# Before the Oil Conservation Division Examiner Hearing March 21, 2024

Case No. 23984

Andretti Fed Com 504H, Andretti Fed Com 505H, Andretti Fed Com 506H, & Andretti Fed Com 304H wells



# 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. 23984** 

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## COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS						
Case: 23984	APPLICANT'S RESPONSE					
Date	March 18, 2024					
Applicant	Marathon Oil Permian LLC					
Designated Operator & OGRID (affiliation if applicable)	Marathon Oil Permian LLC OGRID 372098					
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.					
Case Title:	APPLICATION OF MARATHON OIL PERMIAN LLC FOR NON-STANDARD UNIT, AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.					
Entries of Appearance/Intervenors:	None.					
Well Family	Andretti					
Formation/Pool						
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:	Gem; Bone Spring pool (Code 27220)					
Well Location Setback Rules:	Statewide Rules					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	960-acres					
Building Blocks:	40-Acres					
Orientation:	North/South					
Description: TRS/County	E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, Lea County.					
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	No. Approval of a non-standard unit is being requested in this application.					
Other Situations						
Depth Severance: Y/N. If yes, description	No.					
Proximity Tracts: If yes, description	No.					
Proximity Defining Well: if yes, description	N/A					
Applicant's Ownership in Each Tract	Exhibit B.3					
Well(s)						
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed					
Well #1: Andretti Fed Com 304H	SHL: 347' FNL & 1449' FEL (Unit B), Section 31, T-19-S R-33-E FTP: 100' FNL & 660' FEL Section 31, T-19-S R-33-E BHL: 100' FSL & 660' FEL (Unit P), Section 7, T-20-S R-33-E Orientation: North South Completion Target: First Bone Spring Completion Status: Standard TVD: 9,220', MVD: 24,470'					

OCD Examiner Hearing 3-21-24

ruge 4 d
SHL: 347' FNL & 1509' FEL (UNIT B), Section 31, T-19-S R-33-E FTP: 100' FNL & 2200' FEL Section 31, T-19-S R-33-E BHL: 100' FSL & 2200' FEL (Unit O), Section 7, T-20-S R-33-E Orientation: North South
Completion Target: Second Bone Spring
Completion Status: Standard
TVD: 10,050', MVD: 25,300'
SHL: 347' FNL & 1479' FEL (Unit B), Section 31, T-19-S R-33-E FTP: 100' FNL & 1320' FEL Section 31, T-19-S R-33-E
BHL: 100' FSL & 1320' FEL (Unit P), Section 7, T-20-S R-33-E
Orientation: North South
Completion Target: Second Bone Spring
Completion Status: Standard
TVD: 10,050', MVD: 25,300'
SHL: 347' FNL & 1419' FEL (Unit B), Section 31, T-19-S R-33-E FTP: 100' FNL & 440' FEL Section 31, T-19-S R-33-E
BHL: 100' FSL & 440' FEL (UNit P), Section 7, T-20-S R-33-E
Orientation: North South
Completion Target: Second Bone Spring
Completion Status: Standard TVD: 10,050', MVD: 25,300'
Exhibit B.2
EXHIBIT D.2
Exhbit B.6
\$10,000
\$1,000
See Exhibit B Paragraph 26
200%
Exhibit E.1; Exhibit B.1 (Application with proposed notice paragraph)
Exhibit E.1; E.2; E.3
Exhibit E.4
Exhibit B.3
Exhibit B.3
Exhibit E.5
Exhibit B.5
N/A
N/A
Exhibit B.6
Exhibit B.3
Exhibit B.4

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Cost Estimate to Drill and Complete	Exhibit B.7
Cost Estimate to Equip Well	Exhibit B.7
Cost Estimate for Production Facilities	Exhibit B.7
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.1
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.2
Well Orientation (with rationale)	Exhibit C.9
Target Formation	Exhibit C.3 to C.5; C.6 to C.8
HSU Cross Section	Exhibit C.5; C.8
Depth Severance Discussion	N/A
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; C.6
Structure Contour Map - Subsea Depth	Exhibit C.3; C.6
Cross Section Location Map (including wells)	Exhibit C.4; C.7
Cross Section (including Landing Zone) Additional Information	Exhibit C.5; C.8
Special Provisions/Stipulations	None.
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett
Date:	3/18/2024

#### 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

CA	CT	NO.	220	94
€.A	<b>3</b> H.	INEZ.	2.33	ስት

STATE OF TEXAS	)
	) ss
COUNTY OF HARRIS	)

#### AFFIDAVIT OF FARLEY DUVALL

Farley Duvall, being duly sworn, deposes and states as follows:

- I am over the age of 18, I am a landman for Marathon Oil Permian LLC ("Marathon") 1. and have personal knowledge of the matters stated herein.
- I have previously testified before the Oil Conservation Division ("Division") and my 2. credentials as an expert petroleum landman were accepted as a matter of record.
  - My area of responsibility at Marathon includes the area Lea County in New Mexico. 3.
- I am familiar with the application filed by Marathon in this case, which is attached as 4. Exhibit B.1.
  - I am familiar with the status of the lands that are subject to this application. 5.
- I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of 6. the above referenced application.
- Marathon seeks an order (1) approving a non-standard unit, and (2) pooling all 7. uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico.

- 8. Marathon seeks approval of a 960-acre non-standard spacing unit for several reasons.
- 9. First, Marathon seeks to minimize surface disturbance by consolidating facilities and commingling production from the proposed and future wells in the proposed non-standard spacing unit. 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 19.15.167(P) NMAC; Rule 19.15.16.15(B)(8) NMAC; Rule 19.15.16.15(C)(7)(NMAC).
- 10. Second, to allow the wells to be dedicated to the acreage subject to the desired Communitization Agreement, Marathon required approval of this non-standard spacing unit in the Bone Spring formation.
- 11. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H wells, to be horizontally drilled.
  - 12. Attached as **Exhibit B.2** is the proposed C-102s for the wells.
- 13. The C-102s identify the proposed surface hole locations and the bottom hole locations, and the first take points. The C-102s also identify the pool and pool code.
  - 14. The wells will develop the Gem; Bone Spring, Pool Code 27220.
  - 15. This pool is an oil pool with 40-acre building blocks.
  - 16. This pool is governed by the state-wide horizontal well rules.
  - 17. The producing areas for the wells is expected to be orthodox.
  - 18. There are no depth severances within the proposed spacing unit.
- 19. 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. Exhibit B.3 also includes a 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 wells within the proposed non-standard unit, and a list of the wells with the pool code identified.

- 20. I have 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 the working interest owners well proposals, including an Authorization for Expenditure.
- 21. In my opinion, Marathon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.
  - 22. **Exhibit B.4** is a summary of my contacts with the working interest owners.
  - 23. Exhibit B. 5 is a list of the parties being pooled for this case.
- 24. Exhibit B.6 is a sample of the well proposal letter that was sent to all working interest owners. The proposal letter identifies the proposed first and last take points and approximate TVD/MD for the wells.
- 25. Exhibit B.7 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.
- 26. Marathon requests overhead and administrative rates of \$10,000.00/month for drilling a well and \$1,000.00/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.
- 27. Marathon requests the maximum cost plus 200% risk charge be assessed against nonconsenting working interest owners.
  - 28. Marathon requests that it be designated operator of the wells.
  - 29. The parties Marathon is seeking to pool were notified of this hearing.

- 30. Marathon seeks to pool overriding royalty interest owners, and they were also provided notice of this hearing.
- No opposition is expected because the interest owners being pooled have been 31. contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells.
- 32. Marathon also provided notice to offsetting operators for purposes of the non-standard unit application.
- The attachments to this affidavit were prepared by me, or compiled from company 33. business records, or were prepared at my direction.
- In my opinion, the granting of this application is in the interests of conservation and 34. the prevention of waste.

[Signature page follows]

Dated: December 11, 2023

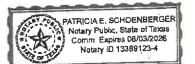
Farley Duvall

State of TEXAS

County of HARRIS

This record was acknowledged before me on <u>December 11</u>, 2023, by Farley Duvall.

[Stamp]



Notary Public in and for the

State of Texas

Commission Number: 13389123-4

My Commission Expires: 8/3/2026

## 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. 23984

#### APPLICATION -

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 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 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico to form a non-standard 960-acre, more or less, Bone Spring spacing unit.
- 3. Marathon plans to drill the Andretti Fed Com 304H, Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H, wells to a depth sufficient to test the Bone Spring formation. The wells will be horizontally drilled, and the producing area for the wells is expected to be orthodox.
  - 4. Marathon seeks approval of the non-standard spacing unit for several reasons.

EXHIBIT

B. I

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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 non-standard spacing unit in the

Bone Spring formation.

8. 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.

9. 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 December 7, 2023 and after notice and hearing as

required by law, the Division enter its order:

A. Approving the non-standard Bone Spring spacing unit;

B. Pooling all uncommitted interests in the Bone Spring formation underlying

a horizontal spacing unit within the E/2 of Sections 6, 7, Township 20 South, Range 33 East and

the E/2 of Section 31, Township 19 South, Range 33 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

Yarithza Peña

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 deana.bennett@modrall.com yarithza.pena@modrall.com

Attorneys for Applicant

CASE NO. 23984: 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 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 505H, and Andretti Fed Com 506H 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 31 miles from Hobbs, New Mexico.

12

<u>District I</u> 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

Phone: (5/3) #83-128 Fext: (5/3) #48-9/20 Distint III 1000 Rjo Brezos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fext: (505) 334-6170 District IV 1220 S. St. Funcis Dr., Sunta Pe, NM 87505 Phone: (505) 476-3460 Fext: (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

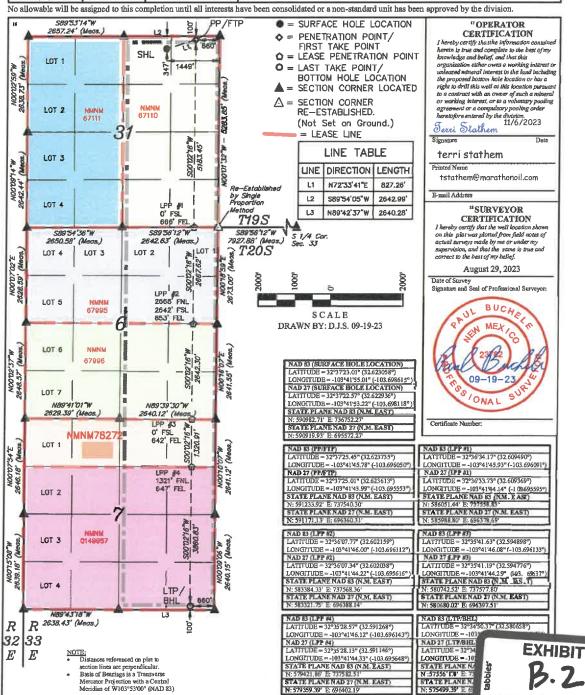
#### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	27220 Code	Gem: Bone Spring Pool Name			
'Property Code		<sup>5</sup> Property Name ANDRETTI E31B FEDERAL COM			
372098		perator Name NOIL PERMIAN LLC	9 Elevation 3579.0'		

Surface Location UL or lot no Sectio 31 Townskip 19S Range 33E t from the North/South lin NORTH East/West line County LEA 1449 EAST

"Bottom Hole Location If Different From Surface

UL or lot no. P	Section 7	Township 20S	Range 33E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 660	East/West line EAST	County LEA
<sup>2</sup> Dedicated Acre 961.50	# 13 J	oint or Infil	14 Conso	lidation Code	15 Order No.	~			_



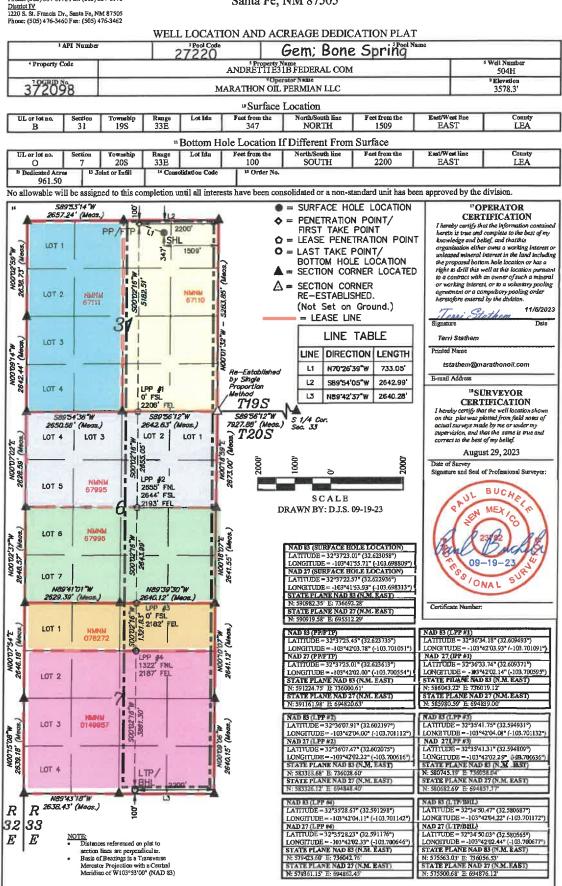
OCD Examiner Hearing 3-21-24

<u>District.1</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District.1</u>
811 S. First S., Artesia, NM 88210
Phone: (575) 748-1285 Fax: (575) 749-9720
<u>District.11</u>
1000 Rio Brazos Road, Aziec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

# 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



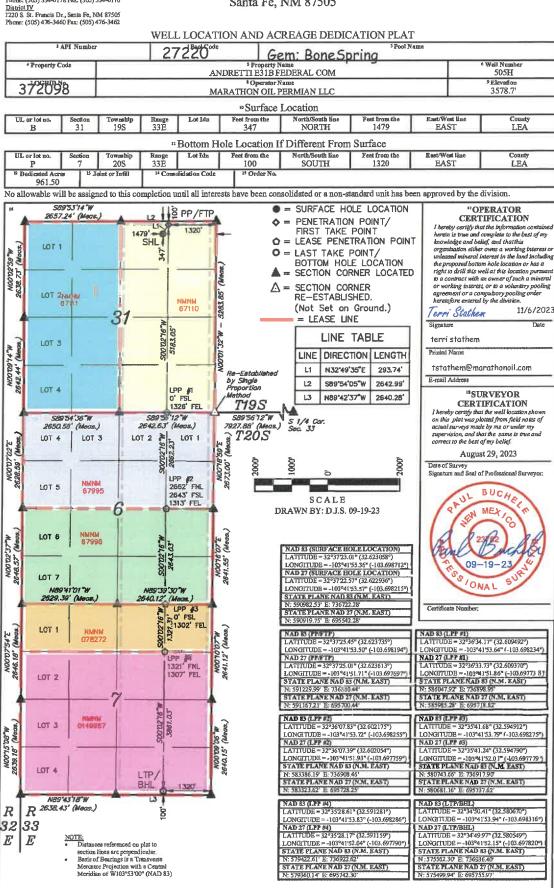
OCD Examiner Hearing 3-21-24

District I 1625 N. French Dr., Hobbs, NM 88240 Phoms: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. Finst St., Artesia, NM 88210 Phoms: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztoc, NM 87410 Phoms: (505) 334-6178 Fax: (505) 334-6170 District VI

# 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



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

Phone: (5/75) /48-1283 Fex: (5/75) /48-97.01 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fex: (505) 334-6170 District IV 1220 S. Sc Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fex: (505) 476-3462

В

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

County

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

		THE PROPERTY OF THE PROPERTY O	
1 API Numbe	27220 Code	Gem; Bone Spring 1Pool Name	
<sup>4</sup> Property Code		Property Name TE31B FEDERAL COM	6 Well Number 506H
372098		Operator Name ON OIL PERMIAN LLC	9 Elevation 3579.2'

Surface Location

North/South lin

Feet from the 1419

EAST

#### Range 33E NORTH

			11	Bottom H	ole Location I	Different From	Surface		
UL or lot no.	Section 7	Township 20S	Range 33E	LotIdu	Feet from the 100	North/South line SOUTH	Feet from the 440	East/West line EAST	County LEA
Dedicated Acr		oint or Infill	<sup>14</sup> Cons	didation Code	15 Order No.				

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.

