedicated Acres	¹³ Joint or	r Infill 14 C	Consolidation	Code 15 Or	der No.				
789.94									

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.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.99985482 Convergence Angle: 00°29'26.30000'

Horizontal Spacing Unit

<u>District 1</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
<u>District III</u>

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

L 3

12 Dedicated Acres

789.94

26S

36

³ Joint or Infill

34E

14 Consolidation Code

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

LEA

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number ² Pool Code								³ Pool Name				
				96672		WC-025 G-08 S263412K; BONE SPRING						
⁴ Property Code ⁵ Property Name								⁶ Well Number				
				GOL	ATH 24 FE	DERAL COM		602H				
⁷ OGRID No. ⁸ Operator Name									⁹ Elevation			
37209	98			MARA	THON OIL	THON OIL PERMIAN LLC 3235						
					¹⁰ Surface I	Location						
UL or lot no.	Section	Township	Range	Let Idn	Feet from the	North/South line	Feet from the	East	/West line	County		
C	24	26S 34E 269 NORTH 1469 WE					ST	LEA				
	Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	rom the North/South line Feet from the East/West line						

SOUTH

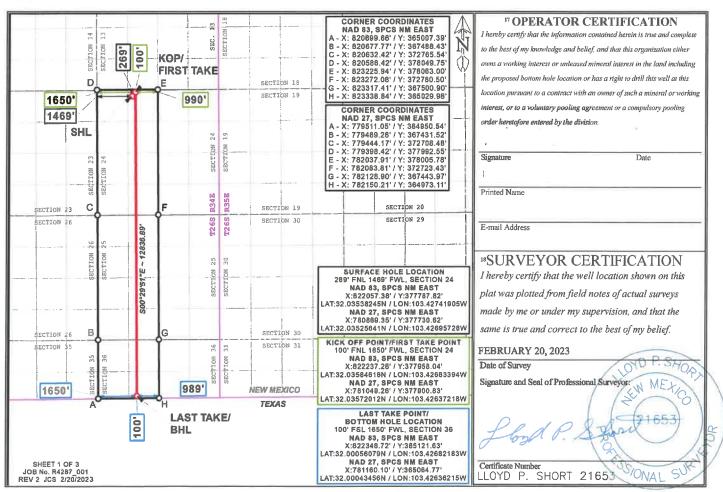
1650

WEST

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.

100

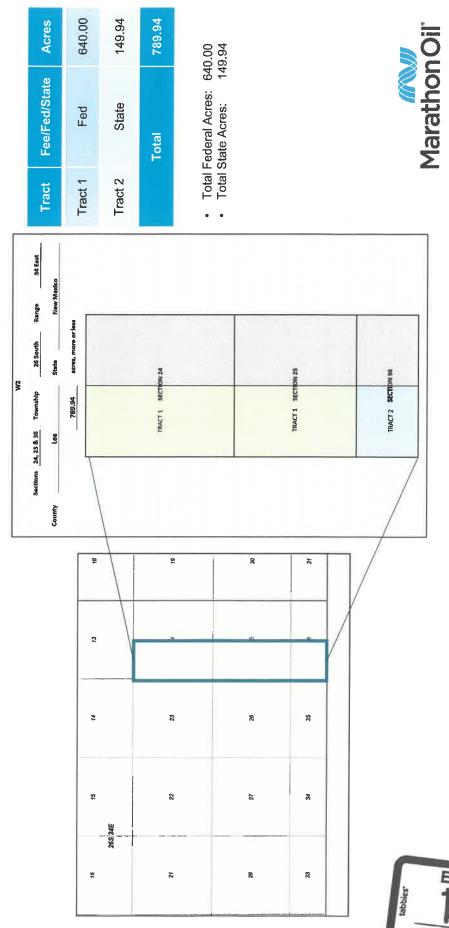
Order No.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.99985482 Convergence Angle: 00°29'26.30000'

Horizontal Spacing Unit

Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H & Goliath 24 Federal Com 602H W/2 Section 24, W/2 Section 25 & W/2 Section 36, T26S-R34E, Lea County, NM Lease Tract Map:





Summary of Working Interests:

W/2 Section 24, W/2 Section 25 & W/2 Section 36, T26S-R34E, Lea County, NM (789.94 Acre Spacing Unit) Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H & Goliath 24 Federal Com 602H

Committed Working Interest: Marathon Oil Permian LLC

Uncommitted Working Interest: EOG Resources, Inc

Tumbler Operating Partners, LLC

Cimarex Energy Co.

Red Dirt Energy LLC Walsh & Watts, Inc.

Cronus Mineral Holdings, LLC. FHW, Jr. - Oil, Ltd

0.759551%

3.007823%

8.952579% 3.630655% 3.225160% 1.687832% 0.752499% 0.189888% 0.309604%

32.425125%

43.438905%

43.438905% 56.561095% 0.315510% 0.217847% 0.165474%

0.121528%

0.040469% 0.1898888% 0.085450%

0.484214%

Minerva Resources, LLC Ed Davis

Wellbark Resources Group, LLC

Swan Exploration Lapetco

Maltay Investment Partners, Ltd.

John M. McCormack and wife, Maryanne McCormack
The Hamblin Living Trust u/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees

H.E. Davis Family Partnership, Ltd.

Isramco Energy, L.L.C.

Legacy Income Fund I, Ltd.



WIOSTO BE POOLED

E/2 Section 24, E/2 Section 25 & E/2 Section 36, T26S-R34E, Lea County, NM Goliath 24 Federal Com 703H & Goliath 24 Federal Com 704H

Uncommitted Working Interest Owners To Be

Tumbler Operating Partners, LLC Cronus Mineral Holdings, LLC. EOG Resources, Inc Red Dirt Energy LLC Cimarex Energy Co. Walsh & Watts, Inc. FHW, Jr. - Oil, Ltd Pooled

Wellbark Resources Group, LLC Lapetco

Minerva Resources, LLC

Ed Davis

Swan Exploration

John M. McCormack and wife, Maryanne Maltay Investment Partners, Ltd.

The Hamblin Living Trust u/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees H.E. Davis Family Partnership, Ltd.

McCormack

Isramco Energy, L.L.C.

Legacy Income Fund I, Ltd.



ORRI TO BE POOLED

Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H & Goliath 24 Federal Com 602H W/2 Section 24, W/2 Section 25 & W/2 Section 36, T26S-R34E, Lea County, NM

ORRI Owners:

Fortis Minerals II, LLC

Charles R. Wiggins and wife, Deborah Wiggins

Bascom Mitchell Family Partnership, LP

Brigham Minerals, LLC

Christine V. Grim Merchant, as her sole and separate property Enerstar Resources Oil & Gas, LLC

KMF Land, LLC

Frannifin Minerals, LLC

Galley NM Assets, LLC Hoshi Kanri, LLC

Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Trust James Baker Oil & Gas

Katherine Rogers Allen, as her sole and separate property

Louis A. Oswald, III, Trustee of the Oswald Family Trust, dated April 27, 1998 Matthew N. Sorenson, as his sole and separate property Kellie M. Kross, as her sole and separate property

MerPel, LLC

Michelle R. Hannifin

Mitchell Exploration Inc.

MW Oil Investment Company, Inc. Motowi, LLC

Oak Valley Mineral and Land, LP Newkumet Ltd.

Pegasus Resources II, LLC Penasco Petroleum, LLC

Post Oak Crown Minerals, LLC

Pumpkin Buttes, LLC

Richardson Mineral & Royalty, LLC Rolla R. Hinkle III

Shackelford Oil Company Sortida Resources, LLC TD Minerals, LLC

The EMG Revocable Trust u/a dated 11-1-2004 Eileen M. Grooms, Trustee The George Ann Pollard

Family Trust, Bryan Pollard as Trustee

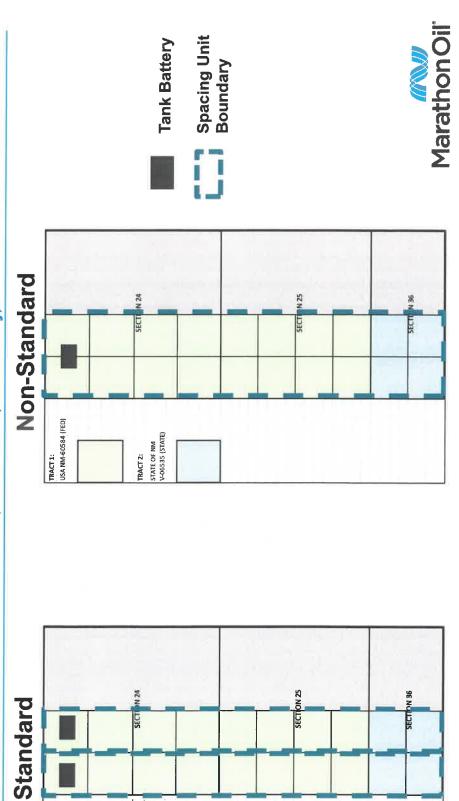
Viper Energy Partners, LLC



Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H & Goliath 24 Federal Com 602H W/2 Section 24, W/2 Section 25 & W/2 Section 36, T26S-R34E, Lea County, NM Standard Spacing Unit vs Non Standard Spacing Unit:

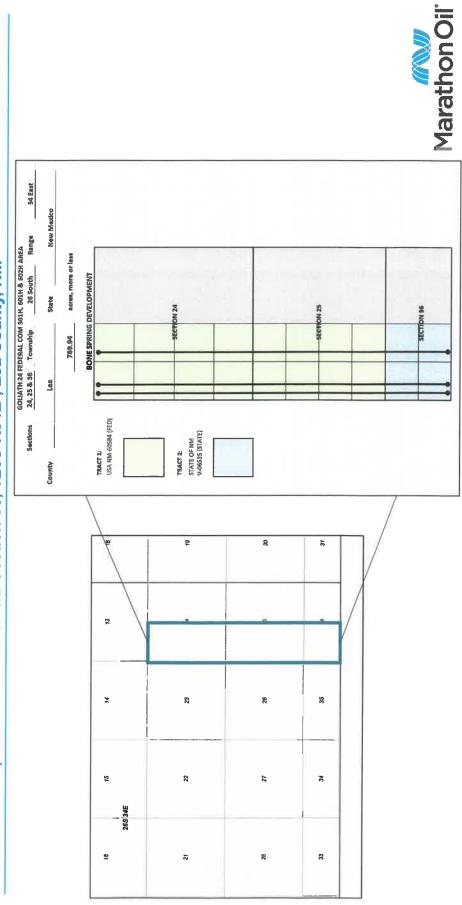
TRACT 1: USA NM-60584 (FED)

TRACT 2: STATE OF NM V-06535 (STATE)





Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H & Goliath 24 Federal Com 602H W/2 Section 24, W/2 Section 25 & W/2 Section 36, T26S-R34E, Lea County, NM Lease Tract Map:



Well List w/ Pool Code:

Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H & Goliath 24 Federal Com 602H W/2 Section 24, W/2 Section 25 & W/2 Section 36, T26S-R34E, Lea County, NM

GOLIATH 24 FEDERAL COM 301H, 601H & 602H AREA

BONE SPRING:

POOL CODE: [97947] WC-025 G-08 S263412K; BONE SPRING

GOLIATH 24 FEDERAL COM 301H GOLIATH 24 FEDERAL COM 601H

GOLIATH 24 FEDERAL COM 602H

(30-025-PENDING) (30-025-PENDING) (30-025-PENDING)

MarathonOil

Summary of Contacts:

Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H & Goliath 24 Federal Com 602H W/2 Section 24, W/2 Section 25 & W/2 Section 36, T26S-R34E, Lea County, NM

Summary of Contacts

- Marathon retained a broker who conducted extensive title work to determine the working interest owners and other interest owners
- Marathon searched public records, phone directory, and various different types of internet searches.
- Marathon sent well proposal letters to the working interest owners on or around January 4, 2023.
- Marathon proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners.
- Marathon sent the working interest owners JOAs.
- Marathon had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Marathon filed the application to force pool working interest owners who had not entered into an agreement.
- Marathon's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted interest owners and also for overriding royalty interest owners.
- Marathon also published notice in a newspaper of general circulation in the county where the wells will be located.





Summary of Contacts:

Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H & Goliath 24 Federal Com 602H W/2 Section 24, W/2 Section 25 & W/2 Section 36, T26S-R34E, Lea County, NM

Summary of Contacts with Working Interest Owners/Unleased Mineral Interest Owners to Be Pooled	Follow Up	Request verification of their working interest in the Gollath unit on 2/14/2023	Discussed development plans and verification of interest on 2/15/2023	Received proposals and no further inquiries received	Discussed development plans on 2/15/2023	Discussed development plans, verification of interest, and JOA provisions pm 2/23/23	Received proposals and no further inquiries received	Discussed development plans and verification of interest on 2/15/2023	Received proposals and no further inquiries received	Discussed development plans and verification of interest on 1/20/2023	Received proposals and no further inquiries received	Discussed development plans and verification of interest on 3/14/2023	Discussed development plans and verification of interest on 2/15/2023	Discussed development plans and verification of interest on 2/15/2023	Received proposals and no further inquiries received	Indicated intention to participate in Goliath wells on 1/23/2023	Discussed development plans, verification of interest, and JOA provisions on 1/39/2023	Received proposals and no further inquiries received	Request verification of their working interest in the Goliath unit 3/8/2023
nterest Owners/	Proposal Letter Received	1/9/2023	2/14/2023	1/9/2023	1/9/2023	2/13/2023	1/5/2023	1/20/2023	1/4/2023	1/5/2023	1/5/2023	2/22/2023	2/14/2023	2/14/2023	2/28/2023	1/9/2023	1/6/2023	2/25/2023	2/13/2023
with Working I	Date Proposal Letter Sent	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023	1/4/2023
f Contacts	% Interest	3.630655%	0.759551%	0.189888%	32.425125%	1.687832%	0.189888%	0.484214%	0.121528%	0.309604%	0.085450%	0.165474%	0.315510%	0.752499%	3.225160%	0.217847%	0.040469%	8.952579%	3.007823%
Summary o	Name	Cimarex Energy Co.	Cronus Mineral Holdings, LLC.	Ed Davis	EOG Resources, Inc	FHW, Jr Oil, Ltd	H.E. Davis Family Partnership, Ltd.	Isramco Energy, L.L.C.	John M. McCormack and wife, Maryanne McCormack	Lapetco	Legacy income Fund I, Ltd.	Maltay Investment Partners, Ltd.	Wellbark Resources Group, LLC	Minerva Resources, LLC	Red Dirt Energy LLC	Swan Exploration	The Hamblin Living Trust wa dated 1- 31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co- Trustees	Tumbler Operating Partners, LLC	Walsh & Watts, Inc.





DELIVERED VIA CERTIFIED MAIL

Samuel A. CoxSenior Land Professional
Land – Permian

Marathon Oil Permian LLC 990 Town & Country Blvd. Houston, TX 77024 Telephone 713-296-3152 Scox1@marathonoil.com

December 13, 2022

EOG Resources, Inc 5509 Champion Drive Midland, Texas 79706

Re: Well Proposal

Goliath 24 Federal Com 601H, 602H, 603H, 604H, 701H, 702H, 703H, & 704H

Sections 24, 25 & 36-T26S-R34E

Lea County, New Mexico

Dear Working Interest Owner:

Marathon Oil Permian LLC ("Marathon") proposes the drilling, completion, and equipping of the following wells located in Sections 24, 25 and 36-26S-34E, Lea County, New Mexico ("Subject Lands"), as follows:

Well Name	FTP	LTP	TVD / MD	Target Interval	Gross AFE Cost	Proration Unit
GOLIATH 24 FEDERAL COM 601H	330' FWL Section 24 & 100' FNL Section 24	330' FWL Section 36 & 100' FSL Section 36	12,600 / 25,350	Bone Spring	\$14,557,837	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 701H	990' FWL Section 24 & 100' FNL Section 24	990' FWL Section 36 & 100' FSL Section 36	12,850 / 25,600	Wolfcamp	\$14,600,566	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 602H	1,650' FWL Section 24 & 100' FNL Section 24	1650' FWL Section 36 & 100' FSL Section 36	12,600 / 25,350	Bone Spring	\$14,557,837	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 702H	2,310' FWL Section 24 & 100' FNL Section 24	2,310' FWL Section 36 & 100' FSL Section 36	12,850 / 25,600	Wolfcamp	\$14,600,566	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 603H	2,310' FEL Section 24 & 100' FNL Section 24	2,310' FEL Section 36 & 100' FSL Section 36	12,600 / 25,350	Bone Spring	\$14,557,837	E/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 703H	1,650' FEL Section 24 & 100' FNL Section 24	1,650' FEL Section 36 & 100' FSL Section 36	12,850 / 25,600	Wolfcamp	\$14,600,566	E/2 Sections 24, 25 & 36 (800 Acre Pool more or less)



GOLIATH 24 FEDERAL COM 604H	990' FEL Section 24 & 100' FNL Section 24	990' FEL Section 36 & 100' FSL Section 36	12,600 / 25,350	Bone Spring	\$14,557,837	E/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 704H	330' FEL Section 24 & 100' FNL Section 24	330' FEL Section 36 & 100' FSL Section 36	12,850 / 25,600	Wolfcamp	\$14,600,566	E/2 Sections 24, 25 & 36 (800 Acre Pool more or less)
GOLIATH 24 FEDERAL COM 301H	440' FWL Section 24 & 100' FNL Section 24	440' FWL Section 36 & 100' FSL Section 36	10,750 / 23,500	Bone Spring	\$14,845,922	W/2 Sections 24, 25 & 36 (800 Acre Pool more or less)

These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered. The AFEs represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred.

Marathon proposes drilling the well under the terms of the 1989 AAPL JOA and a form of this JOA will be sent to you following this proposal. The JOA will have these general provisions:

- 100%/300%/300% non-consent penalty
- \$8,000/\$800 drilling and producing rates
- Contract area of Section 24, 25, & 36-26S-34E, Lea County, New Mexico, covering the top of Bone Spring formation to the Base of Wolfcamp formation

If your election is to participate in the drilling and completion of the wells please sign and return a copy of this letter along with the enclosed AFE within thirty (30) days of receipt of this proposal.

If you would like to discuss a commercial agreement for your interest in the Subject Lands for the proposed wells please contact the undersigned. If Marathon is unable to reach a voluntary agreement for the development of the Subject Lands with all the interest owners in the proposed spacing unit(s), Marathon will file an application with the New Mexico Oil Conservation Division for an order pooling the Subject Lands.

Should you have any questions regarding this or other matters, please do not hesitate to contact me at the above listed numbers.

Sincerely,

Marathon Oil Permian LLC

Samuel A. Cox

Senior Land Professional

Permian

Election Sheet - Goliath 24 Federal Com Wells

Well Name	Election to Participate	Election NOT to Participate
GOLIATH 24 FEDERAL COM 601H		
GOLIATH 24 FEDERAL COM 701H		
GOLIATH 24 FEDERAL COM 602H		
GOLIATH 24 FEDERAL COM 702H		
GOLIATH 24 FEDERAL COM 603H		
GOLIATH 24 FEDERAL COM 703H		
GOLIATH 24 FEDERAL COM 604H		
GOLIATH 24 FEDERAL COM 704H		
GOLIATH 24 FEDERAL COM 301H		

EOG Resources, Inc
By:
Print Name:
Title:
Date:

MARATHON OIL PERMIAN LLC DATE 12/13/2022 **AUTHORITY FOR EXPENDITURE DRILLING & LOCATION PREPARED BY COURT NELSON DETAIL OF ESTIMATED WELL COSTS** COMPLETION PREPARED BY KRISTEN DRAIN FACILITIES PREPARED BY HARSHA DISSANAYAKE ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE **Asset Team PERMIAN** BONE SPRING FORMATION: FB Field WILDCAT EXPLORATION Lease/Facility **GOLIATH 24 FEDERAL COM 301H** DEVELOPMENT RECOMPLETION Location SEC. 24, 25 & 36-26S-34E, LEA CO **EXPLOITATION** WORKOVER Prospect **Est Total Depth** 23,500 **Est Drilling Days** 32.392 **Est Completion Days LOCATION COST - INTANGIBLE GL CODE** DESCRIPTION **ESTIMATED COST** 7001270 **Location and Access** 165,000 7001250 **Land Broker Fees and Services** 110,000 **TOTAL LOCATION COST - INTANGIBLE** \$275,000 **DRILLING COST - TANGIBLE** 7001270 **Conductor Pipe** 35,378 7012050 Surface Casing 56,604 7012050 Intermediate Casing 1 145,756 7012050 Intermediate Casing 2 7012050 **Production Casing** 713,215 7012050 Drlg Liner Hanger, Tieback Eq & Csg Accessories 35,378 7012550 33,963 **Drilling Wellhead Equipment** 7012040 **Casing & Tubing Access** 77,831 Miscellaneous MRO Materials 7290003 7,076 **TOTAL DRILLING - TANGIBLE** \$1,105,201 **DRILLING COST - INTANGIBLE** 7290002 Drilling Rig Mob/Demob 91,982 Drilling Rig - day work/footage 792,461 7290002 7019040 **Directional Drilling Services** 278,211 7019020 Cement and Cementing Service Surface 35,378 7019020 Cement and Cementing Service Intermediate 1 56,604 Cement and Cementing Service Intermediate 2 7019020 Cement and Cementing Service Production 176.889 7019020 7019140 Mud Fluids & Services 99,765 7012310 Solids Control equipment 71,322 7012020 Bits 212,266 **Casing Crew and Services** 56,604 7019010 122.832 7016350 Fuel (Rig) 7019140 Fuel (Mud) 42,453 7001460 Water (non potable) 35,378 Water (potable) 7,076 7012350 **Well Logging Services** 7019000 24.092 7019150 Mud Logging+geosteering 7019250 Stabilizers, Hole Openers, Underreamers (DH rentals) 49,529 21,227 7019110 Casing inspection/cleaning 14,151 7019110 Drill pipe/collar inspection services 7016180 Freight - truck 35,378 7001460 Water hauling and disposal (includes soil farming) 84.907 7001160 Contract Services - Disposal/Non-Hazardous Waste 113,209 7001440 Vacuum Trucks 14,151 42,453 7000030 Contract Labor - general 4.245 7000010 **Contract Labor - Operations** 7001200 **Contract Services - Facilities** 14,151 7019300 Well Services - Well Control Services 32,901 7019350 Well Services - Well/Wellhead Services 14,151 19,812 Rental Tools and Equipment (surface rentals) 7290003 7260001 Rig Equipment and Misc. 158,492 7001110 **Telecommunications Services** 7,076 166,417 7001120 **Consulting Services** Safety and Environmental 55,472 7001400 19,812 Rental Buildings (trailers) 7330002 7019310 Coring (sidewalls & analysis) 7011010 8% Contingency & Taxes

MARATHON OIL PERMIAN LIC AUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WILL COSTS		TOTAL DRILLING - INTANGIBLE	\$3,296,929
ALTHORITY OR DEPENDITURE DETAIL OF STIMATED WELL COSTS		TOTAL DRILLING COST	\$4,402,130
Asset Team Field	MARATHON OIL PERMIAN LLC		DATE 12/13/2022
Asset Team FIRM FORMATION: FB GOUATH 24 FEDERAL COM 301H	AUTHORITY FOR EXPENDITURE		
FLOREST FORT FORT	DETAIL OF ESTIMATED WELL COSTS		
FLORISTIC LICASOF ACIDITY			
COMPLETION - TANGIBLE			
COMPLETION - TANGIBLE			
Post	Ecosof i denicy		
Tubing T	COMPLETION - TANGIBLE		
Tubing Accessories (nipple, wireline entry)	GL CODE	DESCRIPTION	ESTIMATED COST
Total	7012580	Tubing	
TOTAL COMPLETION - TANGIBLE	7012040	Tubing Accessories (nipple, wireline entry)	8
COMPLETION - INTANGIBLE S12			15,000
COMPLETION - INTANGIBLE	7012560	Packers - Completion Equipment	-0: 15
Tools70		TOTAL COMPLETION - TANGIBLE	\$15,000
	COMPLETION - INTANGIBLE		
T250002			
T019140			12,742
Total			
7019240			
Pulling/Swab Units			200,235
T016350			- : - · · · · · · · · · · · · · · · · ·
T019101			
7019020 Cement and Cementing Services 328 7019080 Fracturing Services (flow hand & equip) 336 7390002 Fracturing Services 5,238 7390002 Fracturing Services 5,238 7019330 Perforating 237 7019360 Wireline Services 7019360 Wireline Services 7019360 Wireline Services 7019360 Wireline Services 7019360 Water Hauling & Disposal (frac fluids) 252 7016180 Freight - Truck (haul pipe; drig & compl) 7290003 BOP Rental & Testing Freight - Truck (haul pipe; drig & compl) 7290003 Contract Labor - general 7290003 Contract Labor - general 7290003 Contract Labor - general 7001100 Safety and Environmental 7001100 Safety and Environmental 7001100 Safety and Environmental 7001100 Safety and Environmental 7019300 Frack Stack Rentals 719 Frack Stack Rentals 7260001 Frack Stack Rentals 7260001 Frack Stack Rentals 7260001 Frack Stack Rentals 7260001 Frack Stack Rentals (m/o operator, frac tanks, lightplants) 231 Rental Buildings (trallers) 7010100 Safety Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 70000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 45 7010100 7000000 Contract Labor - Pumping (pump-down pumps) 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 7010100 70101000000 7010100000000 701010000000000		Fuel (from drlg)	
Moli Testing Services (flow hand & equip) 336 7390002 Fracturing Services 5,238 7019330 Perforating 237 7019360 Wireline Services Wireline Services 252 7015180 Wireline Services Water Hauling & Disposal (frac fluids) 252 7015180 Freight - Truck (haul pipe; drig & compi) 7290003 BOP Rental & Testing 7290003 C Downhole Rental Equipment (incl drig; lightplant, hydra-walk) 7290003 C Downhole Rental Equipment (incl drig; lightplant, hydra-walk) 59 7290003 C Downhole Rental Equipment (incl drig; lightplant, hydra-walk) 59 7290003 C Downhole Rental Equipment (incl drig; lightplant, hydra-walk) 59 7000030 Telecommunications Services 45 7000030 Telecommunications Services 45 7000030 Telecommunications Services 119 7001120 Zipper Manifold 119 7011300 Frack Stack Rentals 154 7016180 Frack Stack Rentals 154 7016180 Frack Stack Rental 164 Freight (Transportation Services) 8 7250001 Equipment Rental (lw/o operator, frac tanks, lightplants) 231 7300002 Rental Buildings (tallers) 231 7300003 Contract Labor - Pumping (pump-down pumps) 45 8 8 Contingency & Taxes 7011010 Telecommunication services 237 7011010 7000030 Contract Labor - Pumping (pump-down pumps) 237			
Fracturing Services 5,238			
Perforating 237			336,045
Mireline Services Water Hauling & Disposal (frac fluids) 252	7390002		5,238,714
Water Hauling & Disposal (frac fluids) 252	7019330		237,966
Total	7019360	_	
BOP Rental & Testing Rental Tools and Equipment (Incl drig; lightplant, hydra-walk)			252,195
Rental Tools and Equipment (Incl drig; lightplant, hydra-walk) 59 7290003			
CT Downhole Rental Equipment (ie. Bit, BHA) 59 7290003			
T790003			
Telecommunications Services 45			59,160
Note			47.700
TODIA100 Consulting Services 119 7001120 719300 Frack Stack Rentals 154 7016180 7260001 7260001 7330002 7000030 701010 7012410 7012410 7012270 7012410 7012410 7012410 701080060 7016180			45,508
TOTAL COMPLETION COST \$7,136,			
Total completion Frack Stack Rentals 154			119,686
Total Completion Cost State			179,090
T260001 Equipment Rental (w/o operator, frac tanks, lightplants) 231			154,727
7330002 Rental Buildings (trailers) 45 7000030 Contract Labor - Pumping (pump-down pumps) 45 45 7011010 8% Contingency & Taxes			8,738 231,477
Contract Labor - Pumping (pump-down pumps) 45 8% Contingency & Taxes			- 231,477
TOTAL COMPLETION - INTANGIBLE \$7,12:			45,508
TOTAL COMPLETION COST \$7,136,			•
SURFACE EQUIPMENT - TANGIBLE		TOTAL COMPLETION - INTANGIBLE	\$7,121,792
SURFACE EQUIPMENT - TANGIBLE			
7012350 Misc. Piping, Fittings & Valves 218 7006640 Company Labor & Burden 237 7000030 Contract Labor - General 237 7001110 Telecommunication equip (Telemetry) 63 7012410 Line Pipe & Accessories 63 7012270 Miscellaneous Materials (containment system) 65 7008060 SCADA 20 7016180 Freight - truck 21		TOTAL COMPLETION COST	\$7,136,792
7006640 Company Labor & Burden 7000030 Contract Labor - General 237 7001110 Telecommunication equip (Telemetry) 57012410 Line Pipe & Accessories 63 7012270 Miscellaneous Materials (containment system) 65 7008060 SCADA 20 7016180 Freight - truck 21	SURFACE EQUIPMENT - TANGIBLE		
7006640 Company Labor & Burden 7000030 Contract Labor - General 237 7001110 Telecommunication equip (Telemetry) 502 17012410 Line Pipe & Accessories 63 7012270 Miscellaneous Materials (containment system) 65 7008060 SCADA 20 7016180 Freight - truck 21	7012350	Misc. Pioing. Fittings & Valves	218,349
700030 Contract Labor - General 237 700110 Telecommunication equip (Telemetry) 502 7012410 Line Pipe & Accessories 63 7012270 Miscellaneous Materials (containment system) 65 7008060 SCADA 20 7016180 Freight - truck 21			-
Telecommunication equip (Telemetry)			237,138
7012410 Line Pipe & Accessories 63 7012270 Miscellaneous Materials (containment system) 65 7008060 SCADA 20 7016180 Freight - truck 21			-
7012270 Miscellaneous Materials (containment system) 65. 7008060 SCADA 20. 7016180 Freight - truck 21.			63,213
7008060 SCADA 20 7016180 Freight - truck 21			65,845
7016180 Freight - truck 21		_	20,831
40		_	21,777
7001100 (Ontract Engineering		Contract Engineering	13,490
7.00000			369,506

7012290	I&E Materials	216,742		
7012200	Gas Treating			
7012200	Dehydration			
7012010	Compressor	25,076		
7012350	Power			
7012610	Vapor Recovery Unit	=======================================		
	7012440 Separator & other pressure vessels			
7012500				
	7012100 Heater Treater 7012640 Flare & Accessories			
7000010	Electrical Labor	119,762		
7000010	Mechanical Labor	258,984		
	7012480 Rod Pumping unit & Pad 7012180 Pumping Unit Engine			
7012350	Electrical Power (electrical cooperative construction costs)	48,515		
	TOTAL SURFACE EQUIPMENT - TANGIBLE	\$2,300,000		
	TOTAL SURFACE EQUIPMENT COST	\$\$		
ARTIFICIAL LIFT				
7000030	Contract Labor	8,612		
7001120	Consultant	6,889		
	7008230 Time Writing/Overhead 7012180 Artificial Lift Equipment 7012350 Materials & Supplies 7012550 Production Tree			
7012580	Tubing	180,847		
7016190	Freight	8,612		
7018150	Rentals	10,334		
7019130	KIII Fluid	3,445		
7019220	Well Services & Rig	41,336		
	TOTAL ARTIFICIAL LIFT	732,000		
	TOTAL ARTIFICIAL LIFT COST	\$732,000		
	SUMMARY OF ESTIMATED DRILLING WELL	COSTS TOTAL COST		
	TOTAL LOCATION COST	\$ 275,000		
	TOTAL LOCATION COST			
	TOTAL DRILLING COST	\$ 4,402,130		
	TOTAL COMPLETIONS COST	\$ 7,136,792		
	TOTAL SURFACE EQUIPMENT COST	\$ 2,300,000		
	TOTAL ARTIFICIAL LIFT COST	\$ 732,000		
	CRAND TOTAL COST	Ć1 A QAE 022		
	GRAND TOTAL COST	\$14,845,922		

MARATHON OIL PERMIAN LLC **AUTHORITY FOR EXPENDITURE**

12/13/2022 DRILLING & LOCATION PREPARED BY COURT NELSON

DETAIL OF ESTIMATED WELL COSTS				COMPLETION PREPARED BY	KRISTEN DRAIN
				FACILITIES PREPARED BY	HARSHA DISSANAYAKE
				ARTIFICIAL LIFT PREPARED BY	CRAIG PLANTE
Asset Team	PERMIAN FORMA	TION: TO		WILDOAT	EVOI OR LEIGH
Field Lease/Facility	GOLIATH 24 FEDERAL CO			WILDCAT DEVELOPMENT	EXPLORATION RECOMPLETION
Location	SEC. 24, 25 & 36-265-34E		Х	EXPLOITATION	WORKOVER
Prospect	Red Hills	, LLA CO			- WORKOVEK
Trospect	wes iiiis				
Est Total Depth	25,350 E	st Drilling Days	35.092	Est Completion Days	9
LOCATION COST - INTANGIBLE					
GL CODE	DESCRIPTION				ESTIMATED COST
7001270	Location and A	Access			165,000
7001250	Land Broker F	ees and Services			110,000
	TOTAL LOCATION COST -	INTANGIBLE			\$275,000
DRILLING COST - TANGIBLE					
7001270	Conductor Pip	•			27 422
701270	Surface Casing				37,422 59,875
7012050	Intermediate				33,013
7012050	Intermediate (393,679
7012050	Production Ca				645,154
7012050	Drig Liner Han	ger, Tieback Eq & C	sg Accessories		37,422
7012550	Drilling Wellho	ad Equipment			35,925
7012040	Casing & Tubir				97,297
7290003	Miscellaneous	MRO Materials			7,484
	TOTAL DRILLING - TANGI	BLE			\$1,314,258
DRILLING COST - INTANGIBLE					
Difference COST - INTENTIONEE					
7290002	Drilling Rig Mo	b/Demob			97,297
7290002		y work/footage			966,983
7019040	Directional Dri	lling Services			345,779
7019020		ementing Service Su			37,422
7019020	_	ementing Service Int			
7019020		ementing Service Int			67,359
7019020 7019140	Mud Fluids & S	ementing Service Pro	pauction		149,688
7012310	Solids Control				87,028
7012020	Bits	Equipment			224,532
7019010	Casing Crew a	nd Services			67,359
7016350	Fuel (Rig)				149,882
7019140	Fuel (Mud)				119,750
7001460	Water (non po				37,422
7012350	Water (potable				7,484
7019000	Well Logging S				
7019150	Mud Logging+		namera /DU nam	teta)	30,312
7019250 7019110	Casing inspect	e Openers, Underre	eamers (Un ren	taisj	52,391 22,453
7019110		r inspection service	is .		14,969
7016180	Freight - truck	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			37,422
7001460		and disposal (include	des soil farming		269,438
7001160		es - Disposal/Non-			119,750
7001440	Vacuum Truck				14,969
7000030	Contract Labor	- general			44,906
7000010	Contract Labor				4,491
7001200	Contract Servi				14,969
7019300		Well Control Service			38,021
7019350		Well/Wellhead Ser			14,969
7290003	_	nd Equipment (surfa	ice rentais)		24,175
7260001	Rig Equipment	and Misc. ations Services			193,397 7,484
7001110 7001120	Consulting Ser				203,066
7001120	Safety and Env				67,689
7330002	Rental Building				24,175
733002	Coring (sidewa				,
7011010	8% Contingence				405,247

	TOTAL DRILLING - INTANGIBLE .	\$4,156,572
	TOTAL DRILLING COST	\$5,470,830
MARATHON OIL PERMIAN LLC AUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WELL COSTS		DATE 12/13/2022
Asset Team	PERMIAN	
Field	FORMATION: TB	
Lease/Facility	GOLIATH 24 FEDERAL COM 601H	
COMPLETION - TANGIBLE		
GL CODE	DESCRIPTION	ESTIMATED COST
7012580 7012040	Tubing Tubing Accessories (nipple, wireline entry)	
7012550	Wellhead Equip	15,000
7012560	Packers - Completion Equipment	13,000
	TOTAL COMPLETION - TANGIBLE	\$15,000
COMPLETION - INTANGIBLE	TOTAL CONFLETION - TANGIBLE	\$15,000
7001270	Location and Access (dress location after rig move, set anchors)	12,742
7290002	Drilling Rig During Completion	
7019140	Mud Fluids & Services	
7019030	Coiled Tubing Services (3 runs)	200,235
7019240	Snubbing Services	7
7019270	Pulling/Swab Units	
7016350 7019010	Fuel (from drlg) Casing Crew and Services	
7019010	Casing Crew and Services Cement and Cementing Services	
7019020	Well Testing Services (flow hand & equip)	392,912
7390002	Fracturing Services	5,238,714
7019330	Perforating	237,966
7019360	Wireline Services	3
7001460	Water Hauling & Disposal (frac fluids)	294,543
7016180	Freight - Truck (haul pipe; drig & compl)	
7290003	BOP Rental & Testing	
7290003	Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)	<u> </u>
7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	59,160
7290003	Contract Labor - general	45.500
7000030 7001110	Telecommunications Services Safety and Environmental	45,508
700110	Consulting Services	119,686
7001120	Zipper Manifold	179,090
7019300	Frack Stack Rentals	154,727
7016180	Freight (Transportation Services)	8,738
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	231,477
7330002	Rental Buildings (trailers)	
7000030 7011010	Contract Labor - Pumping (pump-down pumps) 8% Contingency & Taxes	45,508
	TOTAL COMPLETION - INTANGIBLE	\$7,221,007
	TOTAL COMPLETION COST	\$7,236,007
SURFACE EQUIPMENT - TANGIBLE		
7012350	Misc. Piping, Fittings & Valves	81,833
7006640	Company Labor & Burden	
7000030	Contract Labor - General	88,875
7001110	Telecommunication equip (Telemetry)	
7012410	Line Pipe & Accessories	23,691
7012270	Miscellaneous Materials (containment system)	24,678
7008060	SCADA	7,807
7016180	Freight - truck	8,162 5,056
7001190 7012290	Contract Engineering Metering and Instrumentation	138,484
1012230	metering and most americandii	130,404

7012290	I&E Materials		81,231
7012200	Gas Treating		-
7012200	Dehydration	-	
7012010	Compressor		9,398
7012350	Power		
7012610	Vapor Recovery Unit	_	
7012440	Separator & other pressure vessels	-	131,307
7012500	Tanks	-	
7012100	Heater Treater	-	23,113
7012640		-	68,312
	Flare & Accessories	-	9,923
7000010	Electrical Labor		44,885
7000010	Mechanical Labor	-	97,063
7012480	Rod Pumping unit & Pad	-	
7012180	Pumping Unit Engine		
7012350	Electrical Power (electrical cooperative construction costs)		18,183
	TOTAL SURFACE EQUIPMENT - TANGIBLE	_	\$862,000
	TOTAL SURFACE EQUIPMENT COST	\$	862,000
ARTIFICIAL LIFT			
7000030	Contract Labor		8,400
7001120	Consultant		6,720
7001120	Time Writing/Overhead		
7008230			8,400
	Artificial Lift Equipment	_	440,160
7012350	Materials & Supplies		3,360
7012550	Production Tree		8,400
7012580	Tubing		176,400
7016190	Freight		8,400
7018150	Rentals		10,080
7019130	Kill Fluid		3,360
7019220	Well Services & Rig		40,320
	TOTAL ARTIFICIAL LIFT	8	714,000
	TOTAL ARTIFICIAL LIFT COST	\$	714,000
	CUMMANDY OF SCHMANTED DRIVING WITH COSTS		OTAL COST
	SUMMARY OF ESTIMATED DRILLING WELL COSTS	T	OTAL COST
	TOTAL LOCATION COST	\$	275,000
		\$	275,000 5,470,830
	TOTAL LOCATION COST	\$	275,000 5,470,830
	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$ \$ \$	275,000 5,470,830 7,236,007
	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$	275,000 5,470,830 7,236,007 862,000
	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$ \$ \$	275,000 5,470,830 7,236,007
	TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$	275,000 5,470,830 7,236,007 862,000

MARATHON OIL PERMIAN LLC DATE 12/13/2022 **AUTHORITY FOR EXPENDITURE DRILLING & LOCATION PREPARED BY COURT NELSON DETAIL OF ESTIMATED WELL COSTS** COMPLETION PREPARED BY KRISTEN DRAIN FACILITIES PREPARED BY HARSHA DISSANAYAKE ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE **Asset Team** PERMIAN Field BONE SPRING FORMATION: TB WILDCAT EXPLORATION Lease/Facility GOLIATH 24 FEDERAL COM 602H DEVELOPMENT RECOMPLETION Location SEC. 24, 25 & 36-26S-34E, LEA CO EXPLOITATION WORKOVER Prospect Red Hills **Est Total Depth** Est Drilling Days 25,350 35.092 Est Completion Days **LOCATION COST - INTANGIBLE GL CODE** DESCRIPTION **ESTIMATED COST** 7001270 **Location and Access** 165,000 7001250 Land Broker Fees and Services 110,000 0 TOTAL LOCATION COST - INTANGIBLE \$275,000 **DRILLING COST - TANGIBLE** 7001270 **Conductor Pipe** 37,422 7012050 **Surface Casing** 59,875 7012050 Intermediate Casing 1 7012050 Intermediate Casing 2 393,679 7012050 **Production Casing** 645.154 7012050 Drlg Liner Hanger, Tieback Eq & Csg Accessories 37,422 7012550 **Drilling Wellhead Equipment** 35,925 7012040 **Casing & Tubing Access** 97,297 7290003 Miscellaneous MRO Materials 7,484 **TOTAL DRILLING - TANGIBLE** \$1,314,258 **DRILLING COST - INTANGIBLE** 7290002 Drilling Rig Mob/Demob 97,297 7290002 Drilling Rig - day work/footage 966,983 7019040 **Directional Drilling Services** 345,779 Cement and Cementing Service Surface 7019020 37,422 7019020 Cement and Cementing Service Intermediate 1 67,359 7019020 Cement and Cementing Service Intermediate 2 7019020 **Cement and Cementing Service Production** 149.688 7019140 **Mud Fluids & Services** 194,295 7012310 Solids Control equipment 87,028 7012020 Bits 224,532 7019010 **Casing Crew and Services** 67.359 7016350 Fuel (Rig) 149,882 7019140 Fuel (Mud) 119,750 7001460 Water (non potable) 37,422 7012350 Water (potable) 7,484 **Well Logging Services** 7019000 7019150 Mud Logging+geosteering 30.312 7019250 Stabilizers, Hole Openers, Underreamers (DH rentals) 52,391 7019110 Casing inspection/cleaning 22,453 7019110 Drill pipe/collar inspection services 14,969 Freight - truck 7016180 37,422 7001460 Water hauling and disposal (includes soil farming) 269,438 7001160 Contract Services - Disposal/Non-Hazardous Waste 119,750 7001440 Vacuum Trucks 14,969 7000030 **Contract Labor - general** 44,906 7000010 **Contract Labor - Operations** 4,491 7001200 **Contract Services - Facilities** 14,969 7019300 **Well Services - Well Control Services** 38,021 Well Services - Well/Wellhead Services 7019350 14.969 7290003 Rental Tools and Equipment (surface rentals) 24,175 7260001 Rlg Equipment and Misc. 193,397 7001110 **Telecommunications Services** 7,484 7001120 **Consulting Services** 203,066 7001400 Safety and Environmental 67,689 Rental Buildings (trailers) 7330002 24,175 7019310 Coring (sidewalls & analysis) 7011010 8% Contingency & Taxes 405,247

	TOTAL DRILLING - INTANGIBLE	\$4,156,572
	TOTAL DRILLING COST	\$5,470,830
MARATHON OIL PERMIAN LLC	DATE	12/13/2022
AUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WELL COSTS		
Asset Team	PERMIAN	
Field	FORMATION: TB	
Lease/Facility	GOLIATH 24 FEDERAL COM 602H	
COMPLETION - TANGIBLE		
GL CODE	DESCRIPTION	ESTIMATED COST
7012580	Tubing	
7012040	Tubing Accessories (nipple, wireline entry)	
7012550	Wellhead Equip	15,000
7012560	Packers - Completion Equipment	
	TOTAL COMPLETION - TANGIBLE	\$15,000
COMPLETION - INTANGIBLE		
7001270	Location and Access (dress location after rig move, set anchors)	12,742
7290002	Drilling Rig During Completion	
7019140	Mud Fluids & Services	
7019030	Colled Tubing Services (3 runs)	200,235
7019240	Snubbing Services	
7019270	Pulling/Swab Units	
7016350	Fuel (from drlg)	
7019010	Casing Crew and Services	
7019020	Cement and Cementing Services	
7019080	Well Testing Services (flow hand & equip)	392,912
7390002	Fracturing Services	5,238,714
7019330	Perforating	237,966
7019360	Wireline Services	
7001460	Water Hauling & Disposal (frac fluids)	294,543
7016180	Freight - Truck (haul pipe; drig & compl)	
7290003	BOP Rental & Testing	-
7290003	Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)	
7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	59,160
7290003	Contract Labor - general	45.500
7000030	Telecommunications Services	45,508
7001110	Safety and Environmental	119,686
7001400	Consulting Services	179,090
7001120 7019300	Zipper Manifold Frack Stack Rentals	154,727
7016180	Freight (Transportation Services)	8,738
7260001	Equipment Rental (w/o operator, frac tanks, lightplants)	231,477
7330002	Rental Buildings (trailers)	
7000030	Contract Labor - Pumping (pump-down pumps)	45,508
7011010	8% Contingency & Taxes	<u>.</u>
	TOTAL COMPLETION - INTANGIBLE	\$7,221,007
	TOTAL COMPLETION COST	\$7.736.007
	TOTAL COMPLETION COST	\$7,236,007
SURFACE EQUIPMENT - TANGIBLE		
7012350	Misc. Piping, Fittings & Valves	81,833
7006640	Company Labor & Burden	
7000030	Contract Labor - General	88,875
7001110	Telecommunication equip (Telemetry)	63.444
7012410	Line Pipe & Accessories	23,691
7012270	Miscellaneous Materials (containment system)	24,678
7008060	SCADA	7,807
7016180	Freight - truck	8,162
7001190	Contract Engineering	5,056
7012290	Metering and Instrumentation	138,484

7012290	I&E Materials		81,231
7012200	Gas Treating		
7012200	Dehydration		-
7012010	Compressor		9,398
7012350	Power		9.6
7012610	Vapor Recovery Unit		
7012440	Separator & other pressure vessels		131,307
7012500	Tanks		23,113
7012100	Heater Treater		
		_	68,312
7012640	Flare & Accessories		9,923
7000010	Electrical Labor	-	44,885
7000010	Mechanical Labor		97,063
7012480	Rod Pumping unit & Pad		
7012180	Pumping Unit Engine		
7012350	Electrical Power (electrical cooperative construction costs)	-	18,183
	TOTAL SURFACE EQUIPMENT - TANGIBLE	U	\$862,000
	TOTAL SURFACE EQUIPMENT COST	\$	862,000
ARTIFICIAL LIFT			
7000030	Contract Labor		8,400
7001120	Consultant		6,720
7008230	Time Writing/Overhead	-	8,400
		-	
7012180	Artificial Lift Equipment	_	440,160
7012350	Materials & Supplies		3,360
7012550	Production Tree		8,400
7012580	Tubing		176,400
7016190	Freight		8,400
7018150	Rentals		10,080
7019130	Kill Fluid		3,360
7019220	Well Services & Rig		40,320
	TOTAL ARTIFICIAL LIFT		714,000
	TOTAL ARTIFICIAL LIFT COST	\$	714,000
	SUMMARY OF ESTIMATED DRILLING WELL COSTS	7	TOTAL COST
	TOTAL LOCATION COST	\$	275 000
	TOTAL LOCATION COST		275,000
	TOTAL DRILLING COST	\$	5,470,830
	TOTAL COMPLETIONS COST	\$	7,236,007
		\$	
	TOTAL SURFACE EQUIPMENT COST	-	862,000
	TOTAL ARTIFICIAL LIFT COST	\$	714,000
	GRAND TOTAL COST		\$14,557,837

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

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

CASE NOS. 23355 -23358

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Marathon Oil Permian, LLC, the Applicant herein, declares as follows:

- The above-referenced Applications were provided under notice letter, dated February 7,
 and attached hereto, as Exhibit A.
- 2) Exhibit B is the mailing list, which show the notice letters were delivered to the USPS for mailing on February 7, 2023.
- 3) Exhibit C is the mailing list which shows notice letters were delivered to the USPS for mailing on March 13, 2023 for eight updated/corrected addresses.
- 4) Exhibit D is the certified mailing tracking information for both notice letter mailings, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. These spreadsheets show the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 5) Exhibit E is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the March 2, 2023 hearing was published on February 15, 2023.
- 6) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: April 18, 2023

Deana M. Bennett



February 7, 2023

Deana M. Bennett 505.848.1834 dmb@modrall.com

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

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

CASE NO. 23355

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

CASE NO. 23356

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

CASE NO. 23357

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

CASE NO. 23358

TO: AFFECTED PARTIES

This letter is to advise you that Marathon Oil Permian, LLC ("Marathon") has filed the enclosed applications.

In Case No. 23355, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 703H and Goliath 24 Federal Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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

Modrall Sperling 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



Page 2

involved in drilling said wells. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23356, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23357, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23358, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 603H, and Goliath 24 Federal Com 604H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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The hearing will be conducted remotely on March 2, 2023 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to continuance by the Division to a subsequent docket date.

As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in these cases, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in these cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

Deana M. Bennett

Attorney for Applicant

Decra M. Bennett

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

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

CASE NO. 23355

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill the Goliath 24 Federal Com 703H and Goliath 24 Federal Com 704H wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
- 4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

Released to Imaging: 1/31/2023 8:59:43 AM

- 5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.
- 8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 10. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Wolfcamp spacing unit;

- B. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Welma M. Bennett
Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant CASE NO. 23355: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 703H and Goliath 24 Federal Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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

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

CASE NO. 23356

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill the Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
- 4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

- 5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.
- 8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 10. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Wolfcamp spacing unit;

- B. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Wella H. Bennett
Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant

CASE NO. 23356: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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

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

CASE NO. **23357**

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.

- 4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.
- 5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.
- 8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Nema M. Bennett
Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant

CASE NO. 23357: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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

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

CASE NO. 23358

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill Goliath 24 Federal Com 603H and Goliath 24 Federal Com 604H wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
- 4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

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- 5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.
- 8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

M. Bennett

Telephone: 505.848.1800
Attorneys for Applicant

CASE NO. 23358: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 603H, and Goliath 24 Federal Com 604H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

Firm Mailing Book ID: 240799

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PS Form 3877

Type of Mailing: CERTIFIED MAIL 02/07/2023

Ge Goliath Certified Promise 2023 Walz Certified Promise 2023 81363 Goliath Reference Contents Notice Rest.Del.Fee \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 NA 52.10 RR Fee \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 \$2.10 Service Fee щ \$4.03U \$4.15 \$4.15 \$4.15 \$4.15 \$4.15 \$4.15 \$4.15 \$4.15 \$4.15 \$4.15 \$4.B5 \$4.15 \$4.15 \$1.74 \$1.74 \$1.74 \$1.74 \$1.74 \$1.74 \$1.74 \$1.74 \$1.74 Postage \$1.74 \$1.74 \$1.74 \$1.74 \$1.74 John M. McCormack & Maryanne McCormack 433 E Las Colinas Blvd., Suite 840 Irving TX 75039 433 E. Las Colinas Blvd, Suite 840 Tumbler Operating Partners, LLC Swan Exploration 3200 Southwest Fwy., Suite 1400 6200 Addision Road, Suite 100 Maltay Investment Partners, Ltd. Red Dirt Energy LLC 203 West Wall Street, Suite 204 Cronus Mineral Holdings, LLC 500 West 7th Street, Suite 1007 500 West 7th Street, Suite 1007 Name, Street, City, State, Zip 500 West 7th Street, Suite 1007 Cimarex Energy Co. 600 N. Marienfeld, Suite 600 Bureau of Land Management 701 River Run, Suite 306 The State of New Mexico Minerva Resources, LLC United States of America 310 Old Santa Fe Trail 5509 Champion Drive Fort Worth TX 76102 Fort Worth TX 76107 Fort Worth TX 76102 Fort Worth TX 76102 303 Campbell Road EOG Resources, Inc Walsh & Watts, Inc. Santa Fe NM 87508 Santa Fe NM 87501 FHW, Jr. - Oil, Ltd Midland TX 79706 Houston TX 75039 Houston TX 77055 Midland TX 79701 Midland TX 79701 Addison TX 75001 301 Dinosaur Trail Odessa TX 79760 Irving TX 75039 PO Box 3065 Ed Davis Lapteco 9314 8699 0430 0104 1994 20 9314 8699 0430 0104 1994 37 9314 8699 0430 0104 1994 68 9314 8699 0430 0104 1994 75 9314 8699 0430 0104 1994 82 9314 8699 0430 0104 1994 99 9314 8699 0430 0104 1995 05 9314 8699 0430 0104 1995 12 9314 8699 0430 0104 1995 29 9314 8699 0430 0104 1995 36 9314 8699 0430 0104 1995 43 9314 8699 0430 0104 1995 50 9314 8699 0430 0104 1995 67 9314 8699 0430 0104 1994 44 9314 8699 0430 0104 1994 51 **USPS Article Number** EXHIBIT 3 9 7 6 10 13 Line 2 1 12

Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102 Karlene Schuman Released to Imaging: 4/19/2023 8:09:48 AM **PS Form 3877**

Type of Mailing: CERTIFIED MAIL 02/07/2023

Karlene Schuman Modrall Sperling Rochl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102

Firm Mailing Book ID: 240799

): 4/18/20	23 9:55:14	PM												Page 62 of E18
Reference Contents	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice	81363 Goliath Notice Notice Page 92 2023 Walz Certified Pro Page 98
Rest.Del.Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	823.00 OUE \$0.000 57	\$0.00	\$0.00	SZAGIN OFFICE	\$0.00	\$0.00	\$0.00	\$0.00
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Name, Street, City, State, Zip	C. Clyde Hamblin & Martha Eugenia Poole Hamblin Hamblin Living Trust dated 1-31-22 P.O. Box 4602 Midland TX 79704	H.E. Davis Family Partnership, Ltd. P.O. Box 318 Sweetwater TX 79556	Isramco Energy, L.L.C. 2401 Fountain View Drive, Suite 420 Houston TX 77057	Legacy Income Fund I, Ltd. 558 Ambler Ave Abilene TX 79601	Fortis Minerals II, LLC 1111 Bagby St., Suite 2150 Houston TX 77002	Charles R. Wiggins and wife, Deborah Wiggins P.O. Box 10862 Midland TX 79702	Bascom Mitchell Family Partnership, LP 1 Live Oak Drive Midland TX 79705	Brigham Minerals, LLC 5914 W. Courtyard Drive, Suite 200 Austin TX 78730	Christine V. Grim Merchant P.O. Box 1453 Roswell NM 88202	Enerstar Resources Oil & Gas, LLC P.O. Box 606 Carlsbad NM 88220	KMF Land, LLC 1401 Lawrence Street, Suite 1750 Denver CO 80202	Frannifin Minerals, LLC 1180 Commerce Dr. P.O. Box 13128 Las Cruces NM 88013	Galley NM Assets, LLC 4143 Maple Avenue, Floor 5	Hoshi Kam, LLC P.O. Box 827 Littleton CO 80160
USPS Article Number	9314 8699 0430 0104 1995 74	9314 8699 0430 0104 1995 81	9314 8699 0430 0104 1995 98	9314 8699 0430 0104 1996 04	9314 8699 0430 0104 1996 11	9314 8699 0430 0104 1996 28	9314 8699 0430 0104 1996 35	9314 8699 0430 0104 1996 42	9314 8699 0430 0104 1996 59	9314 8699 0430 0104 1996 66	9314 8699 0430 0104 1996 73	9314 8699 0430 0104 1996 80	9314 8699 0430 0104 1996 97	9314 8699 0430 0104 1997 03
Line	16	17	18	19	20	21	22	23	24	25	26	27	28	53

PS Form 3877

Type of Mailing: CERTIFIED MAIL 02/07/2023

Karlene Schuman Modrall Sperling Rochl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102

Firm Mailing Book ID: 240799

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fec	Reference Contents	4/18/20
30	9314 8699 0430 0104 1997 10	James Baker Oil & Gas 11065 Fern Hollow Dallas TX 75238	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	23 9:5
31	9314 8699 0430 0104 1997 27	Jonathan S. Roderick Trustee of Jonathan S. Roderick Trust P.O. Box 7961 Boulder CO 80306	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	5:14 PM
32	9314 8699 0430 0104 1997 34	Katherine Rogers Allen, sole & separate property 6431 Chesley Lane Dallas TX 75214	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	
33	9314 8699 0430 0104 1997 41	Kellie M. Kross, as her sole and separate property 505 Edinburgh Lane Coppell TX 75019	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	
34	9314 8699 0430 0104 1997 58	Louis A. Oswald, III, Trustee of Oswald Family Trust P.O. Box 280969 Lakewood CO 80228	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	
35	9314 8699 0430 0104 1997 65	Matthew N. Sorenson, as sole & separate property P.O. Box 1453 Roswell NM 88202	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	
36	9314 8699 0430 0104 1997 72	MerPel, LLC 4245 N. Central Expy, Suite 320 Box 109 Dallsa TX 75205	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	
37	9314 8699 0430 0104 1997 89	Michelle R. Hamifin P.O. Box 8874 Denver CO 80201	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	
38	9314 8699 0430 0104 1997 96	Mitchell Exploration Inc. 6212 Homestead Midland TX 79707	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	
39	9314 8699 0430 0104 1998 02	Motowi, LLC 501 W. Main Street Yukon OK 73099	\$1.74	\$4.15	SZ-10 OUEROUE, A	\$0.00 NM 81	81363 Goliath Notice	
40	9314 8699 0430 0104 1998 19	MW Oil Investment Company, Inc. P.O. Box 8687 Denver CO 80201	\$1.74	\$4.15 ALBU	\$2.10	\$6.00	81363 Goliath Notice	
41	9314 8699 0430 0104 1998 26	Newkumet Ltd. P.O. Box 11330 Midland TX 79702	\$1.74	\$4.15	FEB-107 7	20,80.00	81363 Goliath Notice	
45	9314 8699 0430 0104 1998 33	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath Notice	
43	9314 8699 0430 0104 1998 40	Pegasus Resources II, LLC P.O. Box 470698 Fort Worth TX 76147	\$1.74	\$4.15	SS. FOR SO.C	\$0.00	81363 Goliath Notice	P
4	9314 8699 0430 0104 1998 57	Penasco Petrolcum, LLC P.O. Box 2292 Roswell NM 88202	\$1.74	\$4.15	\$2.10	\$0.00	81363 Goliath gas Notice	age 63 a
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Karlene Schuman

Type of Mailing: CERTIFIED MAIL 03/13/2023

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	Rest.Del.Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$63.92
	RR Fee	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$16.80	Grand Total:
	Service Fee RR Fee	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$33.20	Grand
	Postage	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$13.92	
	USPS Article Number Name, Street, City, State, Zip	9314 8699 0430 0105 3929 12 FHW, Jr Oil, Ltd. 155 Walsh Drive Aledo TX 76008	9314 8699 0430 0105 3929 29 Maltay Investment Partners, Ltd. 4000 Modlin Ave. Ft. Worth TX 76107	9314 8699 0430 0105 3929 36 Tumbler Operating Partners, LLC 3811 Turtle Creek Blvd., Suite 1100 Dallas TX 75219	9314 8699 0430 0105 3929 43 Minerva Resources, LLC 6321 Campus Circle Dr. E Irving TX 75063	9314 8699 0430 0105 3929 50 MW Oil Investment Company, Inc. 5454 Washington St. Denver CO 80216	9314 8699 0430 0105 3929 67 Bascom Mitchell Family Partnership, LP 8523 Thackery St. Unit 6202 Dallas TX 75225	9314 8699 0430 0105 3929 74 Fortis Minerals II, LLC PO Box 470698 Fort Worth TX 76137	9314 8699 0430 0105 3929 81 Cronus Mineral Holdings, LLC 8330 Lyndon B. Johnson FWY #B741 Dallas TX 75243	Totals:	
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Dated:

Postmaster: Name of receiving employee

Total Number of Pieces Received at Post Office

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USPS Article Number	Date Created Reference Number		Nimes	AD.	Stetto	2/0	Mailine Status	Coroleo Barias	A CONTRACTOR OF THE CONTRACTOR
9314869904300104199955	2023-02-07 2:21 PM 81363 Goliath	Viper Energy Partners, LLC		Midland	¥	79701	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-09 11:03 AM
9314869904300104199932	2023-02-07 2:21 PM 81363 Goliath	The EMG Revocable Trust	Family Trust, Bryan Pollard as Trustee Eileen M. Grooms, Trustee	Midland	ř	79705	Lost	Return Receipt - Electronic, Certified Mail	
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931486904300104199901	2023-02-07 2:21 PM 81363 Gollath	Shackelford Oil Company		Midfand	¥	79705	Lost	Return Receipt - Electronic, Certified Mail	NU 07:07 00 10 10:07
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9314869904300104199710	2023-02-07 2:21 PM 81363 Goliath	James Baker Oil & Gas		Dallas	¥	75238	Lost	Return Receipt - Electronic, Certified Mail	2023-03-02 12:00 AIM
9314869904300104199703	2023-02-07 2:21 PM 81363 Goliath	Hoshi Kanri, LLC		Littleton	8	80160	Lost	Return Receipt - Electronic, Certified Mail	
9514669504500104193697	2023-02-07 2:21 PM 81363 Golfath	Galley NM Assets, LLC		Dallas	ጅ	75219	Delivered	Return Receipt - Electronic, Certifled Mail	2023-02-13 11:25 AM
9314869904300104199673	2023-02-07 2:2.1 PM 61363 Gollath	Frannith Minerals, LLC	1180 Commerce Dr.	Las Cruces	NΜ	88013	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-17 10:56 AM
9314869904300104199666	2023-02-07 2:21 PM 81363 Gollath	Finerstar Resources Oil & Gae 110		Denver	8	80202	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 12:42 PM
9314869904300104199659	2023-02-07 2:21 PM 81363 Goliath	Christine V. Grim Merchant		Carisbad	2 2		Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 3:42 PM
9314869904300104199642	2023-02-07 2:21 PM 81363 Goliath	Brigham Minerals 110		Koswell			Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 12:00 AM
9314869904300104199635	2023-02-07 2:21 PM 81363 Goliath	Bascom Mitchell Family Partnership. 1P		Austin	¥ ¥	78730	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 10:48 AM
9314869904300104199628	2023-02-07 2:21 PM 81363 Goliath	Charles R. Wiggins and Wife, Deborah Wiegins		Midland	≤ ≥	50767	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300104199611	2023-02-07 2:21 PM 81363 Goliath	Fortis Minerals III, LLC		Houston	<u> </u>	77002	Lost	Return Receipt - Electronic, Certified Mail	2023-02-10 12:49 PM
9314869904300104199604	2023-02-07 2:21 PM 81363 Goliath	Legacy Income Fund I, Ltd.		Abilene	¥	79601	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-15 11:08 AM
9314859904300104199598	2023-02-07 2:21 PM 81363 Goliath	Isramco Energy, L.L.C.		Houston	ř	77057	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 11:49 AM
9514669504500104139581	2023-02-07 2:21 PM 81353 Gollath	H.E. Davis Family Partnership, Ltd.		Sweetwater	ř	79556	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 10:22 AM
9314869904300104199567	2023-02-07 2:21 PM 81363 Gollath	John M. McComack & Managed McComack	Hamblin Living Trust dated 1-31-22	Midland	× i	79704	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 3:42 PM
9314869904300104199550	2023-02-07 2:21 PM 81363 Goliath	Maltay Investment Partners, Itd.		Houston Fort Worth	<u> </u>	77055	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300104199543	2023-02-07 2:21 PM 81363 Goliath	Swan Exploration		Hourton	≤ }	75030	Lost	Keturn Receipt - Electronic, Certified Mail	
9314869904300104199536	2023-02-07 2:21 PM 81363 Goliath	Lapteco		Addison	<u>خ</u> ک		Delivered	Return Receipt - Electronic, Certified Mail	2023-02-13 3:54 PM
9314869904300104199529	2023-02-07 2:21 PM 81363 Goliath	Ed Davis		Odessa	ĭ		Delivered	Return Receipt - Electronic, Certified Mail	2023-02-11 11:01 AIM
9314869904300104199312	2025-02-07 2:21 PM 81363 Goliath	Minerva Resources, LLC		Irving	녿	75039	Lost	Return Receipt - Electronic, Certified Mail	AU CTO CT TO CTO
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9314869904300104199475	2023-02-07 2:21 PM 81363 Gollath	Red Dirt Energy LLC		Midland	<u> </u>	70107	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300104199468	2023-02-07 2:21 PM 81363 Golfath	Cimarex Energy Co.		Midland	<u> </u>		Delivered	Network Receipt - Electronic, Certified Mail	
9314869904300104199451	2023-02-07 2:21 PM 81363 Golfath	Tumbler Operating Partners, LLC		Fort Worth	ř	_	Lost	Return Receipt - Electronic, Certified Mail	2023-02-09 7:07 AM
9314869904300104199437	2023-02-07 2:21 Pivi 61363 Gollath	The Courses, Inc		Midland	ř	_	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-09 7:51 AM
9314869904300104199420	2023-02-07 2:21 PM 81363 Goliath	The State of New Mexico		Santa Fe	Σ		Delivered	Return Receipt - Electronic, Certified Mail	2023-02-10 7:17 AM
			ou edu oi tana Management	Santa Fe	Σ	87508	Delivered	Return Receipt - Electronic, Certified Mail	2023-02-09 11:59 AM



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Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was publishe in the regular and entire issue of said newspaper, and not a supplement thereo for a period of 1 issue(s).

> Beginning with the issue dated February 15, 2023 and ending with the issue dated February 15, 2023.

Publisher

Sworn and subscribed to before me this 15th day of February 2023.

isse hwhitel

My commission expires January 29, 2027

Business Manager

STATE OF NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK **COMMISSION # 1087528** COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to pub legal notices or advertisements within ti meaning of Section 3, Chapter 167, Lav 1937 and payment of fees for said

CASE NO. 23355; Notice to all affected parties, as well as heirs and devisees of United States. of America Bureau of Land Managament; The State of New Mexico; EOG Resources, Inc.; Tumbles Partiers, Ltc.; Climares Renergy Co.; Rad Dirt Energy Ltc.; Waish & Watts, Inc.; FHW, Jr.-Oll; Ltd.; Cronus Mineral Holdings, Ltc.; Minerva Resources, Ltc.; Ed Davis; Minerva Resources, Group, Ltc.; Laptaco; Swan Exploration; Malay Investment Partners, Ltd.; John M. McCormack and wife Maryanne McCormack; The Hamblin Living Trust use dated 1-31-2011, C. Clyde Hamblin and Martha Eugenie Poole Hamblin, Co. -Trustees; Htd. Davis Family Partnership, Ltd.; Isranco Rinergy, Ltd.; Legacy Income Pund I, Ltd.; Fortis Minerale II, Ltd.; Charles R. Wiggine; Basecom Mitchell Family Partnership, Ltd.; Charles R. Wiggine; Basecom Mitchell Family Partnership, Lt.; Brigham Minerals, Ltd.; Christine V. Grim Merchant, as her sole and separate property; Energian Resources Ol & Cas, Ltd.; KMF Land, Ltd.; Forentis Minerals, Ltd.; Galley NM Assets, Ltd.; Hoshi Kami, Ltd.; James Baser Oil & Gas, Jonethan S. Roderick, Trustee of the Jonethan S. Roderick Trust; Katherine Rogers Allen, as her sole and separate property; Energian Resources Ol & Cas, Ltd.; KMF Land, Ltd.; Property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M. Kross, as her sole and separate property; Kellie M

charges for supervision, designation of Marathon as operator of the wells, and 4-200%-charge for risk involved in drilling said wells. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

CASE NO, 23355: Molice to all affected parties, as well as heirs and devisees of Unitad States of Amigrica Burseu of Land Menagement; The State of New Mexico; EOG Resources, Inc.; Tumbler Oppirating Partners, LLC; Cimerax Energy Co., Red Dirt Energy LLC; Welsh & Watte, Inc.; FHW, Jr. Olişitdi, Gronus Minaral Holdings, LLC, Minerva Resources, LLC; Ed Davis; Minerva Resources, Group, LLC; Lapteco; Swan Exploration; Malay Investment Partners, Ltd.; John M. McCormack and with Maryane McCormack; The Hamblin Living Trust us dated 1-31-2011; C. Gyde Hemblin and Martina Eugenia Poole Hamblin, Co. Trustees; H.E. Devis Family Partnership, Ltd.; Isramoc Energy, LLC; Leage; Innome Found I, Ltd.; Fortis Minerals II, LLC; Charles R. Weights and wife, Deborah Wilplins; Bascom Mitchell Family Partnership, LP; Brigham Minerals, LLC; Chrietins V. Grint Merghani, as her sole and separate property; Energial; RLC; Carley Minerals; RLC; Christins V. Grint Minerals, LLC; Hoch Kanni, LLC; James Batter Oil & Gas, Jonathan S. Rodertch Trust; Katherins Rogars Allen, as her cole and separate property; Energial; Partners Rogars Allen, as her cole and separate property; Energial; Partnership Resources (Inc.) Resources of the Jonathan S. Rodertch Trust; Katherins Rogars Allen, as her cole and separate property; Energial; Partnership Resources (Inc.) Resources (Inc.

risk involved in drilling said wells. Said area is located approximately 14.5 miles Southwest of Jal, New Maxico.

CASE NO. 2387: Notice to all affected parties, as well as heirs and devises of United States of America Buregu of Lend Management; The State of New Mexico; EOG Resources, Inc.; Tumbler Operating Partiners, LLC; Cimrex Renery Co.; Red Dirt Energy LLC; Welsh & Watts, Inc.; Coll., Ltd.; Cronus Mineral Holdings, LLC; Minerve Resources, LLC; Ed Davis; Minerva Resources, Coll., Ltd.; Cronus Mineral Holdings, LLC; Minerve Resources, LLC; Ed Davis; Minerva Resources, Coll., Ltd.; Cronus Mineral Holdings, LLC; Minerve Resources, LLC; Ed Davis; Minerva Resources, Coll., Ltd.; Cronus Mineral Holdings, LLC; Minerve Resources, LLC; Ed Davis; Minerve Resources, LLC; Lagacy income Fund I, Ltd.; Fortis Minerals II, LLC; Charters and Ltd.; Ltd.; Fortis Minerals II, LCC; Charters and Ltd.; Ltd.; Fortis Minerals II, LCC; Charters and Ltd.; Ltd.; Ltd.; Ltd.; Fortis Minerals II, LCC; Charters and Ltd.; Ltd.

wells, and a 200% charge for tax involved in drilling said wells. Said area is located approximately 14.5 miles Southwest of Jai, New Modoo.

CASE NO. 23955: Notice to all affacted parties, as well as heirs and disvises of United States of America Bursau of Land Management; The State of New Mexico; EOG Resources, Inc.; Tumbier Operating Partners, LLC; Climarex Energy Co.; Red Dir Energy LLC; Walsh & Wetts, Inc.; FHW, Jr. - Oil, Ltd.; Cronus Minoral Holdings, LLC; Minerva Resources, LLC; Ed Davis; Minerva Resources, Company, Ltd.; Legacy States and Mineral Holdings, LLC; Minerva Resources, LLC; Ed Davis; Minerva Resources, Company, Ltd.; Legacy States and Mineral Holdings, LLC; Minerva Resources, LLC; Ed Davis; Minerva Resources, Company, Ltd.; Legacy Income Fund it, Ltd.; Fortis Minerals II, LtC; Christes R. Wiggins and wife, Deborat Wiggins; Bascom Mitcheli Family Partnership, Ltd.; Bramco Energy, LLC; Christes R. Wiggins and wife, Deborat Wiggins; Bascom Mitcheli Family Partnership, Ltd.; Pistina Minerals, LLC; Circ Galley NM Assets, LLC; Hoshi Kanni, LLC; James Bester Oil & Gas, Luc; KMF Land, LLC; Franklin Minerals, LLC; Galley NM Assets, LLC; Hoshi Kanni, LLC; James Bester Oil & Gas, James Minerals, Ltd.; Christes R. Wiggins; Bascom Mitchell Family Partnership; Ltd.; James Bester Oil & Gas, James Minerals, Ltd.; Christes R. Wiggins; Bascom Mitchell Family Partnership; LT; Bascoperty, Kerlie M, Krose, as her sole and separate property; Energia; Resources Oil & Gas, Ltc.; KMF Land, LLC; Harder M, Krose, as her sole and separate property; Michell & H. Hannifin; Mitchell Exploration, Inc.; Motow, LLC; Mw Oil Investment Company, Inc.; Newtomet Ltd.; Oak Valley Mineral and Land, L.F. Pegacia Resources of the Company, Inc.; Newtomet Ltd.; Oak Valley Mineral and Land, L.F. Pegacia Resources of the Company, Inc.; Newtomet Ltd.; Oak Valley Mineral and Land, L.F. Pegacia Resources of Mineral & Royalty, LLC; Roll & Hannific Mineral & LC; The Life Mineral & Royalty, LLC; Roll & Hannific Mineral & Royalty, LLC; Roll & H



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

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

CASE NOS. 23355 -23358

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Marathon Oil Permian, LLC, the Applicant herein, declares as follows:

- 1) The above-referenced Applications were provided under notice letter, dated March 16, 2023 to additional notice parties (offsetting operators/working interest owenrs) for purpose of the non-standard unit approval request (to the extent not previously sent notice), and attached hereto, as Exhibit A.
- 2) Exhibit B is the mailing list, which show the notice letters were delivered to the USPS for mailing on March 16, 2023.
- 3) Exhibit C is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. These spreadsheets show the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 4) Exhibit D is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the April 6, 2023 hearing was published on March 22, 2023.
- 5) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: April 18, 2023

Deana M. Bennett

B.7.2



March 16, 2023

Deana M. Bennett 505.848.1834 dmb@modrall.com

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

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

CASE NO. 23355

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

CASE NO. 23356

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

CASE NO. 23357

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

CASE NO. 23358

TO: AFFECTED PARTIES

This letter is to advise you that Marathon Oil Permian, LLC ("Marathon") has filed the enclosed applications.

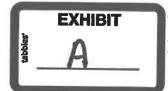
In Case No. 23355, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 703H and Goliath 24 Federal Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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

Modrall Sperling 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



Page 2

involved in drilling said wells. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23356, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23357, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

In Case No. 23358, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 603H, and Goliath 24 Federal Com 604H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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The hearing will be conducted remotely on April 6, 2023 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to continuance by the Division to a subsequent docket date.

As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in these cases, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in these cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

Deana M. Bennett

Attorney for Applicant

Deena 4. Bennett

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

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

CASE NO. **23355**

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill the Goliath 24 Federal Com 703H and Goliath 24 Federal Com 704H wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
- 4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

- 5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.
- 8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 10. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Wolfcamp spacing unit;

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- B. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Wellia M. Bennett
Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant CASE NO. 23355: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 703H and Goliath 24 Federal Com 704H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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

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

CASE NO. 23356

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill the Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H wells to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
- 4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

- 5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Wolfcamp formation.
- 8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 10. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Wolfcamp spacing unit;

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B. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34

East, NMPM, Lea County, New Mexico;

C. Designating Marathon as operator of this unit and the wells to be drilled

thereon;

D. Authorizing Marathon to recover its costs of drilling, equipping and

completing the wells;

E. Approving actual operating charges and costs charged for supervision,

together with a provision adjusting the rates pursuant to the COPAS accounting procedure;

F. Setting a 200% charge for the risk involved in drilling and completing the

wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800

Attorneys for Applicant

CASE NO. 23356: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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Page 1 of 4

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

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

CASE NO. 23357

<u>APPLICATION</u>

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.

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- 4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.
- 5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.
- 8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Wellia M Bennett

Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant Received by OCD: 1/31/2023 9:07:37 AM

Page 4 of 4

CASE NO. 23357: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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

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

CASE NO. <u>23358</u>

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. In support of this application, Marathon states as follows:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Marathon seeks to dedicate the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico to form an 800-acre, more or less, non-standard spacing unit.
- 3. Marathon plans to drill Goliath 24 Federal Com 603H and Goliath 24 Federal Com 604H wells to a depth sufficient to test the Bone Spring formation. These wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
- 4. Marathon seeks approval of the 800-acre non-standard spacing unit for several reasons.

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- 5. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.
- 6. Approval of this application will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks, and pipelines, and promote effective well spacing, which is consistent with Division rules. *See, e.g.*, Rule 19.15.16.7(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 7. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of this corresponding non-standard spacing unit in the Bone Spring formation.
- 8. Section 36 is located on the state line between New Mexico and Texas, and is the equivalent of a half-section. Marathon is thus not stranding any acreage in Section 36 but is instead proposing to drill across the entirety of Section 36.
- 9. Marathon sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 10. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 2, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Approving a non-standard 800-acre Bone Spring spacing unit;

- B. Pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Marathon to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: Bennett

Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant Received by OCD: 1/31/2023 9:24:18 AM

Page 4 of 4

CASE NO. 23358: Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 603H, and Goliath 24 Federal Com 604H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

Firm Mailing Book ID: 242966 Reference Contents	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	81363.0124Goliath Notice	
Firm Mailin Rest.Del.Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	80.00	\$103.87
RR Fee	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$2.10	\$27.30 [6(a):
Service Fee	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$4.15	\$53.95.UE, \$27.3 Grand Total:
3877 XTIFIED MAIL 23 Postage	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$1.74	\$22.62
PS Form 3877 Type of Mailing: CERTIFIED MAIL 03/16/2023 Name, Street, City, State, Zip Postage	Devon Energy Production Company, LP 333 West Sheridan Avenue Oklahoma City OK 73102	Chevron Midcontinent LP PO Box 4538 Houston TX 77210	RSP Permian, LLC 600 W. Illinois Ave. Midland TX 79701	D. K. Boyd 3317 Andrews Hwy Midland TX 79703	OXY USA INC. 5 Greenway Plaza, Suite 110 Houston TX 77046	Tumbler Operating Partners, LLC 3811 Turtle Creek Blvd., Suite 1100 Dallas TX 75219	Red Dirt Energy LLC 3909 N. Classen Blvd., Suite 400 Oklahoma City OK 73118	Walsh & Watts, Inc. 155 Walsh Drive Aledo TX 76008	FHW, Jr Oil, Ltd 155 Walsh Drive Aledo TX 76008	Minerva Resources, LLC 6321 Campus Circle Dr. E Irving TX 75063	Wellbark Resources Group, LLC P.O. Box 1987 Frisco TX 75034	Maltay Investment Partners, Ltd. 4000 Modlin Ave. Fort Worth TX 76107	Earthstone Operating, LLC 1400 Woodloch Forest Drive Suite 300 The Woodlands TX 77380	Totals:
Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102 Line USPS Article Number	9314 8699 0430 0105 6130 00	9314 8699 0430 0105 6130 17	9314 8699 0430 0105 6130 24	9314 8699 0430 0105 6130 31	9314 8699 0430 0105 6130 48	9314 8699 0430 0105 6130 55	9314 8699 0430 0105 6130 62	9314 8699 0430 0105 6130 79	9314 8699 0430 0105 6130 86	9314 8699 0430 0105 6130 93	9314 8699 0430 0105 6131 09	9314 8699 0430 0105 6131 16	9314 8699 0430 0105 6131 23	1. J.
Rarlene Schuman Modrall Sperling 9 500 Fourth Street Albuquerque NM 560 Schuman 100 Schuma	 19/2023	8 8:09:4	ო 48 AM	4	\$	9	7	∞	6	10	11, tabbles*	EX 1	HIBIT 3	

List Number of Pieces Listed by Sender

Total Number of Pieces Received at Post Office

Postmaster: Name of receiving employed

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			Transactió F Gene	Transaction Report Details - CertiliedPro.net Firm Mail Book ID= 242966 Generated: 4/13/2023 1.35:35 PM	,.net					
USPS Article Number	Date Created	Reference Number	r Name 1	Name 2	Å	State	Zio	Mailing Status	Service Ontions	Mail Delivery Date
9314869904300105613123	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Gollath	Earthstone Operating, LLC	1400 Woodloch Forest Drive	The Woodlands	۲	77380	Delivered	Return Receip	2023-03-20 2:31 PM
9314869904300105613116	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	Maltay Investment Partners, Ltd.		Fort Worth	¥	76107	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300105613109	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	Wellbark Resources Group, LLC		Frisco	ĭ	75034	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-24 12:00 AM
9314869904300105613093	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	Minerva Resources, LLC		Irving	<u>۲</u>	75063	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300105613086	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	FHW, Jr Oil, Ltd		Aledo	ĭ	76008	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613079	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	Walsh & Watts, Inc.		Aledo	ř	2009	Delivered	Return Receipt - Electronic, Certiffed Mail	2023-03-20 12:00 AM
9314869904300105613062	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	Red Dirt Energy LLC		Oklahoma City	ŏ	73118	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613055	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	Tumbler Operating Partners, LLC		Dallas	¥	75219	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613048	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	OXY USA INC.		Houston	¥	77046	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM
9314869904300105613031	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	D. K. Boyd		Midland	ĭ	79703	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300105613024	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	RSP Permian, LLC		Midland	۲	79701	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-21 7:42 AM
9314869904300105613017	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	Chevron Midcontinent LP		Houston	¥	77210	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-24 4:51 AM
9314869904300105613000	2023-03-16 1:50 PM	2023-03-16 1:50 PM 81363.0124Goliath	Devon Energy Production Company, I	_	Oklahoma City	ŏ	73102	Delivered	Return Receipt - Electronic, Certified Mail	2023-03-20 12:00 AM



Affidavit of Publication

STATE OF NEW MEXICO

Beginning with the issue dated March 22, 2023 and ending with the issue dated March 22, 2023.

Sworn and subscribed to before me this 22nd day of March 2023.

Business Manager

My commission expires January 29, 2027 (Seal)

LEGAL NOTICE March 22, 2028

COUNTY OF LEA

CASE NO. 23355: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

CASE NO. 23355: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division New Mexico through its Oil Conservation Division hereby gives notice that the Division New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Divisio

CASE NO. 23356: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Censervation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 6, 2023 to consider this application. Intermation about accessing the electronic hearing is posted at "OCD NOTICES" at https://www.emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant seeks an order from the Division appreving a non-standard spacing unit and pooling all uncommitted mineral interests within a Welfeamp horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26-Gouth, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 701H and Goliath 24 Federal Com 702H wells, to be horizontally drilled. The wells will be 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

CASE NO. 23357: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory peoling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 6, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at https://www.emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 of Sections 24, 25, and 36, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 301H, Goliath 24 Federal Com 601H, and Goliath 24 Federal Com 602H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the coet 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

CASE NO. 23358: Notice to all affected parties, as well as heirs and devisees of Devon Energy Production Company, LP; Chevron Midcontinent LP; RSP Permian, LLC; D.K. Boyd; OXY USA Inc.; Wellbark Resources Group, LLC; Earthstone Operating, LLC of the Application of Marathon Oil Permian LLC for approval of a non-standard spacing unit and compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on April 6, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at https://www.emnrd.nm.gov/ocd/hearing-info/. This hearing is subject to continuance by the Division to a subsequent docket date. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 of Sections 24, 25, and 36, Township 26 South, Renge 34 East, NMPM; Lea County, New Mexico. This spacing unit will be dedicated to the Goliath 24 Federal Com 603H, and Goliath 24 Federal Com 604H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. 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. Said area is located approximately 14.5 miles Southwest of Jal, New Mexico.

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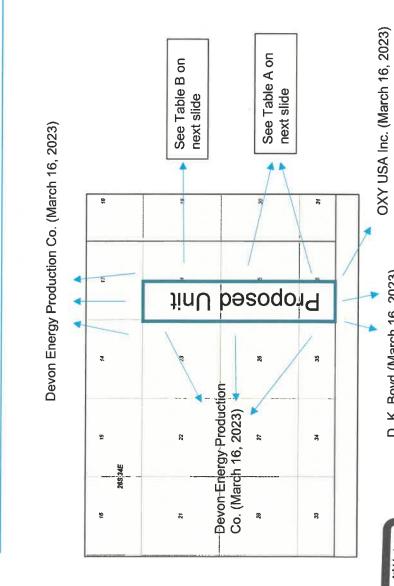
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This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

DOLORES SERNA MODRALL, SPERLING, ROEHL, HARRIS & P. O. BOX 2168 ALBUQUERQUE, NM 87103-2168



Offsetting Tracts and Notice Parties & Date Notice Sent





D. K. Boyd (March 16, 2023) RSP Permian, LLC (March 16, 2023)



Table A: E2 of Sec. 25 & NWNE, NENE, L	Туре	Date Notice of Application Sent
Marathon Oil Permian LLC	Operator	NA
EOG Resources, Inc	WIO	Feb. 7
Tumbler Operating Partners, LLC	WIO	Feb. 7, March 13, March 16
Cimarex Energy Co.	WIO	Feb. 7
Red Dirt Energy LLC	WIO	Feb. 7, March 16
Walsh & Watts, Inc.	WIO	Feb. 7, March 16
FHW, Jr Oil, Ltd	WIO	Feb. 7, March 13, March 16
Cronus Mineral Holdings, LLC.	WIO	Feb. 7, March 13
Minerva Resources, LLC	WIO	Feb. 7, March 13, March 16
Wellbark Resources Group, LLC	WIO	March 16
Lapteco	WIO	Feb. 7
Swan Exploration	WIO	Feb. 7
Maltay Investment Partners, Ltd.	WIO	Feb. 7, March 13, March 16
John M. McCormack and wife, Maryanne McCormack	WIO	Feb. 7
The Hamblin Living Trust u/a dated 1-31-2011, C. Clyde	WIO	Feb. 7
Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees		
H.E. Davis Family Partnership, Ltd.	WIO	Feb. 7
Isramco Energy, L.L.C.	WIO	Feb. 7
Legacy Income Fund I, Ltd.	WIO	Feb. 7

Table B: E2 of Sec. 2	24 T26S-R34E	
Name	Туре	Date Notice of Application Sent
Marathon Oil Permian LLC	Operator	NA
EOG Resources, Inc	WIO	Feb. 7
Tumbler Operating Partners, LLC	WIO	Feb. 7, March 13, March 16
Cimarex Energy Co.	WIO	Feb. 7
Red Dirt Energy LLC	WIO	Feb. 7, March 16
Walsh & Watts, Inc.	WIO	Feb. 7, March 16
FHW, Jr Oil, Ltd	WIO	Feb. 7, March 13, March 16
Cronus Mineral Holdings, LLC.	WIO	Feb. 7, March 13
Minerva Resources, LLC	WIO	Feb. 7, March 13, March 16
Ed Davis	WIO	Feb. 7
Wellbark Resources Group, LLC	WIO	March 16
Lapteco	WIO	Feb. 7
Swan Exploration	WIO	Feb. 7
Maltay Investment Partners, Ltd.	WIO	Feb. 7, March 13, March 16
John M. McCormack and wife, Maryanne McCormack	WIO	Feb. 7
The Hamblin Living Trust u/a dated 1-31-2011, C. Clyde Hamblin and Martha Eugenia Poole Hamblin, Co-Trustees	WIO	Feb. 7

Name	Date Notice of Application Sent
Bureau of Land Management	February 7
State Land Office	February 7

Samuel A. Cox, CPL

PROFESSIONAL EXPERIENCE

Marathon Oil Company - Houston, TX

June 2022-Present

SENIOR LAND PROFESSIONAL -DELAWARE BASIN

- Responsible for Marathon's commercial transactions and rig execution for Lea & Eddy Counties, New Mexico
- Prepare & negotiate various land transaction documents including oil & gas leases, farmouts, term assignments, joint
 operating agreements, wellbore divestitures and trade agreements
- Coordinate with Marathon's geology, drilling, and engineering departments in the execution of the drilling schedule
- Interpret and analyze title opinions; obtain necessary curative items and coordinate brokers in the field for due diligence projects
- Work with the BLM & NMSLO to obtain communitization agreements, pooling orders, commingling agreements and oil & gas leases to ensure compliance with state and federal regulations

Marathon Oil Company – Houston, TX

June 2019-June 2022

SENIOR LAND PROFESSIONAL - OKLAHOMA RESOURCE BASIN

- Manage transaction related processes from inception to post-closing as the commercial lead for Marathon's Oklahoma Resource Basin
- Identify commercial opportunities, negotiate deal structures, coordinate economic evaluations, manage internal accounting reviews, prepare approval presentations, and draft commercial agreements
- Obtain regulatory approvals from the OCC for spacing and pooling of horizontal drilling units; interpret drilling title opinions and manage Marathon's drilling schedule for Grady County, Oklahoma
- Coordinate with subsurface, marketing, accounting, legal, tax, land administration and insurance groups to ensure transparency and address transactional risks throughout the deal process
- Collaborate with technical disciplines to strategize and develop creative deal structures to maximize value and minimize costs
- Market, facilitate and execute divestitures for non-operated wellbores within short timeframes to meet election deadlines

Apache Corporation - Houston, TX

June 2018-May 2019

SENIOR LANDMAN - LOWER 48 REGION

- Landman responsible for all land activities in Major, Blaine, Kingfisher, Dewey, Custer, Stephens, Carter, & Garvin Counties, Oklahoma
- Negotiate, draft, and amend agreements for acreage trades, acquisitions, divestitures, farmouts, joint-operating agreements, and other commercial oil and gas transactions
- Assist in the due diligence efforts with the Business Development group for large divestitures of producing properties
- Supervise Apache's leasing program in Stephens, Carter, & Garvin counties, coordinating outside contract Landmen on the acquisition of oil & gas leases and abstracting title
- Advise and coordinate with the other technical departments as to daily operations and the development of existing properties
- Prepare and review all regulatory applications, permits, title requirements, and agreements necessary for the proper execution of the drilling program
- Work with the Land Administration group to ensure the proper setup of all executed transactions and maintain accurate land records

Apache Corporation - Houston, TX

July 2015-June 2018

LANDMAN II - LOWER 48 REGION

- Landman for Apache's leasehold in Major, Blaine, Kingfisher, Dewey, and Custer Counties, Oklahoma
- Prepared, submitted and testified for all OCC applications related to the drilling and completion of horizontal wells
- Negotiated, drafted, and reviewed letter agreements, lease exchange agreements, farmouts, oil & gas leases, and assignments
- Managed brokers in acquiring leasehold, ownership reports, and images for the preparation of drilling title opinions
- Reviewed drilling title opinions and satisfied title curative requirements prior to drilling
- Performed due diligence on acreage acquisitions and divestitures
- Coordinated and oversaw the workflow related to drilling Regulatory departments

th the Geology, Engineering, and

July 2014-July 2015

Apache Corporation - Midland, TX

LANDMAN I - ROTATIONAL DEVELOPMENT PROGRAM - PERMIAN REGION

- Landman for Glasscock County, TX
- Created tracking mechanism and GIS mapping system for continuous drilling obligations in 75,000 net acres prospect
- Responsible for clearing title and drafting title clearance memorandums for drilling units
- Managed the tracking of lease expirations, PSA elections, and brokers in leasing programs
- Drafted areas of mutual interest, unit designations, and lease ratifications

Apache Corporation – Tulsa, OK

July 2013-July 2014

LANDMAN I -- ROTATIONAL DEVELOPMENT PROGRAM -- MIDCONTINENT REGION

- · Landman for Apache's assets in Beckham, Roger Mills, Grady and Stephens Counties, Oklahoma
- Tracked and processed all non-operated well proposals and AFE's
- Drafted and negotiated joint operating agreements and pre-pooling letter agreements
- Testified and prepared applications for the Oklahoma Corporation Commission
- Reviewed and satisfied curative title requirements
- Prepared well proposals, tracked partner elections, and filed affidavits of force-pooled interests
- Determined partner WI and NRI coordinating with the Division Order department

Apache Corporation - Houston, TX

July 2012-July 2013

LANDMAN I – ROTATIONAL DEVELOPMENT PROGRAM – GULF COAST REGION

- Conducted due diligence on Apache's acquisition of 427,000+ gross acres in the Eagleford
- Determined Apache's leasehold rights and created a detailed lease schedule covering 19,654 leases
- Performed field title work in Brazos and Burleson County, TX and Clarke County, MS
- Maintain Apache's lease records and interpreted oil & gas lease provisions

Cabot Oil & Gas Corporation – Houston, TX

Summer 2011

LAND INTERN

- Prepared amendments to assignments, lease exhibits, and well proposals for working interest owners
- Created Excel spreadsheets summarizing lease hold rights, and unit WI and NRI in Arkansas and Louisiana
- Experience with the Tobin Database, Artesia software, County Records Online and the Texas Railroad Commission

EDUCATION

University of Oklahoma - Norman, OK - Bachelor of Business Administration in Energy Management

August 2012

CERTIFICATIONS, AFFILIATIONS AND ACTIVITIES

CERTIFICATIONS: Certified Professional Landman

ORGANIZATIONS: American Association of Petroleum Landmen, Houston Association of Professional Landmen, Oklahoma City Association of Professional Landmen, Permian Basin Landmen's Association, Association Young Professionals in Energy

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

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

CASE NO. 23357

SELF AFFIRMED DECLARATION OF ELIZABETH SCULLY

Elizabeth Scully hereby states and declares as follows:

- 1. I am over the age of 18, I am a geologist for Marathon Oil Permian LLC, and have personal knowledge of the matters stated herein.
- 2. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum geologist were accepted as a matter of record.
- 3. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
 - 4. I am familiar with the application filed by Marathon in this case.
- 5. I conducted a geological study of the area embracing Marathon's Goliath Development Area.
- 6. **Exhibit C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.
- 7. **Exhibit C.2** is a wellbore schematic showing Marathon's Goliath development plan.
- 8. **Exhibit C.3** is structure map of the First Bone formation. The proposed project area is identified by a black-dashed box, and the proposed well is identified by a red line. The contour interval used this exhibit is 25 feet. This exhibit shows that the Bone Spring dips to the North.



- 9. **Exhibit C.4** is a cross section reference map that identifies two wells in the vicinity of the proposed well, shown by a line of cross-section running from A to A'.
- 10. **Exhibit C.5** is a stratigraphic cross section hung on the top of the First Bone formation. The well logs on the cross-section give a representative sample of the Bone Spring formation in the area. The producing zones are identified by green shading.
- 11. **Exhibit C.6** is a Gross Interval Isochore of the First Bone to the top of the Second Bone Sand formations. Exhibit C.6 identifies the unit by a black dashed box and the 301H well is identified by a red line. The formations are near constant thickness across the project area.
- 12. **Exhibit C.7** is structure map of the base of the Bone Spring formation. The proposed project area is identified by a black-dashed box, and the proposed wells are identified by red lines. The contour interval used this exhibit is 25 feet. This exhibit shows that the Bone Spring dips to the Northwest over the project area.
- 13. **Exhibit C.8** is a cross section reference map that identifies two wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.
- 14. **Exhibit C.9** is a stratigraphic cross section hung on the top of the Wolfcamp formation. The well logs on the cross-section give a representative sample of the Bone Spring formation in the area. The producing zones are identified by green shading.
- 15. **Exhibit C.10** is a Gross Interval Isochore of the Third Bone Sand formation. Exhibit C.8 identifies the unit by a black dashed box and the Bone Spring wells are identified by red lines. The formation is near constant thickness across the project area.
 - 16. I conclude from the maps that:
 - a. The horizontal spacing unit is justified from a geologic standpoint.

- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter section in the proposed unit will contribute more or less equally to production.
- 17. **Exhibit C.11** provides an overview of the stress orientation in the area based on the 2020 Snee-Zoback paper.
- 18. The preferred well orientation in this area is north/south. This is because the S_{Hmax} is at approximately 90 degrees in this part of Lea County. Marathon is proposing north/south orientation to maximize the lateral length given Marathon's acreage.
- 19. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.
- 20. In my opinion, the granting of Marathon's application is in the interests of conservation and the prevention of waste.

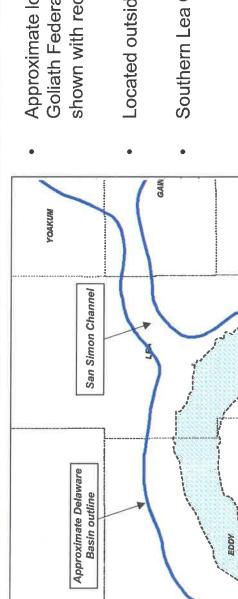
[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Elizabeth Saully

Dated: April 17, 2023.

Locator Map





Goliath Federal Com well locations Approximate location of proposed shown with red box Located outside of the Capitan Reef

Southern Lea County

ANDR

WINKLER

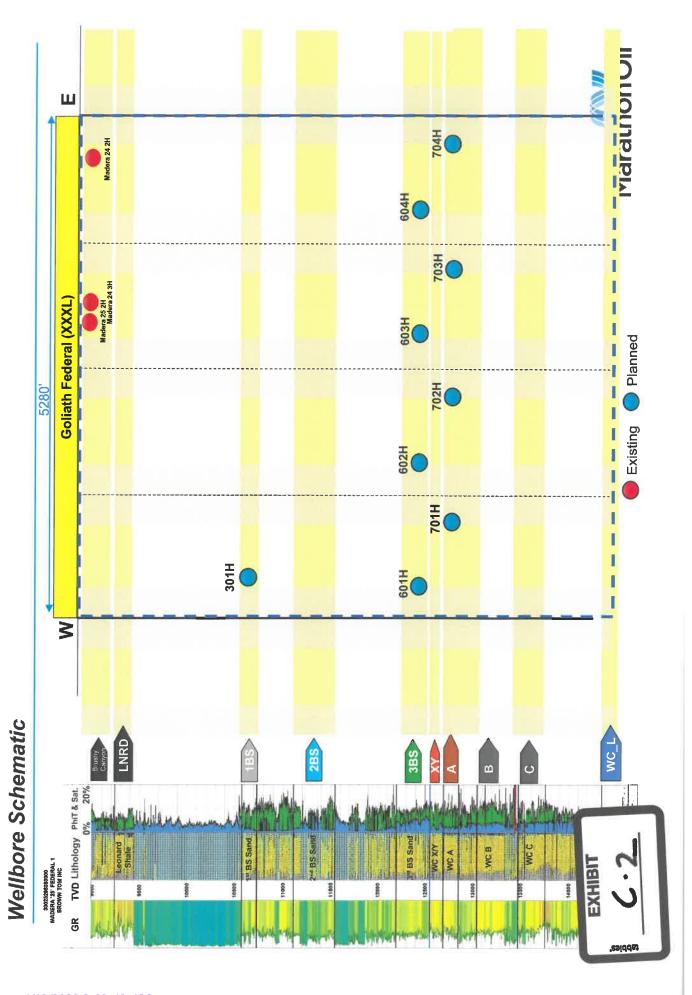
SWA07

Approximate Capitan Reef outline

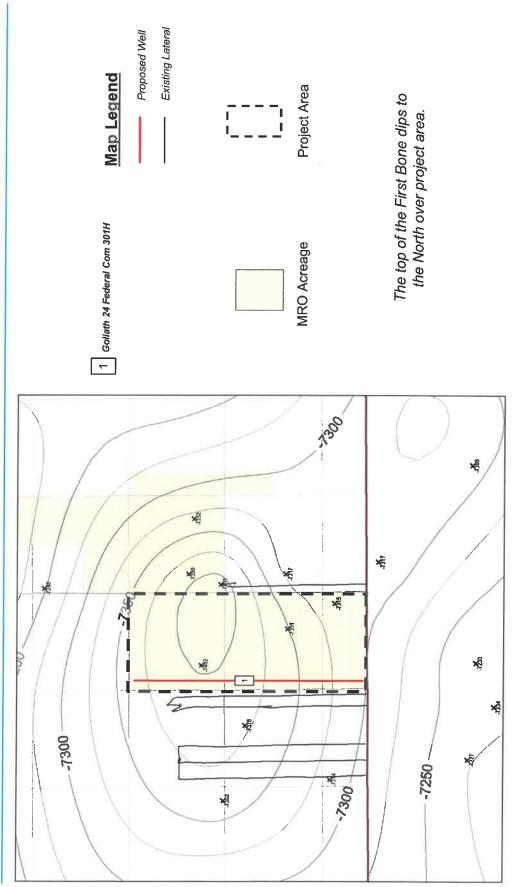
REEVES

JLBERSON

EXHIBIT



Structure Map - Top of First Bone (TVDSS)

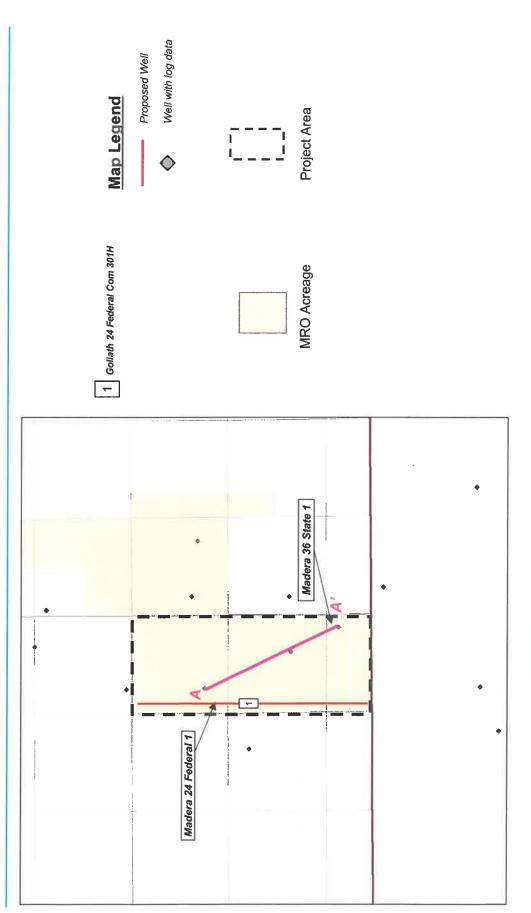






C.I. = 25

Reference Map for Cross Section

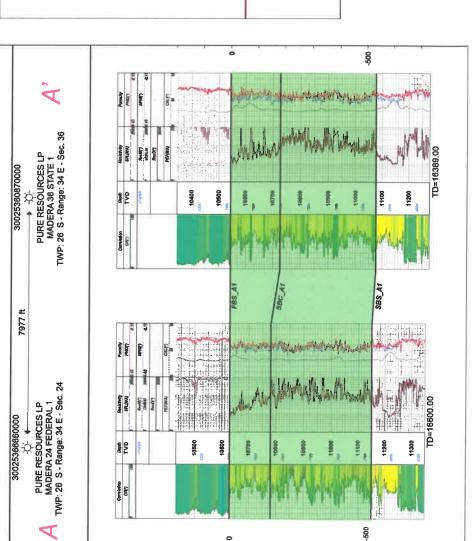


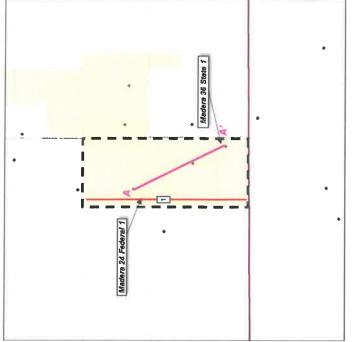






Stratigraphic Cross Section (Top First Bone Datum)





The First Bone and Second Bone Carb are near constant thickness across project area.





MarathonOil

Goliath Federal Com Unit

Gross Interval Isochore Map – Top of First Bone Sand to Top of Second Bone Sand



Map Legend

Proposed Well

Existing Lateral

MRO Acreage

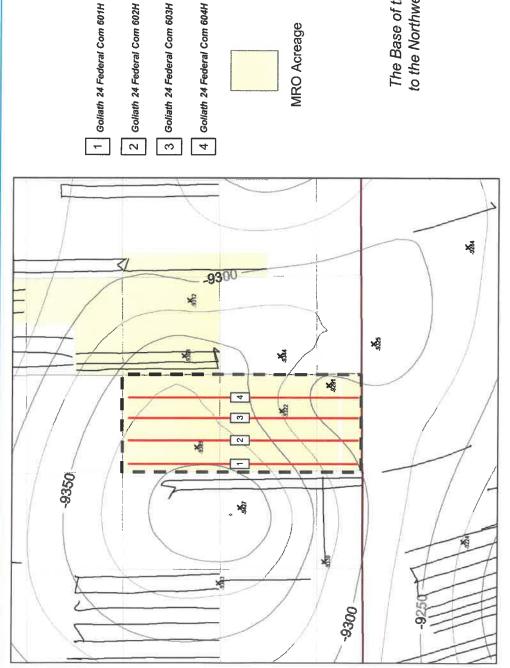
Project Area

The First Bone and Second Bone Carb are near constant thickness across project area.





Structure Map - Base of Bone Spring (TVDSS)



Proposed Well Existing Lateral

Map Legend



Project Area

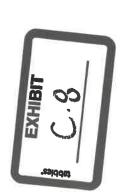




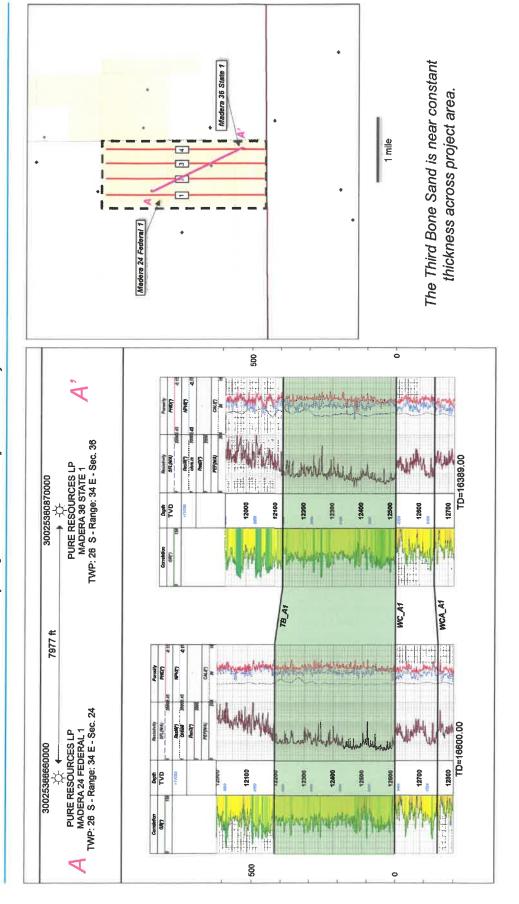
Reference Map for Cross Section







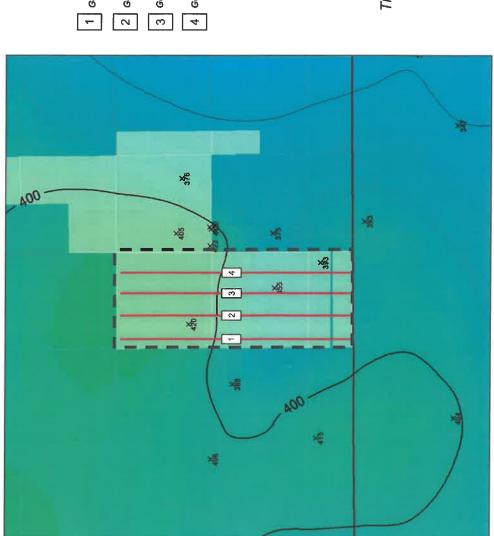
Stratigraphic Cross Section (Top Wolfcamp Datum)







Gross Interval Isochore Map – Top of Third Bone Sand to Top of Wolfcamp

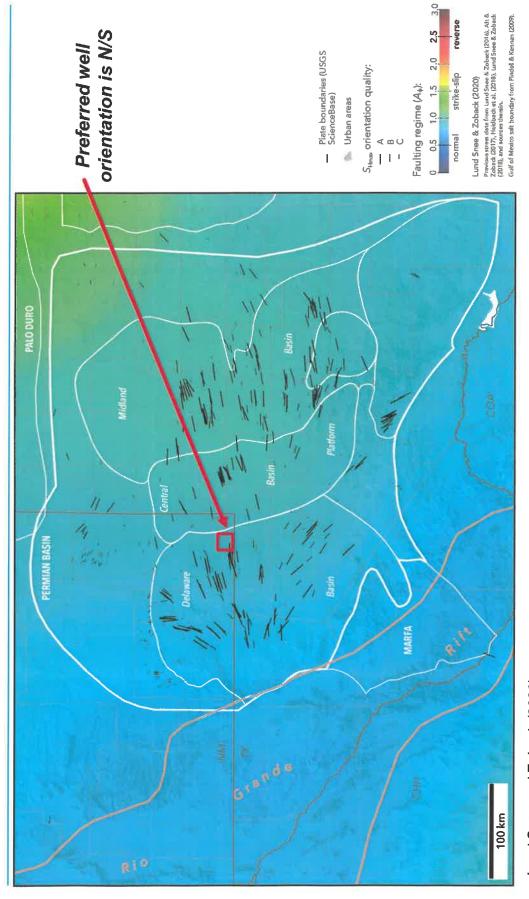


The Third Bone Sand is near constant thickness across project area.





Preferred Well Orientation - SHmax





Lund Snee and Zoback (2020)

EXHIBIT

esidde.

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

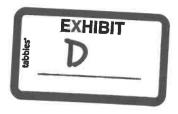
APPLICATIONS OF MARATHON OIL PERMIAN LLC FOR A NON-STANDARD UNIT, AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 23355-23358

SELF AFFIRMED DECLARATION OF ROHIT SINHA

Rohit Sinha hereby states and declares as follows:

- 1. I am over the age of 18, I am a reservoir engineer for Marathon Oil Permian LLC and have personal knowledge of the matters stated herein.
 - 2. I have not previously testified before the Oil Conservation Division ("Division").
- 3. I graduated from The University of Texas at Austin in 2004 with a Masters in Science in Petroleum Engineering. I have worked as a reservoir engineer with Marathon since 2006. Before joining Marathon, I worked as a reservoir engineer with Halliburton. My resume is attached as **Exhibit C.4**.
- 4. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
- 5. I am familiar with the applications filed by Marathon in these cases and the surface production facilities required to develop the oil underlying the subject acreage.
- 6. In these cases, Marathon seeks approval of the 800-acre non-standard spacing units for several reasons.
- 7. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the wells in the proposed non-standard spacing unit.



- 8. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitzation Agreement, Marathon requires approval of non-standard spacing units.
- 9. Exhibits C.1 to C.3 illustrate the benefit of the non-standard units Marathon is requesting.
- 10. As outlined in Mr. Cox's testimony, if Marathon has to develop the acreage using standard horizontal spacing units, Marathon would need a total of eight units, four Bone Spring units and four Wolfcamp units. Under Marathon's requested non-standard unit applications, however, Marathon would only need a total of four units—two Bone Spring and two Wolfcamp.
- 11. **Exhibit C.1** identifies the tank batteries and related surface production facilities that would be required if Marathon had to develop this acreage using standard horizontal spacing units.
- 12. **Exhibit C.2** identifies the tank batteries and related surface production facilities that will be needed to develop the acreage using non-standard units.
- 13. As these exhibits show, Marathon intends to use a single central tank battery if the non-standard units are approved, as opposed to the four central tank batteries that would be required for standard units. Approval of the non-standard units will allow for commingling of production, which would not be possible if Marathon has to move forward with standard units.
- 14. **Exhibit C.3** identifies the reduced cost savings and surface disturbance that will occur if the non-standard spacing units are not approved.
- 15. In addition, a decrease in surface facilities will reduce the unavoidable permitted air emissions from the tanks and related surface facilities.

- 16. In my opinion, approval of Marathon's non-standard unit applications will allow Marathon to efficiently locate surface facilities, reduce surface disturbance, and promote effective well spacing.
- 17. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.
- 18. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: April 17, 2023

Rohit Sinha

Facilities Map







Facilities Map







Financial & Environmental Impact

Goliath Development

Scenario	Design Basis Per CTB (BOPD)	CTB Cost (\$M)	Pipeline/Utilities Costs (\$M)	Total Capital (\$M)	CTB and Pipeline Disturbance (Acres)
Four Separate Facilities	10,000	\$16,000	\$4,000	\$20,000	30.3
Single Pooled Facility	15,000	\$7,000	\$1,500	\$8,500	21.2
Savings		\$9,000	\$2,500	\$11,500	9.1





ROHIT SINHA

990 Town and Country Blvd, Houston, TX - 77024

EXPERIENCE

02/2006 – PRESENT
RESERVOIR ENGINEER, MARATHON OIL COMPANY

09/2004 – 01/2006 RESERVOIR ENGINEER, HALLIBURTON

EDUCATION

AUG 2004
MASTER OF SCIENCE (PETROLEUM ENGINEERING), UT AUSTIN

MAY 1999

BACHELOR'S IN TECHNOLOGY (PETROLEUM ENGINEERING), INDIAN SCHOOL OF MINES

