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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 23754

MARATHON OIL PERMIAN LLC'S PRE-HEARING STATEMENT

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

APPEARANCES

<u>APPLICANT</u> ATTORNEY

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STATEMENT OF CASE

APPLICANT:

In Case No. 23754, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a standard 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 22, 27, and 34, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Pierogi BS Federal Com 301H, Pierogi BS Federal Com 302H, Pierogi BS Federal Com 501H, Pierogi BS Federal Com 502H, Pierogi BS Federal Com 551H, and Pierogi BS Federal Com 552H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. The completed intervals for the Pierogi BS Federal Com 301H and the Pierogi BS Federal Com 502H are each expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. 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 4.93 miles from Loving, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESS ESTIMATED TIME EXHIBITS

Landman: Farley Duvall Approx. 15 minutes Approx. 8

Geologist: Greg Buratowski Approx. 15 minutes Approx. 6

PROCEDURAL ISSUES

Fasken Oil and Ranch objected to this case going by affidavit, but it withdrew that objection on August 30, 2023. As a result, there are no objections to this case going by affidavit, and Marathon intends to present it by affidavit on September 7, 2023.

Respectfully submitted,

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

By: Mena M. Bennett

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CERTIFICATE OF SERVICE

I hereby certify that on August 31, 2023, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 260716

QUESTIONS

Operator:	OGRID:
MARATHON OIL PERMIAN LLC	372098
990 Town & Country Blvd.	Action Number:
Houston, TX 77024	260716
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	2	
Testimony time (in minutes)	30	