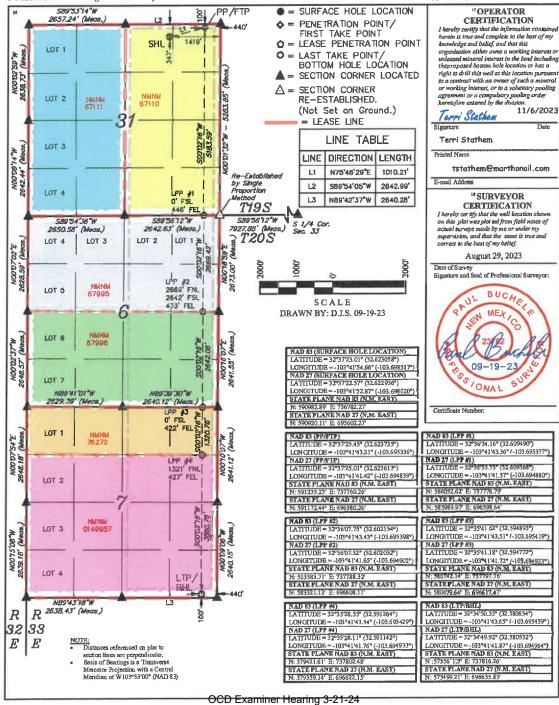


Exhibit "B.3" - Lease Tract Map Andretti Fed Com 504H, 505H, 506H, & 304H E/2 of Sections 6 & 7-20S-R33E and E/2 Section 31-19S-R33E: 961.50 acres

		*.1	*1
lan 1 4g eg	MEMW 40.00	NWNE 40 05	44
Lot 2 +0.45	SENAV 40 00	T.	12
Let 3 40 41	Section NESON 40.00	mid man	71.
Lot 4 40.38	SESW 46 00	755.	304 61,76
Lot 4 40.40	tar3 4038	THE STATE OF THE S	77.
Ret 5 40 10	SENW 4000	The	350
bn 6 31 92	NE 544 4 0 0 D	75.	1.
ter 7 39 75	\$25W 60,80	- 12	-
(et 1 1949	66[10W 4.5 @Q		
ton 2 39.7%	56/MW 40-00	5WM 1000	50MF 40 MD
ter 3 39-#2	NCSW 69 BB	MYSE. 64 BW	77.
let 4 39.89	565W 40 00	SWSE 6988	ter.

		EAST	ANDRETTI DSU		
Section		Township	19 South	Range _	33 Eas
Sections	6: Lots 1, 2, S2NE, SE 8, 7: E2	Township	20 South	Range	33 Eas
County	Lea		State	New M	exico

Tract	Fee/Fed/State	Lease #	Acres
Tract 1, 2, & 3	Fed	NMNM-067110	320.00
Tract 4	Fed	NMNM-067111	161.50
Tract 5	Fed	NMNM-067996	160.00
Tract 6	Fed	NMNM-078272	80.00
Tract	Fed	NMNM-0149957	240.00
	Total		961.50





Exhibit "B.3" - Summary of Working Interest Owners
Andretti Fed Com 504H, 505H, 506H, & 304H
E/2 of Sections 6 & 7-20S-R33E and E/2 Section 31-19S-R33E: 961.50 acres

Committed Working Interest:							70	.05%
Interest Owner	Tract 1 WI	Tract 2 WI	Tract 3 WI	Tract 4 Wi	Tract 5 WI	Tract 6 WI	Tract 7 WI	Unit WI
MARATHON OIL PERMIAN LLC							0.77000000	
Chevron USA, Inc.	0.27200000	0.24800000				110000000	0.71000000	0.0840353
Kastleford Land Company, LLC	0.02000000	0.02000000	0.02000000					0.0040500

### Uncommitted Working Interest: 29.95%

Interest Owner	Tract 1 WI	Tract 2 WI	Tract 3 WI	Tract 4 WI	Tract 5 WI	Tract 6 WI	Tract 7 WI	Unit WI
Apache Corporation	0.41800000	0.38200000	0.40000000					0.12938118
THE ALLAR COMPANY							0.23000000	0.05741030
Abby Corporation	0.10000000	0.10000000	0.10000000					0.03328133
Reba Diane Coston, as Trustee of the Diane Coston Trust utad October 3, 2018	0.03333333	0.05333333	0.05333333					0.01691801
Donna M. Priest, as Trustee of the Donna Priest Trust utad March 12, 2021	0.03333333	0.03333333	0.03333333					0.01109378
Dorothy L. Martin and Jeffrey L. Martin, w/h as jt	0.03333333	0.03333333	0.03333333					0.01109378
Ralph C. McElvain, Jr.	0.03000000	0.03000000	0.03000000					0.00998440
Tom P. Stephens Trust uad October 30, 1995	0.03000000	0.03000000						0.00873635
Estate of Eloy S. Duran, deceased		0.03000000						0.00748830
James W. Adams	0.01000000	0.01000000	0.01000000					0.00332813
William M. Dampeer	0.01000000	0.01000000	0.01000000					0.00332813
William T. Fietz	0.01000000	0.01000000	0.01000000					0.00332813
Donnie E. Brown		0.01000000	0.01000000					0.00291212
Kimbrough Working Interests, LLC			0.03000000					0.00231212



Exhibit "B.3" – Summary of ORRI Owners

Andretti Fed Com 504H, 505H, 506H, & 304H

E/2 of Sections 6 & 7-20S-R33E and E/2 Section 31-19S-R33E: 961.50 acres

## Overriding Royalty Interest: 7.64%

ORRI Owner	Tract 1 ORRI	Tract 2 ORRI	Tract 3	Tract 4	Tract 5	Tract 6 ORRI	Tract 7	Unit ORRI
DEVON ENERGY PRODUCTION COMPANY, LP				0.12500000	0.07500000		<u> </u>	0.04387676
JAMES A. MCADAMS								0.01807081
PERMIAN BASIN INVESTMENT CORPORATION ESTATE OF RANDALL FIELDS MONTGOMERY, DECEASED					0.03200000			0.00532501
MILDRED M. MONTGOMERY								0.00267081
MANZANO OIL CORPORATION					0.0000000			0.00267081
STEVE MITCHELL					0.00800000			0.00133125
GEORGE L. SCOTT, III					0.00500000			0.00083203
					0.00375254			0.00062445
RANDALL F. MONTGOMERY, II								0.00027789
VERLYN M. MONTGOMERY								0.00027789
REBECCA J. MONTGOMERY								0.00027789
REALTIMEZONE, INC.					0.00124746			0.00027769



### **Summary of Contacts (Andretti)**

- 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 July 17,
- 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 and unleased mineral interest owners who had not entered in to 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 with Working Interest Owners/Unleased Mineral Interest Owners to Be Pooled									
Name	Unit % Interest	Date Proposal Letter Sent	Proposal Letter Received	Follow Up					
Apache Corporation	12.938118%	7/17/2023	7/21/2023	12/14/2023: Parties have entered into a to Letter Agreement					
Chevron USA, Inc.	8.403536%	7/21/2023	7/21/2023	11/27/2023: Parties have agreed to a JOA					
The Allar Company	5.741030%	7/21/2023	7/19/2023	8/8/2023: Phone call and email discussing plans and timing					
Abby Corporation	3.328133%	8/14/2023	11/10/2023	Proposals and Notice sent to 3 different addresses					
Diane Coston Trust utad October 3, 2018	1.691801%	7/21/2023	7/20/2023	10/20/2023: Multiple email and phone calls confirming interest and timing					
Donna Priest Trust utad March 12, 2021	1.109378%	7/21/2023	7/24/2023	Proposal packet received					
Dorothy L. Martin and Jeffrey L. Martin, w/h as jt	1.109378%	7/21/2023	7/22/2023	Proposal packet received					
Ralph C. McElvain, Jr.	0.998440%	7/21/2023	8/14/2023	Proposal packet received					
Tom P. Stephens Trust uad October 30, 1995	0.873635%	11/27/2023	11/29/2023	Discovered in title update submitted on 11/27/2023					
Estate of Eloy S. Duran, deceased	0.748830%	7/21/2023	7/31/2023	Proposal packet received					
Estate of Larry Arnold, Deceased	0.665627%	7/21/2023	7/31/2023	Interest is currently being acquired by Kastelford Land Company. KLC indicated they will be participating and requested the JOA.					

Name	Unit %	Date Proposal	Proposal Letter	Follow Up
	Interest	Letter Sent	Received	
James W. Adams	0.332813%	7/21/2023	UND	Proposals and Notice sent to 3 separate addresses with no response
William M. Dampeer	0.332813%	7/21/2023	7/24/2023	Elected to participate
William T. Fietz	0.332813%	7/21/2023	UND	Proposals and Notice sent to 3 separate addresses with no response
Donnie E. Brown	0.291212%	7/21/2023	UND	Proposals and Notice sent to 3 separate addresses with no response
Kimbrough Working Interests, LLC	0.124805%	8/14/2023	8/21/2023	Party elected to participate

Exhibit "B.5" Parties Being Pooled Andretti Fed Com 504H, 505H, 506H, & 304H E/2 of Sections 6 & 7-20S-R33E and E/2 Section 31-19S-R33E: 961.50 acres

**Working Interest Owners** 

Apache Corporation
THE ALLAR COMPANY
Abby Corporation
The Diane Coston Trust utad October 3, 2018
The Donna Priest Trust utad March 12, 2021
Dorothy L. Martin and Jeffrey L. Martin, w/h as jt
Ralph C. McElvain, Jr.
Tom P. Stephens Trust uad October 30, 1995
Estate of Eloy S. Duran, deceased
Estate of Larry Arnold, Deceased
James W. Adams
William M. Dampeer
William T. Fietz
Donnie E. Brown
Kimbrough Working Interests, LLC

#### **ORRI Owners**

DEVON ENERGY PRODUCTION COMPANY, LP
JAMES A. MCADAMS
PERMIAN BASIN INVESTMENT CORPORATION
ESTATE OF RANDALL FIELDS MONTGOMERY, DECEASED
MILDRED M. MONTGOMERY
MANZANO OIL CORPORATION
STEVE MITCHELL
GEORGE L. SCOTT, III
RANDALL F. MONTGOMERY, II
VERLYN M. MONTGOMERY
REBECCA J. MONTGOMERY
REALTIMEZONE, INC.





Farley Duvall Land Professional - Permian



Marathon Oil Company 990 Town & Country Blvd. Houston, Texas 77024 713.296.2399 (o) fduvall@marathonoil.com

July 13, 2023

TAP ROCK RESOURCES II LLC 523 PARK POINT DRIVE, SUITE 200 GOLDEN, CO 80401

Re: Andretti Fed Com 504H, 505H, 506H, & 304H (the "Wells")

Participation Proposal

E/2 of Sections 6 & 7, T20S-R33E and E/2 Section 31, T19S-R33E

Lea County, New Mexico

#### Dear Sir/Madam:

Marathon Oil Permian LLC ("Marathon") proposes the drilling, completion, and equipping of the Wells to test the Wolfcamp and Bone Springs formations, at a legal location in Sections 6 & 7, Township 20 South, Range 33 East and Section 31, Township 19 South, Range 33 East, Lea County, New Mexico (the "Subject Lands), as follows:

WELL NAMES	First Ta	ke Point	First Take Point		First Take Point		TVD	MD	Target	Total AFE
Andretti Fed Com 504H	2200' FEL	100' FNL	2200' FEL	100' FSL	10.050	25,300	2nd Bone	\$13,677,322.24		
Andretti Fed Com 504n	Section 31	Section 31	Section 7	Section 7	10,030	25,300	Spring	\$13,011,322.24		
Andretti Fed Com 505H	1320' FEL	100' FNL	1320' FEL	100' FSL	10,050	0 25,300	25 300	2nd Bone	\$13,677,322.24	
Andretti Fed Com 303H	Section 31	Section 31	Section 7	Section 7	10,050		Spring	Ψ13,011,322.24		
Andretti Fed Com 506H	440' FEL	100' FNL	440' FEL	100' FSL	10,050	25,300	2nd Bone	\$13,677,322.24		
Andretti Fed Com 500H	Section 31	Section 31	Section 7	Section 7	10,050	23,300	Spring	\$15,077,522.24		
Andretti Fed Com 304H	660'FEL	100' FNL	660' FEL	100' FSL	0.220	0.220 24.47	24,470	1st Bone	\$14,833,732.24	
Andrew Fed Com 304H	Section 31	Section 31	Section 7	Section 7	9,220	24,470	Spring	φ14,033,732.24		

Marathon's title records indicate that TAP ROCK RESOURCES II LLC has an estimated 39.453125% working interest in this unit.

#### Authority for Expenditure (AFEs)

Enclosed with this letter is an Authority for Expenditure ("AFE") for each of the proposed Wells. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred, and by electing to participate, you shall be responsible for your proportionate share of all actual costs incurred.

#### **Voluntary Agreement of Compulsory Pooling**



Marathon will provide, upon request, a proposed Joint Operating Agreement ("JOA") for development of the Subject Lands that will include the following basic terms:

- Marathon Oil Permian LLC to be named as Operator
- Contract Area begin the Subject Lands
- As a charge for the risk involved in drilling the well, 300% of the above costs
- \$10,000 per month drilling overhead rates and \$1,000 per month producing overhead rates, adjusted annually pursuant to Section III.1.A.3 of COPAS form titled "Accounting Procedure-Joint Operations."

If you would like to discuss a farmout, an assignment of interest, an acreage trade or other form of agreement for your interests in the Subject Lands, 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, Marathon will file an application with the New Mexico Oil Conservation Division for an order pooling the Subject Lands.

#### **Election Instructions**

Please use the attached ballot to indicate your desire to participate in each of the proposed wells and return a signed AFE for each well in which you elect to participate. If we do not receive a response form you within thirty (30) days, we will proceed with the necessary proceedings to pool your interests in the proposed spacing unit for the initial wells.

Should you elect to participate, your interest will automatically be covered by the Operator's insurance unless and until you provide written notice to Operator to the contrary, together with a valid, current insurance certificate from your insurance carrier in compliance with Operator's minimum insurance requirements.

Should you have any questions regarding the above, please do not hesitate to contact me at the information provided in the top of this letter.

Best Regards,
Marathon Oil Permian LLC

Farley Duvall Land Professional

#### PARTICIPATION BALLOT

Ridge Runner Resources Operating, LLC hereby elects to:
Not to participate in the <b>Andretti Fed Com 5045H</b> Well.
Participate in the <b>Andretti Fed Com 504H</b> Well by paying its proportionate share of all actual costs.
Not to participate in the <b>Andretti Fed Com 505H</b> Well.
Participate in the <b>Andretti Fed Com 505H</b> Well by paying its proportionate share of all actual costs.
Not to participate in the <b>Andretti Fed Com 506H</b> Well.
Participate in the <b>Andretti Fed Com 506H</b> Well by paying its proportionate share of all actual costs.
Not to participate in the <b>Andretti Fed Com 304H</b> Well.
Participate in the <b>Andretti Fed Com 304H</b> Well by paying its proportionate share of all actual costs.
Ву:
Print Name:
Title:
Date:

DATE 6/21/2023

DRILLING & LOCATION PREPARED BY COURT NELSON

COMPLETION PREPARED BY KRISTEN DRAIN

FACILITIES PREPARED BY HARSHA DISSANAYAKE

ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE

Asset Team	PERMIAN				EVELOPATION		
Field		DRMATION: FB		LDCAT	EXPLORATION		
Lease/Facility	Andretti Fed Com			VELOPMENT	RECOMPLETION		
Location	31-195-33E; 6 & 7-	20S-33E	XEX	PLOITATION	WORKOVER		
Prospect	Red Hills						
Est Total Depth	26,200	Est Drilling Days	36.892	Est Completion Days	11		
LOCATION COST - INTANGIBLE							
GL CODE		DES	CRIPTION		ESTIMATED COST		
7001270	Location	and Access	L.III. 11011		165,000		
7001270		oker Fees and Services			110,000		
7001250	Laliq bit	okei rees and services			0		
	TOTAL LOCATION O	COST - INTANGIBLE			\$275,00		
DRILLING COST - TANGIBLE							
	Conduct	or Dina			36,128		
7001270 7012050	Surface				57,805		
7012050		diate Casing 1			148,848		
7012050		diate Casing 2			- 8		
7012050		ion Casing			728,344		
7012050		er Hanger, Tieback Eq & C	Se Accessories		36,128		
7012550		Wellhead Equipment			34,683		
7012040		Tubing Access			79,482		
7290003		neous MRO Materials			7,226		
722000							
	TOTAL DRILLING - 1	TANGIBLE			\$1,128,64		
DRILLING COST - INTANGIBLE							
	Drilling	Rig Mob/Demob			93,933		
7290002		Rig - day work/footage			809,271		
7290002 7019040		nal Drilling Services			284,112		
7019040		and Cementing Service Su	urface		36,128		
7019020		and Cementing Service In			57,805		
7019020		and Cementing Service In					
		and Cementing Service Pr			180,641		
7019020		ids & Services	oduction		101,881		
7019140		ontrol equipment			72,834		
7012310 7012020	Bits	mitror equipment			216,769		
		rew and Services			57,805		
7019010	Fuel (Rig				125,437		
7016350 7019140	Fuel (Mu				43,354		
		on potable}			36,128		
7001460	Water (p				7,226		
		ging Services			7,220		
7019000 7019150		ging+geosteering			24,603		
		rs, Hole Openers, Underr	eamers (DH rentals)		50,579		
7019250 7019110		spection/cleaning	eamers (Diriemas)		21,677		
7019110		c/collar inspection service	95		14,451		
7016180	Freight -				36,128		
7001460		auling and disposal (inclu	des soil farming)		86,708		
7001160		Services - Disposal/Non-			115,610		
7001440	Vacuum				14,451		
7000030		Labor - general			43,354		
7000010		Labor - Operations			4,335		
7001200		Services - Facilities			14,451		
7019300		vices - Well Control Servi	ces		33,599		
7019300	_	vices - Well/Wellhead Se			14,451		
7290003		ools and Equipment (surf			20,232		
7260001		ment and Misc.			161,854		
7001110		munications Services			7,226		
7001120		ng Services			169,947		
7001400		nd Environmental			56,649		
7330002		uildings (trailers)			20,232		
7019310		idewalls & analysis)			- 4		
7011010		ngency & Taxes			333,001		
	TOTAL DRILLING - IF	NTANGIRI F			\$3,366,865		
	TOTAL DIVILLING 1	TIANGIDEE			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
	TOTAL DRILLIN	IG COST			\$4,495,510		
MARATHON OIL PERMIAN LLC				DATE	6/21/2023		
AUTHORITY FOR EXPENDITURE							
DETAIL OF ESTIMATED WELL COSTS							
COMPLETION - TANGIBLE							
GL CODE		DESC	RIPTION		ESTIMATED COST		
	Tubica	DESC					
7012580	Tubing A	ccessories (nipple, wirelin	ne entry)				
7012040	Wellhead		ie entry)		15,000		
7012550		Completion Equipment			25,000		
7012560							
	TOTAL COMPLETION	N - TANGIBLE			\$15,		
COMPLETION INTANGED E							
COMPLETION - INTANGIBLE							

OCD Examiner Hearing 3-21-24

No. 23984 26 B.7

7290002	Location and Access (dress location after rig move, set anchors)		12,539
	Drilling Rig During Completion	-	
7019140	Mud Fluids & Services		
7019030	Coiled Tubing Services (3 runs)	_	197,042
7019240	Snubbing Services	_	
7019270	Pulling/Swab Units	-	
7016350	Fuel (from drlg)	-	
7019010	Casing Crew and Services	-	
7019020	Cement and Cementing Services	-	225 255
7019080	Well Testing Services (flow hand & equip)	-	335,268
7390002	Fracturing Services		5,155,178
7019330	Perforating		234,172
7019360	Wireline Services		251,585
7001460	Water Hauling & Disposal (frac fluids)		251,585
7016180	Freight - Truck (haul pipe; drlg & compl)		
7290003	BOP Rental & Testing		
7290003	Rental Tools and Equipment ( incl drlg; lightplant,hydra-walk)	_	58,217
7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	_	58,21
7290003	Contract Labor - general		44 702
7000030	Telecommunications Services		44,782
7001110	Safety and Environmental		117,778
7001400	Consulting Services	_	176,235
7001120	Zipper Manifold	_	
7019300	Frack Stack Rentals	-	152,260
7016180	Freight (Transportation Services)	-	8,598
7260001	Equipment Rental ( w/o operator, frac tanks, lightplants)		227,785
7330002	Rental Buildings (trailers)	-	44.700
7000030	Contract Labor - Pumping (pump-down pumps)	10	44,782
7011010	8% Contingency & Taxes	-	A7 040
	TOTAL COMPLETION - INTANGIBLE		\$7,016,22
	TOTAL COMPLETION COST		\$7,031,222
JRFACE EQUIPMENT - TANGIBLE			
·	BALL Division Flatings B Volum		218,349
7012350 7006640	Misc. Piping, Fittings & Valves  Company Labor & Burden	-	218,343
			237,138
7000030	Contract Labor - General	-	237,130
7001110	Telecommunication equip (Telemetry)	-	63,213
7012410	Line Pipe & Accessories		
7012270	Miscellaneous Materials (containment system)	_	65,845
7008060	SCADA	_	20,831
7016180	Freight - truck		21,777
7001190	Contract Engineering	-	13,490
7012290	Metering and Instrumentation	-	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		350,355
7012500	Tanks	_	61,670
	Heater Treater		
7012100			
7012100 7012640	Flare & Accessories		26,476
	Flare & Accessories Electrical Labor		26,476 119,762
7012640			26,476 119,762
7012640 7000010	Electrical Labor		26,476 119,762
7012640 7000010 7000010	Electrical Labor Mechanical Labor		26,476 119,762 258,984
7012640 7000010 7000010 7012480	Electrical Labor Mechanical Labor Rod Pumping unit & Pad		119,762
7012640 7000010 7000010 7012480 7012180	Electrical Labor  Mechanical Labor  Rod Pumping unit & Pad  Pumping Unit Engine  Electrical Power (electrical cooperative construction costs)		26,476 119,762 258,984 - - - 48,515
7012640 7000010 7000010 7012480 7012180	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE		26,476 119,762 258,984 - 48,515 \$2,300,000
7012640 7000010 7000010 7012480 7012180	Electrical Labor  Mechanical Labor  Rod Pumping unit & Pad  Pumping Unit Engine  Electrical Power (electrical cooperative construction costs)	\$	26,476 119,762 258,984 - - - 48,515
7012640 7000010 7000010 7012480 7012180 7012350	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST	\$	26,476 119,762 258,984 - - 48,515 \$2,300,000 2,300,000
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor	\$	26,476 119,762 258,984 - - - 48,515 \$2,300,000 2,300,000
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant	\$	26,476 119,762 258,984 - - - - - - - - - - - - - - - - - - -
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant Time Writing/Overhead	\$	26,476 119,762 258,984 - - - 48,515 \$2,300,000 2,300,000 8,612 6,889 8,612
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment	\$	26,476 119,762 258,984 - - - 48,515 \$2,300,000 2,300,000 8,612 6,889 8,612 451,256
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000 8,612 6,889 8,612 451,256 3,445
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550 7012580	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612 180,847
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000 8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550 7012550 7012580 7016190 7018150	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612 1180,847 8,612 110,334
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 10,334 3,445
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550 7012550 7012580 7016190 7018150	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 10,334 3,445
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 10,334 3,445
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 10,334 3,445 41,336
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT COST	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 10,334 3,445 41,336 732,000
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals KIII Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000  8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 10,334 3,445 41,336 732,000 732,000
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST  SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000 2,300,000 8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 10,334 3,445 41,336 732,000 732,000 TOTAL COST 275,000
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals KIII Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000 2,300,000 48,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 10,334 3,445 41,336 732,000 732,000
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST  SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST	\$	26,476 119,762 258,984 48,515 \$2,300,000 2,300,000 2,300,000 8,612 6,889 8,612 451,256 3,445 8,612 180,847 8,612 110,334 3,445 41,336 732,000 732,000 TOTAL COST 275,000 4,495,510
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST  SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$	26,476 119,762 258,984
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT TOTAL ARTIFICIAL LIFT COST  SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL COMPLETIONS COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$ \$ \$ \$	26,476 119,762 258,984
7012640 7000010 7000010 7012480 7012180 7012350  RTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012550 7012550 7012550 7012580 7016190 7018150 7019130	Electrical Labor Mechanical Labor Rod Pumping unit & Pad Pumping Unit Engine Electrical Power (electrical cooperative construction costs)  TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST   Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST  SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$	26,476 119,762 258,984

DATE 6/21/2023

DRILLING & LOCATION PREPARED BY COURT NELSON

COMPLETION PREPARED BY KRISTEN DRAIN

FACILITIES PREPARED BY HARSHA DISSANAYAKE

ABTIFICIAL HET PREPARED BY CRAIG PLANTE

				AKTIFICIAL LIFT PREPARED BY	
Asset Team	PERMIAN				EVEL OR A TION
Field		ORMATION: SB		WILDCAT	EXPLORATION
Lease/Facility	Andretti Fed Com			DEVELOPMENT	RECOMPLETION
Location Prospect	31-195-33E; 6 & 7- Red Hills	205-33E	X	EXPLOITATION	_WORKOVER
Est Total Depth	26,200	Est Drilling Days	36.892	Est Completion Days	11
LOCATION COST - INTANGIBLE					
GL CODE		DES	CRIPTION		ESTIMATED COST
7001270	1		CKIFTION		
7001270	_	and Access			165,00
7001230	Land Big	ker Fees and Services			110,00
	TOTAL LOCATION (	COST - INTANGIBLE			\$275,0
DRILLING COST - TANGIBLE					
7001270	Conduct	or Pine			42,02
7012050	Surface				67,24
7012050	Interme	diate Casing 1			173,15
7012050		diate Casing 2			
7012050	Producti	on Casing			532,91
7012050	Drlg Line	r Hanger, Tieback Eq & C	Sg Accessories		42,02
7012550	Drilling \	Vellhead Equipment			40,34
7012040	Casing &	Tubing Access			92,46
7290003	Miscella	neous MRO Materials			8,40
	TOTAL DRILLING - T	ANGIBLE			\$998,58
DRILLING COST - INTANGIBLE					+3)88
		da Mah /P - · · · · ti			400
7290002		tig Mob/Demob			109,272
7290002		ig - day work/footage			
7019040	_	al Drilling Services			330,50
7019020		and Cementing Service Su			42,02
7019020		and Cementing Service In			67,24
7019020		and Cementing Service In		-	240.42
7019020		and Cementing Service Pr	Oduction		210,139
7019140	_	ds & Services			118,519
7012310		ntrol equipment			84,728
7012020	Bits				252,167
7019010		ew and Services			67,245
7016350	Fuel (Rig)				145,921
7019140	Fuel (Mu				50,433
7001460		on potable)			42,028
7012350	Water (p				8,406
7019000		ging Services			
7019150		ging+geosteering		1)	28,621
7019250		s, Hole Openers, Underr	eamers (DH rent	alsj	58,839
7019110		spection/cleaning			25,217
7019110		collar inspection service	es		16,811
7016180	Freight - 1				42,028
7001460		uling and disposal (inclu			100,867
7001160		Services - Disposal/Non-	Hazardous Wast	e	134,489
7001440	Vacuum 1				16,811
7000030		Labor - general			50,433
7000010	_	Labor - Operations			5,043
7001200	_	Services - Facilities			16,811
7019300		ices - Well Control Service			39,086
7019350		ices - Well/Wellhead Ser			16,811
7290003		ols and Equipment (surfa	ace rentals)	) 3	23,536
7260001		ment and Misc.			188,285
7001110		nunications Services			8,406
7001120	Consultin				197,699
7001400		d Environmental			65,900
7330002		ildings (trailers)			23,536
7019310		dewalls & analysis)			362,230
7011010		gency & Taxes			
	TOTAL DRILLING - IN	TANGIBLE		=	\$3,891,518
2	TOTAL DRILLING	G COST			\$4,890,100
MARATHON OIL PERMIAN LLC LUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WELL COSTS				DATE	6/21/2023
OMPLETION - TANGIBLE					-
GL CODE		DESCI	RIPTION		ESTIMATED COST
7012580	Tubias	DESCR	,,,		-21111711111111111111111111111111111111
7012580	Tubing Acc	resories /nimelo wis-li-	e entrul		
	Wellhead	essories (nipple, wirelin	e entry)		15 000
					15,000
7012550 7012560					8
7012550 7012560		Completion Equipment			

OCD Examiner Hearing 3-21-24

7001270 7290002 7019140 7019030 7019240 7019270 7016350 7019010 7019020 7019080	Location and Access (dress location after rig move, set anchors)  Drilling Rig During Completion  Mud Fluids & Services  Coiled Tubing Services (3 runs)  Snubbing Services  Pulling/Swab Units		12,539 197,042
7019030 7019240 7019270 7016350 7019010 7019020 7019080	Mud Fluids & Services Coiled Tubing Services (3 runs) Snubbing Services		197,042
7019240 7019270 7016350 7019010 7019020 7019080	Snubbing Services	=	
7019270 7016350 7019010 7019020 7019080		-	
7016350 7019010 7019020 7019080	Pulling/Swab Units		
7019010 7019020 7019080			
7019020 7019080	Fuel (from drlg)		
7019080	Casing Crew and Services	-	
	Cement and Cementing Services	-	
	Well Testing Services (flow hand & equip)	-	335,268
7390002	Fracturing Services	-	5,155,178
7019330	Perforating	-	234,172
7019360 7001460	Wireline Services	-	254 505
	Water Hauling & Disposal (frac fluids)	-	251,585
7016180	Freight - Truck (haul pipe; drlg & compl)		
7290003	BOP Rental & Testing	_	
7290003	Rental Tools and Equipment ( incl drlg; lightplant,hydra-walk)	_	50.747
7290003 7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	_	58,217
7000030	Contract Labor - general Telecommunications Services		44,782
700030	Safety and Environmental	-	44,762
700110	Consulting Services		117,778
7001120		7.=	
7001120	Zipper Manifold	- 0	176,235
	Frack Stack Rentals		152,260
7016180 7260001	Freight (Transportation Services)	_	8,598
	Equipment Rental ( w/o operator, frac tanks, lightplants) Rental Buildings (trailers)	-	227,785
7330002		_	44 700
7000030	Contract Labor - Pumping (pump-down pumps)	_	44,782
/011010	8% Contingency & Taxes TOTAL COMPLETION - INTANGIBLE	_	67.046.335
	TOTAL COMPLETION - INTANGIBLE	-	\$7,016,222
	TOTAL COMPLETION COST		\$7,031,222
		-	, , , ,
SURFACE EQUIPMENT - TANGIBLE			
7012350	Misc. Piping, Fittings & Valves		99,681
7012330		-	99,681
7000030	Company Labor & Burden Contract Labor - General	_	100 350
7001110	Telecommunication equip (Telemetry)	-	108,258
7012410	Line Pipe & Accessories		28,858
7012270	Miscellaneous Materials (containment system)	_	30,060
7008060	SCADA	_	9,510
7016180	Freight - truck		9,942
7001190	Contract Engineering	_	6,159
7012290	Metering and Instrumentation	_	168,687
7012290	I&E Materials	_	98,948
7012290	Gas Treating	-	90,940
7012200	Dehydration ·		
7012010	Compressor	-	11,448
7012350	Power		12,440
7012610	Vapor Recovery Unit		3
7012440	Separator & other pressure vessels		159,945
7012500	Tanks		28,154
7012100	Heater Treater		83,211
7012640	Flare & Accessories		12,087
7000010	Electrical Labor	-	54,674
7000010	Mechanical Labor		118.232
7012480	Rod Pumping unit & Pad		-
7012480	Pumping Unit Engine		
7012350	Electrical Power (electrical cooperative construction costs)		22,148
, 02230		-	
	TOTAL SURFACE EQUIPMENT - TANGIBLE	-	\$1,050,000
no es	TOTAL SUPEACE FOLLIDMENT COST	ć	1.050.000
	TOTAL SURFACE EQUIPMENT COST	\$	1,050,000
ARTIFICIAL LIFT			
7000030	Contract Labor		5,071
7001120	Consultant	_	4,056
7008230	Time Writing/Overhead		5,071
7012180	Artificial Lift Equipment		265,699
7012350	Materials & Supplies	5	2,028
7012550	Production Tree	5	5,071
7012580	Tubing	-	106,482
7016190	Freight		5,071
7018150	Rentals		6,085
7019130	Kill Fluid	-	2,028
7019220	Well Services & Rig		24,339
	TOTAL ARTIFICIAL LIFT	-	
	IN CONTRIBUTE SILL	_	431,000
	TOTAL ARTIFICIAL LIFT COST	\$	431,000
	SUMMARY OF ESTIMATED DRILLING WELL COSTS		TOTAL COST
	TOTAL LOCATION COST	\$	275,000
	TOTAL DRILLING COST	\$	4,890,100
	TOTAL COMPLETIONS COST	\$	7,031,222
		-	
	TOTAL SURFACE EQUIPMENT COST	\$	1,050,000
		\$	
	TOTAL SURFACE EQUIPMENT COST	\$	1,050,000

DATE 6/21/2023

DRILLING & LOCATION PREPARED BY COURT NELSON
COMPLETION PREPARED BY KRISTEN DRAIN
FACILITIES PREPARED BY HARSHA DISSANAYAKE
ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE

Asset Team	PERMIAN		
Field	Bone Spring FORMATION: SB	WILDCAT	EXPLORATION
Lease/Facility	Andretti Fed Com 505H	DEVELOPM	
Location	31-19S-33E; 6 & 7-20S-33E Red Hills	XEXPLOITATI	ON WORKOVER
Prospect			
Est Total Depth	26,200 Est Drilling Days	36.892 Es	t Completion Days 11
LOCATION COST - INTANGIBLE			
GL CODE	DES	SCRIPTION	ESTIMATED COST
7001270	Location and Access		165,00
7001250	Land Broker Fees and Services		110,00
	70711 1001701 0007 NITHIGHT		4000
	TOTAL LOCATION COST - INTANGIBLE		\$275,0
DRILLING COST - TANGIBLE			
7001270	Conductor Pipe		42,07
7012050	Surface Casing		67,24
7012050 7012050	Intermediate Casing 1 Intermediate Casing 2		173,15
7012050	Production Casing		532,91
7012050	Drlg Liner Hanger, Tieback Eq &	Csg Accessories	42,02
7012550	Drilling Wellhead Equipment		40,34
7012040	Casing & Tubing Access		92,46
7290003	Miscellaneous MRO Materials		8,40
	TOTAL DRILLING - TANGIBLE		\$998,5
Ballying eees and a second	TOTAL STREETING - TRANSPEL		, page 2
DRILLING COST - INTANGIBLE			
7290002	Drilling Rig Mob/Demob		109,27
7290002	Drilling Rig - day work/footage		941,42
7019040	Directional Drilling Services		330,50
7019020	Cement and Cementing Servici Si		42,02
7019020	Cement and Cementing Service In		67,24
7019020	Cement and Cementing Service P Cement and Cementing Service P		210.12
7019020 7019140	Mud Fluids & Services	roduction	210,139 118,519
7012310	Solids Control equipment		84,72
7012020	Bits		252,16
7019010	Casing Crew and Services		67,24
7016350	Fuel (Rig)		145,92
7019140	Fuel (Mud)		50,433
7001460	Water (non potable)		42,028
7012350	Water (potable)		8,408
7019000	Well Logging Services		
7019150	Mud Logging+geosteering	(T)	28,62
7019250	Stabilizers, Hole Openers, Under	reamers (DH rentals)	58,839
7019110 7019110	Casing inspection/cleaning Drill pipe/collar inspection servic	ae .	25,217
7016180	Freight - truck		42,028
7001460	Water hauling and disposal (inclu	ides soil farming)	100,867
7001160	Contract Services - Disposal/Non-		134,489
7001440	Vacuum Trucks		16,811
7000030	Contract Labor - general		50,433
7000010	Contract Labor - Operations		5,043
7001200	Contract Services - Facilities		16,811
7019300	Well Services - Well Control Servi		39,086
7019350	Well Services - Well/Wellhead Se		16,811
7290003 7260001	Rental Tools and Equipment (surf Rig Equipment and Misc.	ace rentais)	23,536 188,285
7260001	Telecommunications Services		8,406
7001120	Consulting Services		197,699
7001400	Safety and Environmental		65,900
7330002	Rental Buildings (trailers)		23,536
7019310	Coring (sidewalls & analysis)		
7011010	8% Contingency & Taxes		362,230
	TOTAL DRILLING - INTANGIBLE		\$3,891,518
	TOTAL DRIVING COST		\$4.000.40¢
	TOTAL DRILLING COST		\$4,890,100
MARATHON OIL PERMIAN LLC MUTHORITY FOR EXPENDITURE DETAIL OF ESTIMATED WELL COSTS			DATE6/21/202
COMPLETION - TANGIBLE			
GL CODE	DESC	RIPTION	ESTIMATED COST
7012580	Tubing		
7012040	Tubing Accessories (nipple, wireling	ne entry)	
7012550	Wellhead Equip		15,000
7012560	Packers - Completion Equipment		
	TOTAL COMPLETION - TANGIBLE		\$15,000
			\$13,000
OMPLETION - INTANGIBLE			

7001270 7290002	Location and Access (dress location after rig move, set anchors)		12,539		
	Drilling Rig During Completion	_			
7019140	Mud Fluids & Services				
7019030	Coiled Tubing Services (3 runs)		197,042		
7019240	Snubbing Services	_			
7019270	Pulling/Swab Units	_			
	7016350 Fuel (from drlg)				
7019010	Casing Crew and Services	( =			
7019020	Cement and Cementing Services	-	225 250		
7019080 7390002	Well Testing Services (flow hand & equip)	10	335,268 5,155,178		
7390002	Fracturing Services Perforating		234,172		
7019350	Wireline Services	_	234,172		
7019300	Water Hauling & Disposal (frac fluids)	) —	251,585		
7016180	Freight - Truck (haul pipe; drlg & compl)	2.51	232,303		
7290003	BOP Rental & Testing	-			
7290003	Rental Tools and Equipment ( incl drlg; lightplant, hydra-walk)				
7290003	CT Downhole Rental Equipment (ie. Bit, BHA)	-	58,217		
7290003	Contract Labor - general		10		
7000030	Telecommunications Services		44,782		
7001110	Safety and Environmental				
7001400	Consulting Services		117,778		
7001120	Zipper Manifold		176,235		
7019300	Frack Stack Rentals		152,260		
7016180	Freight (Transportation Services)	- 1	8,598		
7260001	Equipment Rental ( w/o operator, frac tanks, lightplants)		227,785		
7330002	Rental Buildings (trailers)				
7000030	Contract Labor - Pumping (pump-down pumps)		44,782		
7011010	8% Contingency & Taxes				
	TOTAL COMPLETION - INTANGIBLE		\$7,016,222		
	TOTAL COMPLETION COST		\$7,031,222		
	TOTAL CONTELLION COST	5-	<i>\$1,</i> 051,222		
SURFACE EQUIPMENT - TANGIBLE					
	and a state of the second and as				
7012350	Misc. Piping, Fittings & Valves	-	99,681		
7006640	Company Labor & Burden	_	100 250		
7000030	Contract Labor - General	-	108,258		
7001110	Telecommunication equip (Telemetry)	-	30.000		
7012410	Line Pipe & Accessories  Miscellaneous Materials (containment system)		28,858 30,060		
7008060	SCADA	_	9,510		
7016180	Freight - truck		9,942		
7001190	Contract Engineering		6,159		
7012290	Metering and Instrumentation	-	168,687		
7012290	I&E Materials		98,948		
7012200	Gas Treating		30,340		
7012200	Dehydration	_			
7012010	Compressor	_	11,448		
7012350	Power	-			
7012610	Vapor Recovery Unit				
7012440	Separator & other pressure vessels		159,945		
7012500	Tanks		28,154		
7012100	Heater Treater		83,211		
7012640	Flare & Accessories	-	12,087		
7000010	Electrical Labor	_	54,674		
7000010	Mechanical Labor		118,232		
7012480	Rod Pumping unit & Pad		-		
7012180	Pumping Unit Engine				
	Electrical Power (electrical cooperative construction costs)				
7012350		_	22,148		
7012350	TOTAL SURFACE EQUIPMENT - TANGIBLE	_			
7012350	TOTAL SURFACE EQUIPMENT - TANGIBLE		\$1,050,000		
7012350	TOTAL SURFACE EQUIPMENT - TANGIBLE  TOTAL SURFACE EQUIPMENT COST	\$_			
		\$_	\$1,050,000		
ARTIFICIAL LIFT	TOTAL SURFACE EQUIPMENT COST	\$_	\$1,050,000 1,050,000		
ARTIFICIAL LIFT 7000030	TOTAL SURFACE EQUIPMENT COST  Contract Labor	\$_	\$1,050,000 1,050,000 5,071		
ARTIFICIAL LIFT 7000030 7001120	TOTAL SURFACE EQUIPMENT COST  Contract Labor Consultant	\$	\$1,050,000 1,050,000 5,071 4,056		
ARTIFICIAL LIFT 7000030 7001120 7008230	Contract Labor Consultant Time Writing/Overhead	\$_	\$1,050,000 1,050,000 5,071 4,056 5,071		
ARTIFICIAL LIFT 7000030 7001120 7008230 7012180	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment	\$	\$1,050,000 1,050,000 5,071 4,056 5,071 265,699		
ARTIFICIAL LIFT 7000030 7001120 7008230	Contract Labor Consultant Time Writing/Overhead	\$	\$1,050,000 1,050,000 5,071 4,056 5,071		
ARTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies	\$_	\$1,050,000 1,050,000 5,071 4,056 5,071 265,699 2,028		
ARTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree	\$	\$1,050,000 1,050,000 5,071 4,056 5,071 265,699 2,028 5,071		
ARTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550 7012580	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals	\$	\$1,050,000 1,050,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid	\$	\$1,050,000 1,050,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028		
ARTIFICIAL LIFT 7000030 7001120 7008230 7012180 7012350 7012550 7012580 7016190 7018150	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals	\$	\$1,050,000 1,050,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid	\$	\$1,050,000 1,050,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig	\$	\$1,050,000 1,050,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig		\$1,050,000 1,050,000 5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST	\$	\$1,050,000  1,050,000  5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000  TOTAL COST		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST  SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST	\$	\$1,050,000  1,050,000  5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000  431,000  TOTAL COST 275,000		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST	\$	\$1,050,000  1,050,000  5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000  TOTAL COST		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT COST  SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST	\$	\$1,050,000  1,050,000  5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000  431,000  TOTAL COST 275,000		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT  TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$	\$1,050,000  1,050,000  5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000 431,000  TOTAL COST 275,000 4,890,100 7,031,222		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT  SUMMARY OF ESTIMATED DRILLING WELL COSTS TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST TOTAL SURFACE EQUIPMENT COST	\$ \$ \$ \$ \$ \$ \$	\$1,050,000  1,050,000  5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000  431,000  TOTAL COST 275,000 4,890,100 7,031,222 1,050,000		
ARTIFICIAL LIFT  7000030  7001120  7008230  7012180  7012350  7012550  7012580  7016190  7018150  7019130	Contract Labor Consultant Time Writing/Overhead Artificial Lift Equipment Materials & Supplies Production Tree Tubing Freight Rentals Kill Fluid Well Services & Rig  TOTAL ARTIFICIAL LIFT  TOTAL ARTIFICIAL LIFT  TOTAL LOCATION COST TOTAL DRILLING COST TOTAL COMPLETIONS COST	\$	\$1,050,000  1,050,000  5,071 4,056 5,071 265,699 2,028 5,071 106,482 5,071 6,085 2,028 24,339 431,000 431,000  TOTAL COST 275,000 4,890,100 7,031,222		

DATE 5/21/2023

DRILLING & LOCATION PREPARED BY COURT NELSON

COMPLETION PREPARED BY KRISTEN DRAIN

FACILITIES PREPARED BY HARSHA DISSANAYAKE

ARTIFICIAL LIFT PREPARED BY CRAIG PLANTE

Asset Team	PERMIAN		WW.DCAT	EVELOR - T. C.
Field	Bone Spring FORMATION: SB		WILDCAT	EXPLORATION
Lease/Facility	Andretti Fed Com 506H		DEVELOPMENT	RECOMPLETION
Location	31-19S-33E; 6 & 7-20S-33E	X	EXPLOITATION	WORKOVER
Prospect	Red Hills			
Est Total Depth	26,200 Est Drilling Days	36.892	Est Completic	n Days 11
LOCATION COST - INTANGIBLE				
GL CODE	DES	CRIPTION		ESTIMATED COST
7001270	Location and Access			165,00
7001250	Land Broker Fees and Services			110,00
	TOTAL LOCATION COST - INTANGIBLE			\$275,0
DRILLING COST - TANGIBLE	TOTAL LOCATION COST - INTANGUEL			4210,0
				40.00
7001270 7012050	Conductor Pipe			42,07
7012050	Surface Casing Intermediate Casing 1			173,15
7012050	Intermediate Casing 2			173,1
7012050	Production Casing			532,91
7012050	Drig Liner Hanger, Tieback Eq & C	se Accessories		42,02
7012550	Drilling Wellhead Equipment			40,34
7012040	Casing & Tubing Access			92,46
7290003	Miscellaneous MRO Materials			8,40
	TOTAL DRILLING - TANGIBLE			\$998,5
DRILLING COST - INTANGIBLE				
7290002	Drilling Rig Mob/Demob			109,27
7290002	Drilling Rig - day work/footage			941,42
7019040	Directional Drilling Services			330,50
7019020	Cement and Cementing Service Su			42,02
7019020	Cement and Cementing Service In			67,24
7019020	Cement and Cementing Service In			
7019020	Cement and Cementing Service Pr	oduction		210,13
7019140	Mud Fluids & Services			118,51
7012310	Solids Control equipment			84,72
7012020	Bits Constant Constant			252,16
7019010 7016350	Casing Crew and Services			67,24
7019140	Fuel (Rig) Fuel (Mud)			145,923 50,433
7001460	Water (non potable)			42,020
7012350	Water (not potable)			8,400
7019000	Well Logging Services			0,40
7019150	Mud Logging+geosteering		-	28,62
7019250	Stabilizers, Hole Openers, Underro	eamers (DH rentals)		58,839
7019110	Casing inspection/cleaning	, , , , , , , , , , , , , , , , , , , ,		25,21
7019110	Drill pipe/collar inspection service	ıs		16,81
7016180	Freight - truck			42,02
7001460	Water hauling and disposal (include	des soil farming)		100,86
7001160	Contract Services - Disposal/Non-	Hazardous Waste		134,489
7001440	Vacuum Trucks			16,811
7000030	Contract Labor - general			50,433
7000010	Contract Labor - Operations			5,043
7001200	Contract Services - Facilities			16,811
7019300	Well Services - Well Control Services	es		39,086
7019350	Well Services - Well/Wellhead Ser	vices		16,811
7290003	Rental Tools and Equipment (surfa	ice rentals)		23,536
7260001	Rig Equipment and Misc.			188,285
7001110	Telecommunications Services			8,406
7001120	Consulting Services			197,699
7001400	Safety and Environmental			65,900
7330002	Rental Buildings (trailers)			23,536
7019310	Coring (sidewalls & analysis)			1
7011010	8% Contingency & Taxes		=======================================	362,230
	TOTAL DRILLING - INTANGIBLE			\$3,891,51
	TOTAL DRILLING COST			\$4,890,100
TARATHON OIL PERMIAN LLC UTHORITY FOR EXPENDITURE ETAIL OF ESTIMATED WELL COSTS				DATE 6/21/202
OMPLETION - TANGIBLE				
GL CODE		RIPTION		ESTIMATED COST
7012580	Tubing			
7012040	Tubing Accessories (nipple, wirelin	e entry)		
7012550	Wellhead Equip			15,000
7012560	Packers - Completion Equipment			
	Packers - Completion Equipment  TOTAL COMPLETION - TANGIBLE			\$15,000

12,53	(dress location after rig move, set anchors)	7001270
-2,000	ompletion	7290002
	es	7019140
197,04	es (3 runs)	7019030
		7019240
		7019270
		7016350
	vices	7019010
	ng Services	7019020
335,26	(flow hand & equip)	7019080
5,155,17		7390002
234,17		7019330
	1// (1.1.)	7019360
251,58	oosal (frac fluids)	7001460
	pipe; drlg & compl)	7016180
		7290003
	ipment ( incl drlg; lightplant,hydra-walk)	7290003
58,21	Equipment (ie. Bit, BHA)	7290003
1	ral	7290003
44,78	Services	7000030
	ental	7001110
117,77		7001400
176,23		7001120
152,260		7019300
8,598	on Services)	7016180
227,78	o operator, frac tanks, lightplants)	7260001
	ers)	7330002
44,782	ping (pump-down pumps)	7000030
	(es	7011010
\$7,016,22	ELE	
	C.T.	
\$7,031,22	ST	
		SURFACE EQUIPMENT - TANGIBLE
99,681	& Valves	7012350
	den	7006640
108,258	ral	7000030
,	quip (Telemetry)	7001110
28,858	25	7012410
30,060	als (containment system)	7012270
9,510	as teament system	7008060
9,942		7016180
6,159		7001190
	entation	7012290
168,687	entation	
98,948		7012290
		7012200
		7012200
11,448		7012010
-		7012350
		7012610
159,945	ssure vessels	7012440
28,154		7012500
83,211		7012100
12,087		7012640
54,674		7000010
118,232		7000010
-	ad	7012480
•		7012180
22,148	rical cooperative construction costs)	7012350
		7012330
\$1,050,000	NGIBLE	
\$ 1,050,000	IENT COST	
		ARTIFICIAL LIFT
5,071		7000030
4,056		7001120
	d	7001120
5,071		7008230
265,699	<u>t</u>	
2,028		7012350
5,071		7012550
106,482		7012580
5,071		7016190
6,085		
2,028		7018150
		7019130
24,339		
		7019130
24,339	DST	7019130
\$ 431,000		7019130
\$ 431,000 TOTAL COST	Y OF ESTIMATED DRILLING WELL COSTS	7019130
24,339 431,000 \$ 431,00D TOTAL COST \$ 275,000		7019130
24,339 431,000 \$ 431,00D TOTAL COST \$ 275,000	Y OF ESTIMATED DRILLING WELL COSTS	7019130
24,339 431,000 \$ 431,000  TOTAL COST \$ 275,000 \$ 4,890,100	Y OF ESTIMATED DRILLING WELL COSTS CATION COST ILLING COST	7019130
24,339 431,000 \$ 431,000  TOTAL COST \$ 275,000 \$ 4,890,100 \$ 7,031,222	Y OF ESTIMATED DRILLING WELL COSTS CATION COST ILLING COST MPLETIONS COST	7019130
24,339 431,000 \$ 431,000  TOTAL COST \$ 275,000 \$ 4,890,100	Y OF ESTIMATED DRILLING WELL COSTS CATION COST ILLING COST	7019130
\$ 431,000 \$ 431,000 TOTAL COST \$ 275,000 \$ 4,890,100 \$ 7,031,222 \$ 1,050,000	Y OF ESTIMATED DRILLING WELL COSTS CATION COST ILLING COST MPLETIONS COST RFACE EQUIPMENT COST	7019130
24,339 431,000 \$ 431,000  TOTAL COST \$ 275,000 \$ 4,890,100 \$ 7,031,222	Y OF ESTIMATED DRILLING WELL COSTS CATION COST ILLING COST MPLETIONS COST	7019130

## 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. 23984** 

STATE OF TEXAS	)
	) ss.
COUNTY OF HARRIS	)

#### AFFIDAVIT OF ELIZABETH SCULLY

Elizabeth Scully, being duly sworn, deposes and states as follows:

- 1. I am over the age of 18, I am a geologist for Marathon Oil Permian, LLC ("Marathon"), and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum geologist were accepted by the Division as a matter of record.
- 2. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
  - 3. I am familiar with the application filed by Marathon in this case.
- 4. **Exhibit C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.
  - 5. Exhibit C.2 is a wellbore schematic showing Marathon's development plan.
- 6. Exhibits C.3 through C.5 are the geology study I prepared for the Andretti Fed Com 304H well, which will target the First Bone Spring formation.



OCD Examiner Hearing 3-21-24

No. 23984

- 7. **Exhibit C.3** is a structure map of the First Bone Spring formation. The proposed spacing unit is identified by a black dashed box. The Andretti Fed Com 304H well proposed in this case is identified by the red line. The contour interval used in this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southeast.
- 8. Exhibit C.4 is a cross-section reference map that identifies three wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.
- 9. **Exhibit C.5** is a stratigraphic cross-section, and the wells shown on the cross-section give a representative sample of the First Bone Spring formation in the area. The target zone is identified by green shading. The interval is near constant thickness.
- 10. **Exhibits C.6** through **C.8** are the geology study I prepared for the Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H wells, which will target the Second Bone Spring formation.
- 11. **Exhibit C.6** is a structure map of the Second Bone Spring formation. The proposed spacing unit is identified by a black dashed box. The Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H wells proposed in this case are identified by the red lines. The contour interval used in this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southeast.
- 12. Exhibit C.7 is a cross-section reference map that identifies three wells in the vicinity of the proposed wells, shown by a line of cross-section running from A to A'.
- 13. **Exhibit C.8** is a stratigraphic cross-section, and the wells shown on the cross-section give a representative sample of the Second Bone Spring formation in the area. The target zone is identified by green shading. The interval is near constant thickness.
  - 14. I conclude from the geology studies referenced above 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-quarter section in the proposed unit will contribute more or less equally to production.
- 15. Exhibit C.9 provides an overview of the stress orientation in the area based on the 2020 Snee-Zoback paper.
- 16. The preferred well orientation in this area is either north/south or south/north, nearly orthogonal to  $S_{Hmax}$ , optimal for inducted fracture propagation. This is because the  $S_{Hmax}$  is at approximately 40 degrees in this area of Lea County.
- 17. In my opinion, the granting of Marathon's application is in the interests of conservation and the prevention of waste.
- 18. The attachments to this affidavit were prepared by me, or compiled from company business records, or were prepared at my direction.

[Signature page follows]

Dated: December 7, 2023

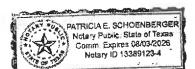
Elizabeth Scully

State of Texas

Hamis County of \_

This record was acknowledged before me on December Elizabeth Scully.

[Stamp]



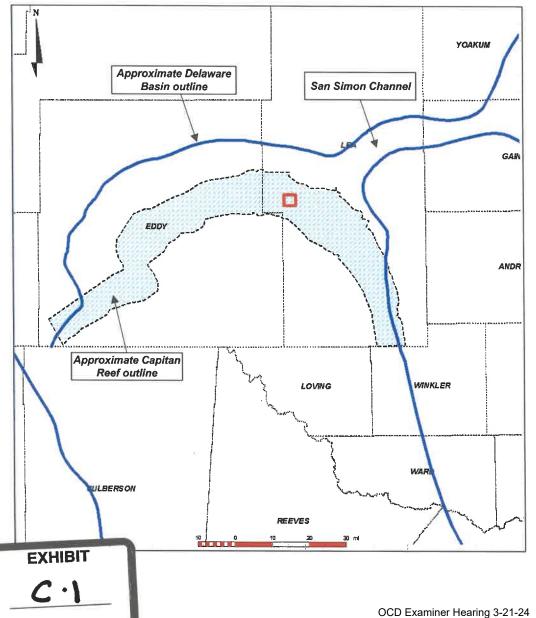
Notary Public in and for the

State of Texas Commission Number: 13389123

My Commission Expires: 8/3/2026

### Locator Map

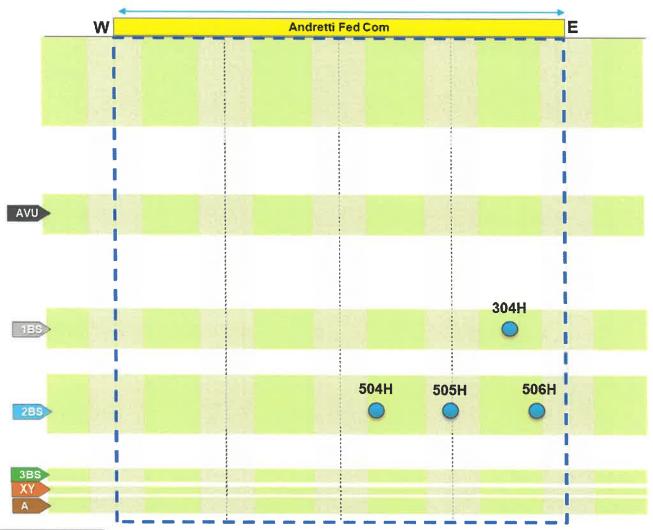
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- Approximate location of proposed Andretti Federal Com well locations shown with red box
- Located within the Capitan Reef
- Lea County



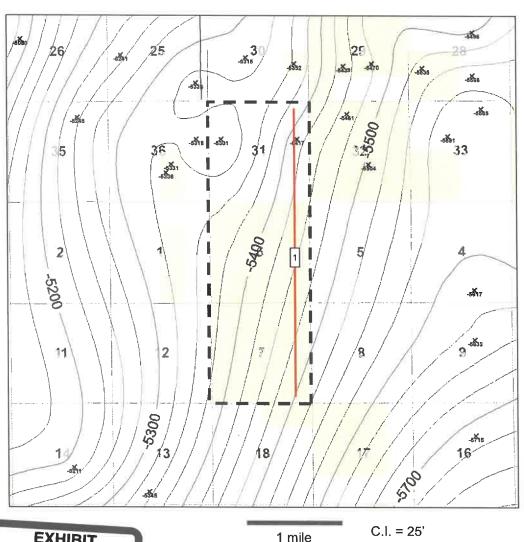
### Wellbore Schematic

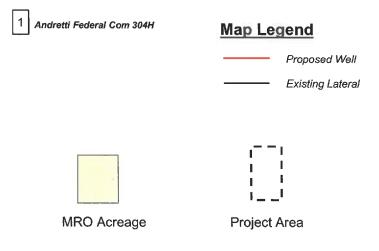






Structure Map – Top of First Bone Sand (TVDSS)



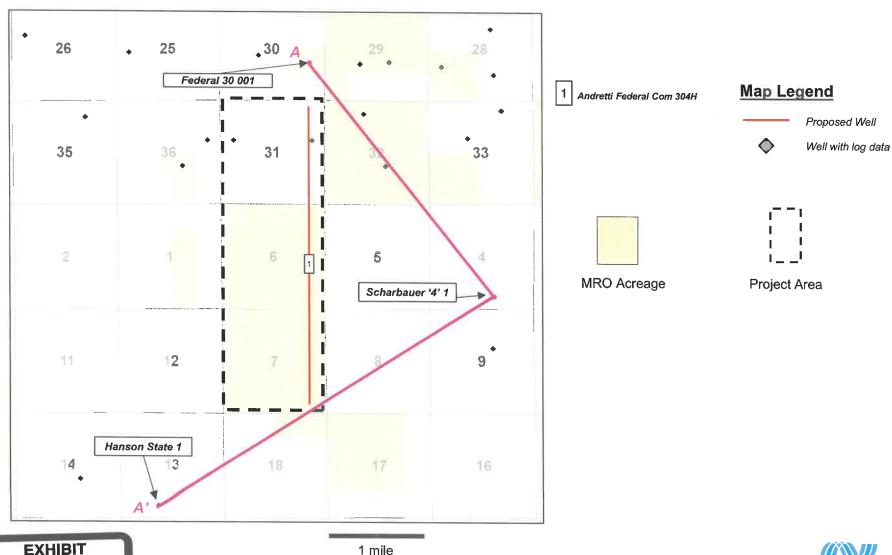


The top of the First Bone Sand dips to the Southeast over the project area.



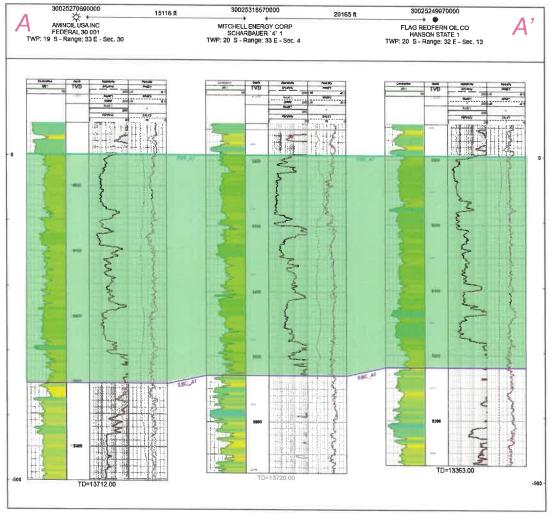


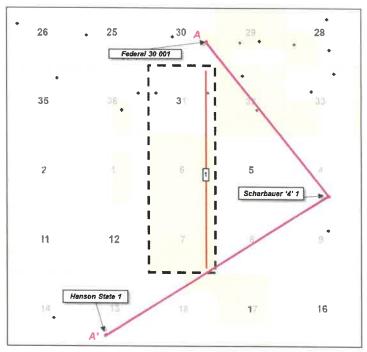
Reference Map for Cross Section



Marathon Oil'

### Stratigraphic Cross Section (Top First Bone Sand Datum)





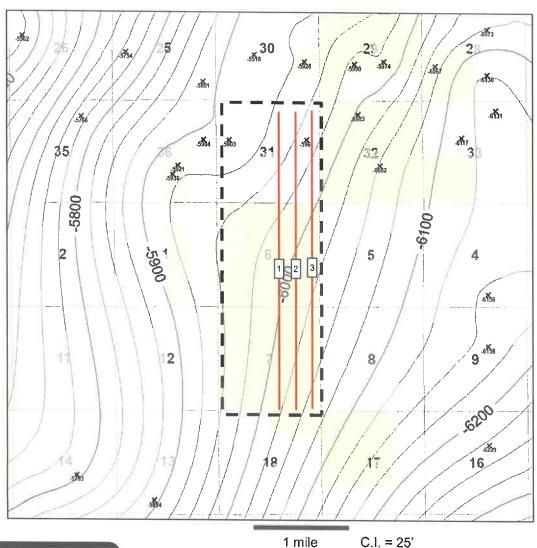
The First Bone Sand is near constant thickness across project area.



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Structure Map – Top of Second Bone Sand (TVDSS)



Andretti Federal Com 504H

Andretti Federal Com 505H

Andretti Federal Com 506H

Existing Lateral

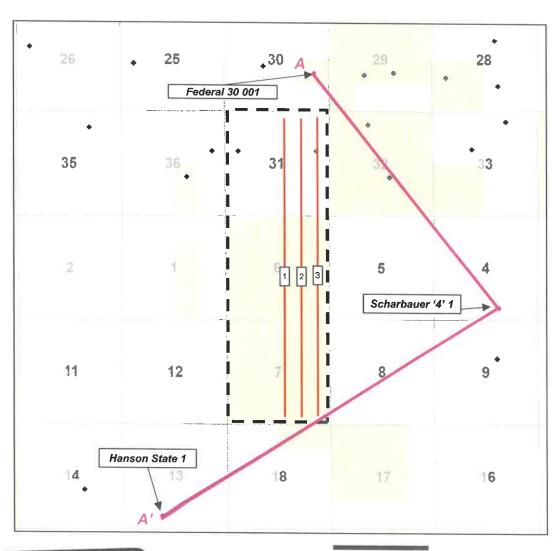


The top of the Second Bone Sand dips to the Southeast over project area.





### Reference Map for Cross Section



Andretti Federal Com 504H

Andretti Federal Com 505H

Andretti Federal Com 506H

Map Legend

Proposed Well

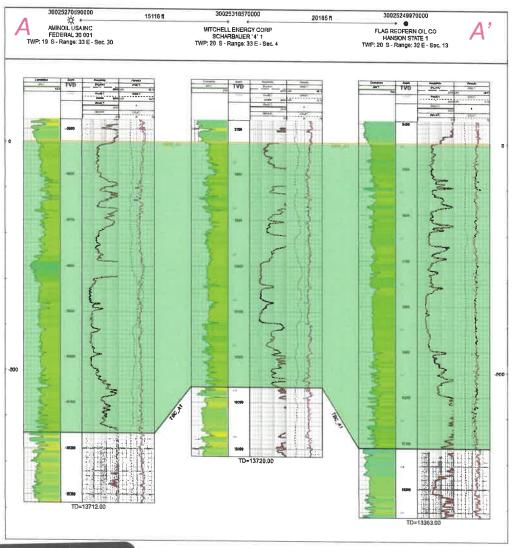
Well with log data

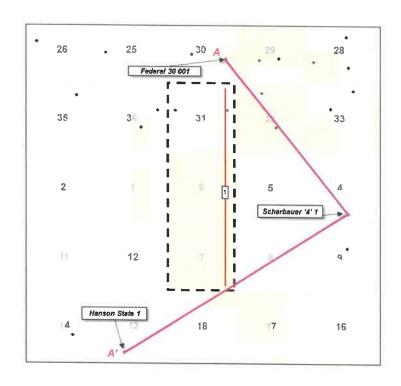


1 mile



### Stratigraphic Cross Section (Top Second Bone Sand Datum)



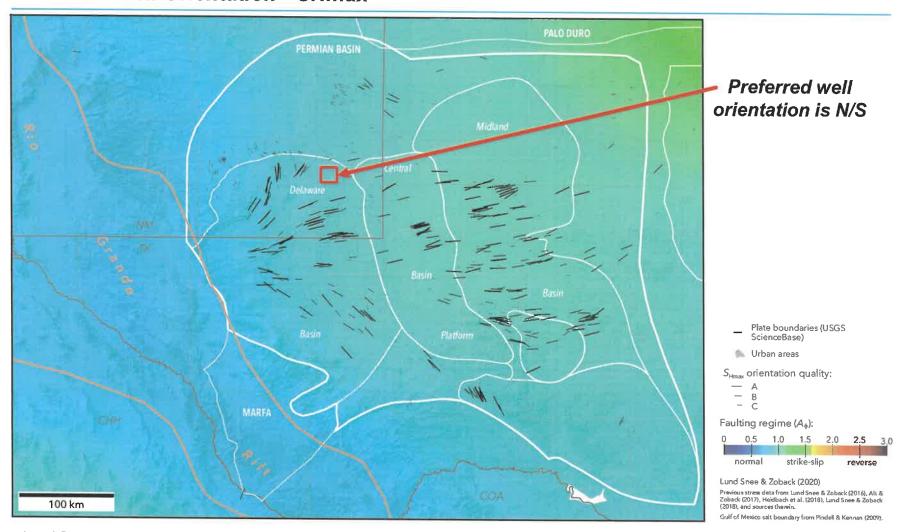


The Second Bone Sand is near constant thickness across project area.





### Preferred Well Orientation - SHmax



Lund Snee and Zoback (2020)





# 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

CA	SE	NO	23984	
$\sim$		110	4J/UT	

STATE OF TEXAS	)
	) ss.
COUNTY OF HARRIS	)

### AFFIDAVIT OF ROHIT SINHA

Rohit Sinha, being duly sworn, deposes and states as follows:

- 1. I am over the age of 18, I am a reservoir engineer for Marathon Oil Permian LLC ("Marathon") and have personal knowledge of the matters stated herein. My area of responsibility includes the area of Lea County in New Mexico.
- 2. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum engineer were accepted as a matter of record.
- 3. I am familiar with the application filed by Marathon in this case and the surface production facilities required to develop the oil underlying the subject acreage.
- 4. In this case, Marathon seeks approval of one 960-acre non-standard unit for several reasons.
- 5. First, Marathon seeks to minimize surface disturbance and costs by consolidating facilities and commingling production from the wells and future wells in the proposed non-standard spacing unit.



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

Communitzation Agreement, Marathon requires approval of a non-standard spacing unit.

7. **Exhibit D.1** illustrates the benefit of the non-standard unit Marathon is requesting.

8. If Marathon has to develop the acreage using standard horizontal spacing units,

Marathon will need a total of 2 units. Under Marathon's requested non-standard unit application,

however, Marathon would only need a total of one unit.

9. Exhibit D.1 compares the tank batteries and related surface production facilities

that would be required if Marathon had to develop this acreage using standard horizontal spacing

units as opposed to the tank batteries and related surface production facilities that will be needed

to develop the acreage using one non-standard unit.

10. As these exhibits show, if Marathon has to develop the acreage using standard

spacing units, an additional tank battery will be required at a cost of approximately \$1,600,000

and require an additional surface disturbance of 1.7 acres. If the non-standard spacing unit is

approved, the additional cost and surface disturbance required for the tank batteries will be

avoided.

11. Approval of the non-standard unit will allow for commingling of production, which

would not be possible if Marathon has to move forward with standard units. Eliminating the

additional tank battery will also lower the operating cost for this acreage.

12. **Exhibit D.2** identifies the reduced cost savings and surface disturbance that will

occur if the non-standard spacing unit is not approved.

13. In addition, a decrease in surface facilities will reduce the unavoidable permitted

air emissions from the tanks and related surface facilities.

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

[Signature page follows]

49

Dated: December 12, 2023

Robit Sike

State of TEXAS

County of HARRIS

This record was acknowledged before me on Delember 13 , 2023, by Rohit Sinha.

[Stamp]

PATRICIA E. SCHOENBERGER Notary Public, State of Texas Comm. Expires 08/03/2026 Notary ID 13389123-4

Notary Public in and for the State of Texus

Commission Number:

My Commission Expires: 873/2026

Received by OCD: 3/18/2024 3:29:36 PM

### Standard versus Non-Standard Spacing Unit Andretti Fed Com 504H, 505H, 506H, & 304H wells E/2 of Sections 6 & 7-20S-R33E and E/2 Section 31-19S-R33E: 961.50 acres





### Standard versus Non-Standard Spacing Unit Andretti Fed Com 504H, 505H, 506H, & 304H wells E/2 of Sections 6 & 7-20S-R33E and E/2 Section 31-19S-R33E: 961.50 acres

Scenario	Design Basis Per CTB (BOPD)	CTB Cost (\$M)	Pipeline/Utilities Costs (\$M)	Total Capital (\$M)	CTB and Pipeline Disturbance (Acres)
Two Separate Facilities	5,000	\$5,200	\$800	\$6,000	3.5
Single Pooled Facility	10,000	\$3,600	\$400	\$4,000	1.8
Savings		\$1,600	\$400	\$2,000	1.7





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# 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. 23984** 

### 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 Application was provided under notice letter, dated November 14, 2023, notice letter dated December 1, 2023 sent to additional names, and notice letter dated January 25, 2024 sent to additional names, all attached hereto, labeled Exhibit E-1.
- 2) Exhibit E-2 is the mailing list, which show the notice letters were delivered to the USPS for mailing on November 14, 2023, the mailing list showing additional notice letters were delivered to the USPS for mailing on December 1, 2023, and the mailing list showing additional notice letters were delivered to the USPS for mailing on January 25, 2024.
- 3) Exhibit E-3 is the certified mailing tracking information, which is automatically compiled by CertifiedPro, the software Modrall uses to track the mailings. This spreadsheet shows the names and addresses of the parties to whom notice was sent and the status of the mailing.
- 4) Exhibit E-4 is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the December 7 hearing was published on November 16, 2023, the Affidavit of Publication from Hobbs News-Sun listing the additional names, confirming the notice of the December 21, 2023 hearing was published on December 6, 2023, and the Affidavit of



Publication from Hobbs News-Sun listing more additional names, confirming the notice of the February 15, 2024 hearing was published on January 28, 2024.

- 5) Exhibit E-5 is a map identifying the Andretti E/2 unit (outlined in blue) and the offsetting tracts (outlined in green) as well as a list of the offsetting owners for notice purposes of the non-standard unit portion of this application.
- 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: March 18, 2024

Dema H Bennett

Deana M. Bennett



November 14, 2023

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED Deana M. Bennett 505.848.1834 dmb@modrall.com

Re: APPLICATION OF MARATHON OIL PERMIAN, LLC

FOR A NON-STANDARD UNIT, AND COMPULSORY

POOLING, LEA COUNTY, NEW MEXICO.

**CASE NO. 23984** 

TO: AFFECTED PARTIES

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

In Case No. 23984, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 505H, and Andretti Fed Com 506H 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 31 miles from Hobbs, New Mexico.

The hearing will be conducted remotely on December 7, 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/.

As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the

Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street NW Suite 1000

Aibuquerque, New Mexico 87102 PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com

OCD Examiner Hearing 3-21-24

Page 2

application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, 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, Deans H. Bennett

Deana M. Bennett

Attorney for Applicant

Received by OCD: 11/6/2023 1:29:00 PM

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. 23984

#### **APPLICATION**

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 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 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico to form a non-standard 960-acre, more or less, Bone Spring spacing unit.
- 3. Marathon plans to drill the Andretti Fed Com 304H, Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H, wells to a depth sufficient to test the Bone Spring formation. The wells will be horizontally drilled, and the producing area for the wells is expected to be orthodox.
  - 4. Marathon seeks approval of the non-standard spacing unit for several reasons.

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- 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 non-standard spacing unit in the Bone Spring formation.
- 8. 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.
- 9. 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 December 7, 2023 and after notice and hearing as required by law, the Division enter its order:

- A. Approving the non-standard Bone Spring spacing unit;
- B. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;

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Page 3 of 4

- 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: Welka M. Bennett
Deana M. Bennett

Yarithza Peña

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 deana.bennett@modrall.com yarithza.pena@modrall.com Attorneys for Applicant Received by OCD: 11/6/2023 1:29:00 PM

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CASE NO. 23984: 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 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 505H, and Andretti Fed Com 506H 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 31 miles from Hobbs, New Mexico.



December 1, 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. 23984** 

TO: AFFECTED PARTIES

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

In Case No. 23984, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H 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 31 miles from Hobbs, New Mexico.

The hearing was originally set for December 7, 2023, but has been continued to December 21, 2023 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>.

As a party who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the

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

application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, 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 4 Bennett

Received by OCD: 11/6/2023 1:29:00 PM

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. 23984

#### APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 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 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico to form a non-standard 960-acre, more or less, Bone Spring spacing unit.
- 3. Marathon plans to drill the Andretti Fed Com 304H, Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H, wells to a depth sufficient to test the Bone Spring formation. The wells will be horizontally drilled, and the producing area for the wells is expected to be orthodox.
  - 4. Marathon seeks approval of the 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 non-standard spacing unit in the Bone Spring formation.
- 8. 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.
- 9. 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 December 7, 2023 and after notice and hearing as required by law, the Division enter its order:

- A. Approving the non-standard Bone Spring spacing unit;
- B. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;

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Page 3 of 4

- 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

Yarithza Peña

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 deana.bennett@modrall.com yarithza.pena@modrall.com

Attorneys for Applicant

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CASE NO. 23984: 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 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 505H, and Andretti Fed Com 506H 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 31 miles from Hobbs, New Mexico.

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January 25, 2024

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Deana M. Bennett 505.848.1834 dmb@modrall.com

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

**CASE NO. 23984** 

TO: AFFECTED PARTIES

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

In Case No. 23984, Marathon seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H 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 31 miles from Hobbs, New Mexico.

The hearing was originally set for December 7, 2023, but has been continued to February 15, 2024 beginning at 8:15 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. 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/.

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

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

You are further notified that if you desire to appear in this case, 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

# 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. 23984

#### **APPLICATION**

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (1) approving a non-standard unit, and (2) pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 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 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico to form a non-standard 960-acre, more or less, Bone Spring spacing unit.
- 3. Marathon plans to drill the Andretti Fed Com 304H, Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H, wells to a depth sufficient to test the Bone Spring formation. The wells will be horizontally drilled, and the producing area for the wells is expected to be orthodox.
  - 4. Marathon seeks approval of the non-standard spacing unit for several reasons.

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Page 72 of 94 Page 2 of 4

- 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).
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- 8. 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.
- 9. 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 December 7, 2023 and after notice and hearing as required by law, the Division enter its order:

- A. Approving the non-standard Bone Spring spacing unit;
- B. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 6, 7, Township 20 South, Range 33 East and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico;
- C. Designating Marathon as operator of this unit and the wells to be drilled thereon;

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- 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: Webra M Bennett

Deana M. Bennett

Yarithza Peña

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 deana.bennett@modrall.com yarithza.pena@modrall.com

Attorneys for Applicant

CASE NO. 23984: 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 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 505H, and Andretti Fed Com 506H 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 31 miles from Hobbs, New Mexico.

## Type of Mailing: CERTIFIED MAIL 11/14/2023

Firm Mailing Book ID: 255754

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest Del Fee	Reference Contents
1	9314 8699 0430 0114 1700 99	Abby Corporation P.O. Box 10910 Naples FL 34101	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
2	9314 8699 0430 0114 1701 05	Apache Corporation 303 Veterans Airpark Lane, Suite 1000 Midland TX 79705	\$1.59	\$4.35	\$2.20	so.oo NOV 1 4 2023	81363.0234. Notice
3	9314 8699 0430 0114 1701 12	Donna M. Priest, as Trustee of the Donna Priest Trust utad March 12, 2021 4501 Banff Drive NE Albuquerque NM 87111	\$1.59	\$4.35	\$2.20	\$0.00 MAIN OFFICE USES	81363.0234. Notice
4	9314 8699 0430 0114 1701 29	Donnie E. Brown 3707 Camp Bowie Blvd., Suite 220 Fort Worth TX 76107	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
5	9314 8699 0430 0114 1701 36	Dorothy L. Martin and Jeffrey L. Martin, w/h as jt 1407 E. Berrendo Road Roswell NM 88201	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
6	9314 8699 0430 0114 1701 43	Duran Properties, LLC & Reyes S. Duran, P R of Estate of Eloy S. Duran, deceased P.O. BOX 1567 GRAHAM TX 76450	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
7	9314 8699 0430 0114 1701 50	Estate of Larry Arnold, Deceased P.O. Box 2253 Hobbs NM 88240	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
8	9314 8699 0430 0114 1701 67	James W. Adams 14901 Quorum Drive, Suite 305 Dallas TX 75240	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
9	9314 8699 0430 0114 1701 74	Kimbrough Working Interests, LLC c/o Plains Capital Bank, agent 3707 Camp Bowie Blvd., Suite 220 Fort Worth TX 76107	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
10	9314 8699 0430 0114 1701 81	MARATHON OIL PERMIAN LLC 5555 SAN FELIPE STREET HOUSTON TX 77056	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
11	9314 8699 0430 0114 1701 98	Ralph C. McElvain, Jr. 4030 Powers Circle Salt Lake City UT 84124	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
12	9314 8699 0430 0114 1702 04	Reba Diane Coston, as Trustee of the Diane Coston Trust utad October 3, 2018 7713 Krause Springs Drive McKinney TX 75071	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
13	9314 8699 0430 0114 1702 11	THE ALLAR COMPANY 20 N. BROADWAY, SUITE 1500 OKLAHOMA CITY OK 73102	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
EX EX	HIBIT 01114 1702 28	Tom P. Stephens Trust uad October 30, 1995 c/o Plains Capital Bank 3707 Camp Bowie Blvd., Suite 220 Fort Worth TX 76107	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice

OCD Examiner Hearing 3-21-24

### Type of Mailing: CERTIFIED MAIL 11/14/2023

Fourth S	erling Roehl Harris & Sisk P.A. Street, Suite 1000 e NM 87102	PS Form Type of Mailing: CE 11/14/20	Firm Mail	ing Book ID: 255754			
						* ** *** 14100111	mg Book 1D, 233734
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
15	9314 8699 0430 0114 1702 35	William M. Dampeer P.O. Drawer 500 Artesia NM 88210	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
16	9314 8699 0430 0114 1702 42	William T. Fietz 9505 Pebble Beach, N.E. Albuquerque NM 87111	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
17	9314 8699 0430 0114 1702 59	The United States of America, DOI, Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
18	9314 8699 0430 0114 1702 66	DEVON ENERGY PRODUCTION COMPANY, LP P.O. BOX 40 CEDAR CREST NM 87008	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
19	9314 8699 0430 0114 1702 73	Estate of Randall Fields Montgomery, deceased 82 APRIL WIND SOUTH DRIVE MONTGOMERY TX 77356	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
20	9314 8699 0430 0114 1702 80	JAMES A. MCADAMS 82 APRIL WIND SOUTH DRIVE MONTGOMERY TX 77356	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
21	9314 8699 0430 0114 1702 97	MILDRED M. MONTGOMERY 82 APRIL WIND SOUTH DRIVE MONTGOMERY TX 77356	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
22	9314 8699 0430 0114 1703 03	RANDALL F. MONTGOMERY, II 82 APRIL WIND SOUTH DRIVE MONTGOMERY TX 77356	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
23	9314 8699 0430 0114 1703 10	REBECCA J. MONTGOMERY 26805 N. 41ST CT. CAVE CREEK AZ 85331	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
24	9314 8699 0430 0114 1703 27	VERLYN M. MONTGOMERY 26805 N. 41ST CT. CAVE CREEK AZ 85331	\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
		Totals:	\$38.16	\$104.40	\$52.80	\$0.00	
				Grand	Total:	\$195.36	

List Number of Pieces Listed by Sender

**Total Number of Pieces** Received at Post Office

Postmaster: Name of receiving employee

Dated:

24



# Type of Mailing: CERTIFIED MAIL 12/01/2023

Firm Mailing Book ID: 256707

Line	USPS Article Number	Name, Street, City, State, Zip	]	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0114 7480 14	Lonnie Arnold 1112 Telluride Ct. Midland TX 79705		\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
2	9314 8699 0430 0114 7480 21	Ronnie Arnold 3032 Windstone Ct. East Bedford TX 76021		\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
3	9314 8699 0430 0114 7480 38	Debbie Riley  322 W. Washington Ave.		\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
4	9314 8699 0430 0114 7480 45	Artesia NM 88210 Linda Barnett 3658 Tivili Dr. Grand Prairie TX 75052		\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
5	9314 8699 0430 0114 7480 52	Kathy Plattor 1342 River Forest Dr. Round Rock TX 78665		\$1.59	\$4.35	\$2.20	\$0.00	81363.0234. Notice
		מ	Totals:	\$7.95	\$21.75	\$11.00	\$0.00	
st Number of	Pieces Total Number of Pie				Grand	Total:	\$40.70	

List N	umber	of Pieces
Listed	by Sei	ıder

Total Number of Pieces Received at Post Office

Postmaster:

Name of receiving employee

Dated:

## Type of Mailing: CERTIFIED MAIL 01/25/2024

Fourth S	rling Roehl Harris & Sisk P.A. Street, Suite 1000	PS Form Type of Mailing: CEJ		L			
uquerque	e NM 87102	01/25/20	)24			Firm Mail	ing Book ID: 259448
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0116 5869 42	Chevron USA, Inc. P.O. Box 2100 Houston TX 77252	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
2	9314 8699 0430 0116 5869 59	KASTLEFORD LAND COMPANY PO BOX 51540 Midland, TX 79710 Midland TX 79710	\$1.63	\$4.40	SUERQI SUERQI	\$9.000	81363.0234. Notice
3	9314 8699 0430 0116 5869 66	Manzano Oil Corporation P.O. Box 2107 Roswell NM 88202	\$1.63	\$4.40	\$2434 2 !	5 <b>20.0</b> 0	81363.0234. Notice
4	9314 8699 0430 0116 5869 73	Steve Mitchell 648 Petroleum Building Roswell NM 88201	\$1.63	\$4.40	\$2.32 MAIN OFFICE	\$0.06	81363.0234. Notice
5	9314 8699 0430 0116 5869 80	Permian Basin Investment Corporation 500 N. Kentucky Roswell NM 88201	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
6	9314 8699 0430 0116 5869 97	Realtimezone, Inc. P.O. Box 1834 Roswell NM 88202	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
7	9314 8699 0430 0116 5870 00	George L. ScottIII P.O. Box 40 Cedar Crest NM 87008	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
8	9314 8699 0430 0116 5870 17	Rache Allyson Seabourn 2925 Robertson Drive Abilene TX 79606	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
9	9314 8699 0430 0116 5870 24	ARD OIL COMPANY, ARD ENERGY GROUP LP 222 W. 4TH STREET, PH 5 FORT WORTH TX 76102	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
10	9314 8699 0430 0116 5870 31	ARMSTRONG ENERGY CORPORATION PO BOX 1973 ROSWELL NM 88202	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
11	9314 8699 0430 0116 5870 48	Jeffery Bane PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
12	9314 8699 0430 0116 5870 55	Alice Bane PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
13	9314 8699 0430 0116 5870 62		\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
14	9314 8699 0430 0116 5870 79	BOOTS GROUP MINERAL INTEREST, LTD. PO BOX 572069 HOUSTON TX 77257	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
15	9314 8699 0430 0116 5870 86	CAMPECHE PETROLEUM LP 500 COMMERCE STREET, SUITE 600 FORT WORTH TX 76102	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice

# Type of Mailing: CERTIFIED MAIL 01/25/2024

8:3/	Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
18/202	16	9314 8699 0430 0116 5870 93	CAMTERRA RESOURCES PARTNERS, LTD 2615 EAST END BLVD. SOUTH MARSHALL TX 75670	\$1.63	\$4.40	JESZISZE, A	\$0.00	81363.0234. Notice
g: 3/18/2024 3:34:17 PM	17	9314 8699 0430 0116 5871 09	COG OPERATING LLC 500 COMMERCE STREET, SUITE 600 FORT WORTH TX 76102	\$1.63	\$4.40	\$2.32 20 N <b>2 5 2</b> 0	\$0.00	81363.0234. Notice
17 PM	18	9314 8699 0430 0116 5871 16	CONOCOPHILLIPS COMPANY PO BOX 7500 BARTLESVILLE OK 74005	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	19	9314 8699 0430 0116 5871 23	CRUMP FAMILY PARTNERSHIP , LTD. PO BOX 50820 MIDLAND TX 79710	\$1.63	\$4.40 Maj	VOFFICE V	\$9,00	81363.0234. Notice
	20	9314 8699 0430 0116 5871 30	DELMAR HUDSON LEWIS LIVING TRUST 6300 RIDGLEA PLACE FORT WORTH TX 76116	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	21	9314 8699 0430 0116 5871 47	DEVON ENERGY PRODUCTION COMPANY, LP 333 W. SHERIDAN AVE. Oklahoma City OK 73102	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	22	9314 8699 0430 0116 5871 54	DPO&G, LTD. PO BOX 572069 HOUSTON TX 77257	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	23	9314 8699 0430 0116 5871 61	EGL EXPLORATION LP; EGL RESOURCES, INC. PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	24	9314 8699 0430 0116 5871 78	Ronald Jackson Erwin PO BOX 50820 MIDLAND TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	25	9314 8699 0430 0116 5871 85	FINWING CORPORATION PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	26	9314 8699 0430 0116 5871 92	FINWING CORPORATION RETIREMENT TRUSTG PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	27	9314 8699 0430 0116 5872 08	FIRST BANK TRUSTEE OF JOSEPHINE Hudson Testamentary Trust PO BOX 1600 SAN ANTONIO TX 78296	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	28	9314 8699 0430 0116 5872 15	GUYS OIL & GAS, LTD PO BOX 5115 HOBBS NM 88241	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
	29	9314 8699 0430 0116 5872 22	H6 HOLDING LLC PO BOX 1212 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice

# Type of Mailing: CERTIFIED MAIL 01/25/2024

00 Fourth S	erling Roehl Harris & Sisk P.A. Street, Suite 1000	PS For Type of Mailing: O					
Albuquerqu	e NM 87102	01/25				Firm Ma	iling Book ID: 259448
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RIR Fee	NRest.Del.Fee	Reference Contents
30	9314 8699 0430 0116 5872 39	HANLEY PETROLEUM LLC 415 WEST WALL STREET, SUITE 1500 MIDLAND TX 79701	\$1.63	\$4.40	\$2.32	\$0:00	81363.0234. Notice
31	9314 8699 0430 0116 5872 46	Chris Holmquist PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	JAN-225	202\$p.00	81363.0234. Notice
32	9314 8699 0430 0116 5872 53	Francis Hudson 616 TEXAS STREET FORT WORTH TX 76102	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
33	9314 8699 0430 0116 5872 60	JAVALINA PARTNERS 616 TEXAS STREET FORT WORTH TX 73102	\$1.63	\$4.40	1AIN 25210	\$0.00	81363.0234. Notice
34	9314 8699 0430 0116 5872 77	JHAH PROPERTIES, LLC 415 WEST WALL STREET, SUITE 1500 MIDLAND TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
35	9314 8699 0430 0116 5872 84	JNG TRUSTEE PO BOX 51187 MIDLAND TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
36	9314 8699 0430 0116 5872 91	ALAN JOCHIMSEN 4209 CARDINAL LANE MIDLAND TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
37	9314 8699 0430 0116 5873 07	K.T. BOOTS, LTD. PO BOX 572069 HOUSTON TX 77257	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
38	9314 8699 0430 0116 5873 14		\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
39	9314 8699 0430 0116 5873 21	Larry B. Kasper 1039 ALADDIN STREET Huntington Bch CA 92649	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
40	9314 8699 0430 0116 5873 38	Paul F. Kasper, III 5016 STEVEANN STREET TORRANCE CA 90503	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
41	9314 8699 0430 0116 5873 45	Ashley Brooke Lerwick 3130 TEALWOOD PLACE MIDLAND TX 79705	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
42	9314 8699 0430 0116 5873 52	Delmar H. Lewis 616 TEXAS STREET FORT WORTH TX 76102	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
43	9314 8699 0430 0116 5873 69	LINDY'S LIVING TRUST UTAD JULY 8, 1994 6300 RIDGLEA PLACE FORT WORTH TX 76116	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
44	9314 8699 0430 0116 5873 76		\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice

## Type of Mailing: CERTIFIED MAIL 01/25/2024

				3		2	D - C
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
45	9314 8699 0430 0116 5873 83	LORO CORPORATION RETIREMENT TRUST PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40 JAN	2 <sup>\$</sup> g.3 <sup>2</sup> 024	\$0.00	81363.0234. Notice
46	9314 8699 0430 0116 5873 90	L-T PARTNERS PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40 MAIN	\$2.32 FF\$2.532USPS	\$0,00	81363.0234. Notice
47	9314 8699 0430 0116 5874 06	MAGNUM HUNTER PRODUCTION INC. 600 N. MARIENFELD STREET MIDLAND TX 79702	\$1.63	\$4.40	F\$2.52	\$0.00	81363.0234. Notice
48	9314 8699 0430 0116 5874 13	MANTA OIL & GAS CORPORATION PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
49	9314 8699 0430 0116 5874 20	MAVROS OIL COMPANY P.O. BOX 50820 MIDLAND TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
50	9314 8699 0430 0116 5874 37	MCMULLEN MINERALS II, LP P. O. BOX 470857 FORT WORTH TX 76147	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
51	9314 8699 0430 0116 5874 44	MD SQUARED, INC. PO BOX 50264 MIDLAND TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
52	9314 8699 0430 0116 5874 51	MERLWETHER RESOURCES, INVESTMENTS PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
53	9314 8699 0430 0116 5874 68	MILAGROS DE GLORIA, INC. PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
54	9314 8699 0430 0116 5874 75	MRC DELAWARE RESOURCES LLC 5400 LBJ FREEWAY, SUITE 1500 DALLAS TX 75240	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
55	9314 8699 0430 0116 5874 82	MRC EXPLORER RESOURCES LLC 5400 LBJ FREEWAY, SUITE 1500 DALLAS TX 75240	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
56	9314 8699 0430 0116 5874 99	MRC PERMIAN COMPANY 5400 LBJ FREEWAY, SUITE 1500 DALLAS TX 75240	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
57	9314 8699 0430 0116 5875 05	MRC SPIRAL RESOURCES LLC 5400 LBJ FREEWAY, SUITE 1500 DALLAS TX 75240	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
58	9314 8699 0430 0116 5875 12	Matt S. Muratta 10918 VILLA LEA LANE HOUSTON TX 77071	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
59	9314 8699 0430 0116 5875 29	Michael D. Newman PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice

# Type of Mailing: CERTIFIED MAIL 01/25/2024

irlene Sch odrall Spe	uman rling Roehl Harris & Sisk P.A.	PS Fo	rm 3877					
0 Fourth S	Street, Suite 1000 e NM 87102	Type of Mailing: 01/2	CERTIFIED MAIL 5/2024			Firm Mailing Book ID: 2594		
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents	
60	9314 8699 0430 0116 5875 36	Teresa Newman PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
61	9314 8699 0430 0116 5875 43	NORIAS L.P. 500 COMMERCE STREET, SUITE 600 FORT WORTH TX 76102	\$1.63	\$4.40 UER	QUE, NM	\$0.00	81363.0234. Notice	
62	9314 8699 0430 0116 5875 50	OAK VALLEY MINERAL AND LAND, LP P.O. BOX 50820 MIDLAND TX 79710	\$1.63	\$4,30	-	\$0.00	81363.0234. Notice	
63	9314 8699 0430 0116 5875 67	OLWICK OIL & GAS, LLC 223 WEST WALL STREET, SUITE 900 MIDLAND TX 79701	\$1.63	\$4.40 <b>JAN</b>	<b>2 5</b> 2.32024	\$0.00	81363.0234. Notice	
64	9314 8699 0430 0116 5875 74	ONEWAY, LLC 223 WEST WALL STREET, SUITE 900 MIDLAND TX 79701	\$1.63	\$4.40 MAIN	\$2.32	\$6.00	81363.0234. Notice	
65	9314 8699 0430 0116 5875 81	ONEWAY, LLC 223 WEST WALL STREET, SUITE 900 MIDLAND TX 79701	\$1.63	\$4.40	FFICE USPS	\$0.00	81363.0234. Notice	
66	9314 8699 0430 0116 5875 98	PEGASUS RESOURCES II, LLC P. O. BOX 470698 FORT WORTH TX 76147	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
67	9314 8699 0430 0116 5876 04	Michael J. Petraitis PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
68	9314 8699 0430 0116 5876 11	Michael J. Petraitis 223 WEST WALL STREET, SUITE 900 MIDLAND TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
69	9314 8699 0430 0116 5876 28	PETRAITIS OIL & GAS, INC. PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
70	9314 8699 0430 0116 5876 35	PITTMAN ENERGY LP 600 N. MARIENFELD MIDLAND TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
71	9314 8699 0430 0116 5876 42	PLACER, LTD. PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
72	9314 8699 0430 0116 5876 59	Charles D. Ray PO BOX 51608 MIDLAND TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
73	9314 8699 0430 0116 5876 66	RIMCO ROYALTY PARTNERS 22 WATERVILLE ROAD AVON CT 06001	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	
74	9314 8699 0430 0116 5876 73	S.E.S INVESTMENTS, LTD Defined Benefit Plan PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice	

Karlene Schuman

Karlene Schuman

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street, Suite 1000

Albuquerque NM 87102

#### **PS Form 3877**

## Type of Mailing: CERTIFIED MAIL 01/25/2024

AND LERQUE, NAM & 1 TO

JAN 2 5 2024 Firm Mailing Book ID: 259448

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RRIFEE	Rest Del.Fee	Reference Contents
75	9314 8699 0430 0116 5876 80	S.E.S. INVESTMENTS, LTD 223 WEST WALL STREET, SUITE 900 MIDLAND TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
76	9314 8699 0430 0116 5876 97	S.E.S. OIL & GAS, INC. PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
77	9314 8699 0430 0116 5877 03	SAGER MINERAL PARTNERS, LP PO BOX 803384 DALLAS TX 75380	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
78	9314 8699 0430 0116 5877 10	SAPIENT ENERGY CORPORATION 621 17TH STREET, SUITE 1800 DENVER CO 80293	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
79	9314 8699 0430 0116 5877 27	SCOLADO, LLC PO BOX 660 ARTESIA NM 66211	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
80	9314 8699 0430 0116 5877 34	SHARON R. JACKSON, TRUSTEE OF THE ROBERT Jackson & Sharon Jackson Trust 1810 SUN MOUNTAIN DRIVE SANTA FE NM 87505	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
81	9314 8699 0430 0116 5877 41	SHARON R.JACKSON, TRUSTEE OF THE Noell Ross Trust 1810 SUN MOUNTAIN DRIVE SANTA FE NM 87505	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
82	9314 8699 0430 0116 5877 58	Berry D. Simpson PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
83	9314 8699 0430 0116 5877 65	Cyndi Simpson PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
84	9314 8699 0430 0116 5877 72	Jarvis J. Slade 446 E. 52ND STREET NEW YORK NY 10022	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
85	9314 8699 0430 0116 5877 89	SLASH EXPLORATION LP PO BOX 1973 ROSWELL NM 88202	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
86	9314 8699 0430 0116 5877 96	Robert D. Snyder PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
87	9314 8699 0430 0116 5878 02	Kay Snyder PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
88	9314 8699 0430 0116 5878 19	Marcus Snyder PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice

### **PS Form 3877**

# Type of Mailing: CERTIFIED MAIL 01/25/2024

querqu	Street, Suite 1000 e NM 87102	Type of Mailing: CEI 01/25/20	224 MAIL	JA	N 2 5 202		ing Book ID: 259448
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	V ORRIFEE US	Rest,Del,Fee	Reference Contents
89	9314 8699 0430 0116 5878 26	John A. Starck 223 WEST WALL STREET, SUITE 900 MIDLAND TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
90	9314 8699 0430 0116 5878 33	STARCK FAMILY, LTD. PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
91	9314 8699 0430 0116 5878 40	TAPRON INDUSTRIES CORPORATION PO BOX 52002 MIDLAND TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
92	9314 8699 0430 0116 5878 57	TBO OIL & GAS, LLC 4505 MOCKINGBIRD LANE MIDLAND TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
93	9314 8699 0430 0116 5878 64	THE ALLAR COMPANY 735 ELM STREET GRAHAM TX 76450	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
94	9314 8699 0430 0116 5878 71	THE PERRY TRUST PO BOX 10886 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363,0234. Notice
95	9314 8699 0430 0116 5878 88	WESLEY PERRY OIL AND GAS, INC. PO BOX 371 MIDLAND TX 97902	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
96	9314 8699 0430 0116 5878 95	WILLIAM G. ROSS & VEE ROSS LIVING TRUST PO BOX 86 MIDLAND TX 79702	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
97	9314 8699 0430 0116 5879 01	XTO HOLDINGS LLC 22777 SPRINGWOODS VILLAGE PARKWAY SPRING TX 77389	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
98	9314 8699 0430 0116 5879 18	ZORRO PARTNERS, LTD 616 TEXAS STREET FORT WORTH TX 76102	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice
99	9314 8699 0430 0116 5879 25	ZPZ DELAWARE I LLC 2000 POST OAK BLVD., SUITE 100 HOUSTON TX 77056	\$1.63	\$4.40	\$2.32	\$0.00	81363.0234. Notice

Listed by Sender

Received at Post Office

Postmaster: Name of receiving employee

Dated:

#### Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 255754 Generated: 2/12/2024 10:04:59 AM

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USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zio	Mailing Status	Service Options	Mail Delivery Date
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### Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 256707

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	2023-12-01 1:37 PM	81363.0234.	Linda Barnett	Grand Prairie	TX	75052	Delivered	Return Receipt - Electronic, Certified Mail	272460	2022 42 44 4 62 64
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869904300116587215	2024-01-25 7:08 AM	81363.0234.	GUYS OIL & GAS, LTD			TX	79702	Delivered	Return Receipt - Electronic, Cartified Mail	2024-02-01
869904300116587208	2024-01-25 7:08 AM	81363.0234.	FIRST BANK TRUSTEE OF JOSEPHINE	Hudson Testamentary Trust	HOBBS SAN ANTONIO	NM TX	88241 78296	Undelivered Undelivered	Return Receipt - Electronic, Certified Mail	
869904300116587192	2024-01-25 7:08 AM	81363.0234.	FINWING CORPORATION RETIREMENT TRUSTG		MIDLAND	TX TX			Return Receipt - Electronic, Certified Mail	
869904300116587185	2024-01-25 7:08 AM	81363.0234.	FINWING CORPORATION		MIDLAND	TX	79702 79702	Delivered Delivered	Return Receipt - Electronic, Certified Mail	2024-01-3
869904300116587178	2024-01-25 7:08 AM	81363.0234.	Ronald Jackson Frein		MIDLAND	TX	79702	Delivered Delivered	Return Receipt - Electronic, Certified Mail	2024-01-3
869904300116587161	2024-01-25 7:08 AM	81363.0234.	EGL EXPLORATION LP; EGL RESOURCES, INC.		MIDLAND	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-02
869904300116587154 869904300116587147	2024-01-25 7:DB AM	81363.0234.	DPO&G, LTD.		HOUSTON	TX	77257	Delivered	Return Receipt - Electronic, Certified Mail Return Receipt - Electronic, Certified Mail	2024-01-3
869904300116587147 869904300116587130	2024-01-25 7:08 AM	81363.0234.	DEVON ENERGY PRODUCTION COMPANY, LP		Oklahoma City	OK	73102	Delivered	Return Receipt - Electronic, Certified Mail Return Receipt - Electronic, Certified Mail	2024-02-0
869904300116587130 869904300116587123	2024-01-25 7:08 AM 2024-01-25 7:08 AM	81363.0234	DELMAR HUDSON LEWIS UVING TRUST		FORT WORTH	TX	76116	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	2024-01-3
869904300116587123 869904300116587118	2024-01-25 7:08 AM 2024-01-25 7:08 AM	81363,0234, 81363,0234,	CRUMP FAMILY PARTNERSHIP , LTD.		MIDLAND	TX	79710	Undelivered	Return Receipt - Electronic, Certified Mail	
369904300116587109	2024-01-25 7:08 AM 2024-01-25 7:08 AM	81363.0234. 81363.0234.	CONOCOPHILLIPS COMPANY		BARTLESVILLE	CK	74005	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-
69904300116587093	2024-01-25 7:08 AM 2024-01-25 7:08 AM	81363,0234, 81363,0234,	COS OPERATING LLC CAMTERRA RESOURCES PARTNERS. LTD		FORT WORTH	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-29
69904300116587086	2024-01-25 7:08 AM	81363,0234.	CAMTERRA RESOURCES PARTNERS, LTD  CAMPECHE PETROLEUM LP		MARSHALL	TX	75670	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-25
69904300116587079	2024-01-25 7:08 AM	81363.0234	BOOTS GROUP MINERAL INTEREST, LTD.		FORT WORTH	TX	76102	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-29
69904300116587062	2024-01-25 7:08 AM	81363.0234	BLACK CROWN ENERGY PARTNERS		HOUSTON	TX	77257	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-0
869904300116587055	2024-01-25 7:08 AM	81363.0234.	Alice Bane		MIDLAND	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-02
169904300116587048	2024-01-25 7:08 AM	81363.0234, 81363.0234,	Alice Bene Jeffery Bane		MIDLAND	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-3
69904300116587031	2024-01-25 7 08 AM	81363.0234.	ARMSTRONG ENERGY CORPORATION		MIDLAND	TX	79702	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-3
69904300116587024	2024-01-25 7:08 AM	81363.0234	ARD OIL COMPANY, ARD ENERGY GROUP LP		ROSWELL	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-3
869904300115587017	2024-01-25 7:08 AM	81363.0234.	Reche Allyson Seabourn		FORT WORTH	TX	76102	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
69904300116587000	2024-01-25 7:08 AM	81363.0234.	Reche Allyson Seabourn George L. Scottill		Abilene	TX	79606	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-29
869904300116586997	2024-01-25 7:08 AM	81363.0234.	Resitingane, Inc.		Cedar Crest	NM	87008	Delivered	Return Receipt - Electronic, Certified Mail	2024-02-06
	2024-01-25 7:08 AM	81363 0234.	Permian Basin Investment Corporation		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2024-01-3
869904300116586980		81363.0234.	Permian Basin Investment Corporation Steve Mitchell		Roswell	NM	88201	Undelivered	Return Receipt - Electronic, Certified Mail	
	2024-01-25 7:08 AM									
869904300116586973 869904300116586966	2024-01-25 7:08 AM 2024-01-25 7:08 AM	81363.0234.	Manzano Oil Corporation		Roswell	NM	88201	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
869904300116586980 869904300116586973 869904300116586966 869904300116586949 869904300116586942	2024-01-25 7:08 AM 2024-01-25 7:08 AM 2024-01-25 7:08 AM				Roswell Roswell Midland	NM NM TX	88201 88202 79710	Undelivered - To Be Returned Delivered Delivered	Return Receipt - Electronic, Certified Mail Return Receipt - Electronic, Certified Mail Return Receipt - Electronic, Certified Mail	2024-01-2

### 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 published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated November 16, 2023 and ending with the issue dated November 16, 2023,

Publisher

Sworn and subscribed to before me this 16th day of November 2023.

issieRuthtrack Business Manager

My commission expires

Seal)

TATE OF NEW MEXICO NOTARY PUBLIC **GUSSIE RUTH BLACK** COMMISSION # 1087526 COMMISSION EXPIRES 01/29/2027

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 publication has been made.

#### LEGAL NOTICE November 16, 2023

CASE NO. 23984: Notice to all affected parties, as well as heirs and devisees of Abby Corporation; Apache Corporation; Donna M. Priest, as Trustee of the Donna Priest Trust uta dated March 12, 2021; Donnie E. Brown; Dorothy L. Martin and Jeffrey L. Martin, w/h as it; Duran Properties, LLC and Reyes S. Duran, Personal Representative of the Estate of Eloy S. Duran, deceased; Estate of Larry Arnold, deceased; James W. Adams; Kimbrough Working Interests, LLC c/o Plains Capital Bank, agent; Ralph C. McEivain, Jr.; Reba Diane Coston, as Trustee of the Diane Coston Trust uta dated October 3, 2018; The Aliar Company; Tom P. Stephens Trust uad October 30, 1995 c/o Plains Capital Bank; William M. Dampeer; William T. Fletz; United States of America, Department of Interior, Bureau of Land Management; Devon Energy Production Company, LP; Estate of Randall Fleids Montgomery, deceased; James A. McAdams; Mildred M. Montgomery; Randall F. Montgomery, II; Rebecca J. Montgomery; Verlyn M. Montgomery of Application of Marathon Oil Permian LLC for 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 December 7, 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/. Applicant seeks an order from the Division approving a non-standard spacing, unit and pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 505H, and Andretti Fed Com 504H, Andretti Fed Com 504H, Andretti Fed Com 504H, Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H wells, to be horizontally drilled. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilli 31 miles from Hobbs, New Mexico. #00284918

01104570

00284918

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

OCD Examiner Hearing 3-21-24

No. 23984

### **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 published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated December 06, 2023 and ending with the issue dated December 06, 2023,

Sworn and subscribed to before me this 6th day of December 2023.

My commission expires

Business Manager

January 29, 2027

Seal)

STATE OF NEW MEXICO NOTARY PUBLIC **GUSSIE RUTH BLACK COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

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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 publication has been made.

#### **LEGAL NOTICE December 6, 2023**

CASE NO. 23984: Notice to all affected parties, as well as heirs and devisees of Lonnie Arnold; Ronnie Arnold; Debble Riley; Linda Barnett; Kathy Plattor of the Application of Marathon Oli Permian LLC for 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 December 21, 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/. Applicant seeks an order from the Division approving a non-standard spacing unit and pooling all uncommitted mineral interests within a 960- acre, more or less, Bone Spring horizontal spacing unit underlying the E/2 of Sections 6, 7, Township 20 South, Range 33 East, and the E/2 of Section 31, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Andretti Fed Com 304H, Andretti Fed Com 505H, and Andretti Fed Com 504H, Andretti Fed Com 505H, and Andretti Fed Com 506H 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 sald 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 31 miles from Hobbs, New Mexico.

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00285544

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

OCD Examiner Hearing 3-21-24

No. 23984 87

### **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 published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated January 28, 2024 and ending with the issue dated January 28, 2024.

Publisher

Sworn and subscribed to before me this 28th day of January 2024.

**Business Manager** 

My commission expires

Januar STAT 200F NEW MEXICO NOTARY PUBLIC (Seal) GUSSIE RUTH BLACK **COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

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 publication has been made.

#### **LEGAL NOTICE** January 28, 2024

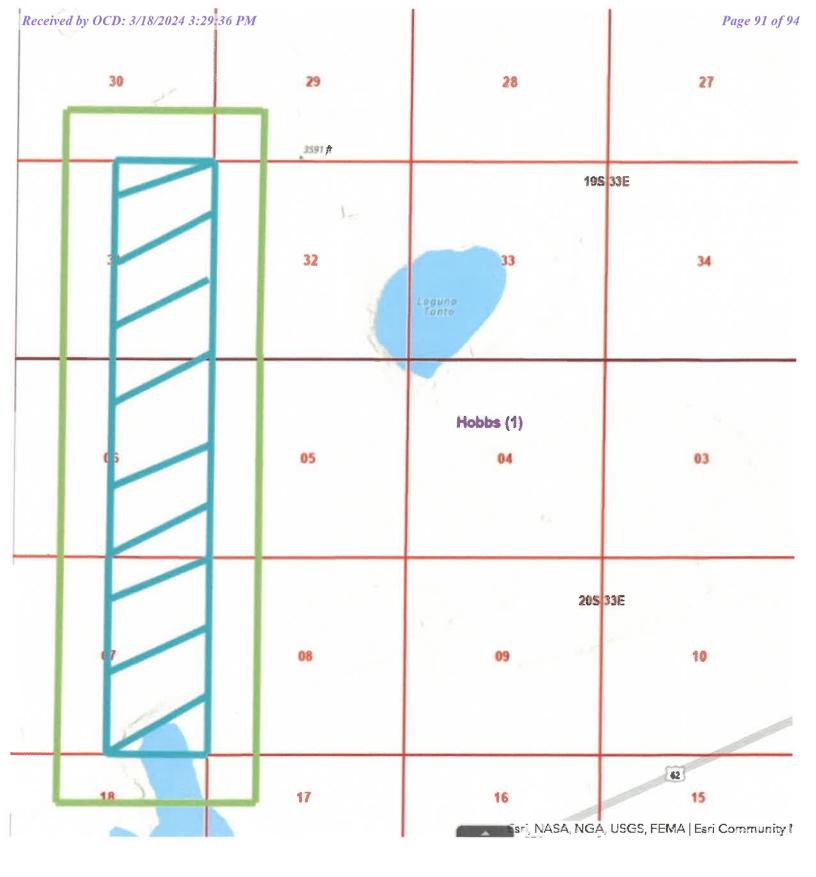
LEGAL NOTICE
January 28, 2024

CASE NO. 23984: Notice to all affected parties, as well as heirs and devisees of: Chevron USA, Inc.; Kastleford Land Company; Manzano Oll Corporation; Steve Mitchell: Permian Basin Investment Corporation; Realtimezone, Inc.; George L. Soott Ill; Rache Allyson Seabourn; and Oll Company, Ard Energy Group LP; Armstrong Energy Corporation; Jeffery G. Bane; Alice Bane; Black Crown Energy Partiers, LP; Boots Group Mineral Interest, Ltd.; Campache Petroleum LP; Camterra Resources Partiers, Ltd.; COG Operating LLC; Concophilipe Company; Crump Family Partiership, Ltd.; Delmar Hudson Lewis Living Trust UAD September 9, 2002; Devon Energy Production Company, LP; DPO&G, Ltd.; EGL Exploration; IP; EGL Resources, Inc.; Roneld Jackson Ervin; Finwing Corporation Retirement Trust G; First Bank Trustee of the Josephine T. Hudson Testamentary Trust FBO J. Terrell Ard; Guys Oll & Gas, Ltd.; He Holding LLC; Hanley Petroleum LLC; Chris Holmquist; Francis Hudson; Javalina Partners; JHAH Properties, LLC; JNG Trustee; Alan Jochimsen; K.T. Boots, Ltd.; Karemont Properties, LLC; Larry B. Kasper; Paul F. Kasper, III; Ashley Brooke Lerwick; Delmar H. Lewis; Lindy's Living Trust UTAD July 8, 1994; Loro Corporation; Loro Corporation Retirement Trust; LT- Partners; Magnum Hunter Production Inc.; Manta Oll & Gas Corporation; Mevros Oll Company; MoMullen Minerals II, LP; MD Squared, Inc.; MRC Delaware Resources LLC; MRC Explorer Resources LLC; MRC Permian Company; MRC Spiral Resources, Llc; Matt S. Muratts; Michael D. Newman; Teresa Newman; Norlas LP; Oak Valley Mineral and Land, LP; Olwick Oil & Gas, LLC; Oneway, LLC; Pegasus Resources II, LLC; Motter D. Newman; Teresa Newman; Norlas LP; Oak Valley Mineral and Land, LP; Olwick Oil & Gas, LLC; Oneway, LLC; Pegasus Resources II, LLC; Matter D. Newman; Teresa Newman; Norlas LP; Oak Valley Mineral and Land, LP; Olwick Oil & Gas, LLC; Oneway, LLC; Pegasus Resources II, LLC; McTere D. Newman; Selsa Exploration LP; Robert D. