

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

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

**CASE NO. 24081**

**MARATHON OIL'S PRE-HEARING STATEMENT**

Marathon Oil Permian LLC ("Applicant" or "Marathon"), the Applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANT**

Marathon Oil Permian LLC

**ATTORNEY**

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**APPLICANT'S STATEMENT OF THE CASE**

In **Case No. 24081**, Marathon seeks orders pooling all uncommitted interests in the Willow Lake; Bone Spring Formation, designated as an oil pool (Pool Code 64450) underlying a standard 800-acre, more or less, horizontal well spacing unit comprised of the SW/4 Section 31, Township 24 South, Range 29 East, and the W/2 Section 6 and W/2 Section 7, located in Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant seeks to initially dedicate this horizontal spacing unit to the proposed **Twisted Tea BS Fed Com 551H, Twisted Tea BS Fed Com 552H, Twisted Tea BS Fed Com 553H, Twisted Tea BS Fed Com 554H, Twisted Tea BS Fed Com 301H, and Twisted Tea BS Fed Com 302H** wells, as follows:

- a. The **Twisted Tea BS Fed Com 551H**, which is an oil well targeting the 3rd Bone Spring Formation that will be horizontally drilled from a surface hole location in the SW/4 of Section 31, Township 24 South, Range 29 East, targeting the 3rd Bone Spring Formation, with the first takepoint being approximately 330 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 330 feet FWL, and approximately 100 feet FSL;
- b. **Twisted Tea BS Fed Com 552H**, which is an oil well targeting the 3rd Bone Spring Formation that will be horizontally drilled from a surface hole location in the SW/4 of Section 31, Township 24 South, Range 29 East , with the first takepoint being approximately 1000 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 1,000 feet FWL, and approximately 100 feet FSL;
- c. **Twisted Tea BS Fed Com 301H**, which is an oil well targeting the 1st Bone Spring Formation that will be horizontally drilled from a surface hole location SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 1000 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 1,000 feet FWL, and approximately 100 feet FSL;
- d. **Twisted Tea BS Fed Com 553H**, which is an oil well targeting the 3rd Bone Spring Formation that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 1650 feet FWL, and approximately 2540 feet FSL, to a

bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 1650 feet FWL, and approximately 100 feet FSL;

- e. **Twisted Tea BS Fed Com 554H**, which is an oil well targeting the 3rd Bone Spring Formation that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 2310 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 2310 feet FWL, and approximately 100 feet FSL; and
- f. **Twisted Tea BS Fed Com 302H**, which is an oil well targeting the 1st Bone Spring Formation that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, with the first takepoint being approximately 2310 feet FWL, and approximately 2540 feet FSL, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 2310 feet FWL, and approximately 100 feet FSL.

The completed interval for each well will be orthodox and comply with statewide setbacks for oil wells. Marathon has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

**APPLICANTS PROPOSED EVIDENCE**

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
Ryan Gyllenband, Landman	Affidavit	Approximately 9
Greg Buratowski, Geologist	Affidavit	Approximately 5

**PROCEDURAL MATTERS**

Marathon intends to present this case by affidavit if there is no opposition at the time of the hearing.

Respectfully submitted,

HOLLIDAY ENERGY LAW GROUP, PC

/s/ Benjamin B. Holliday

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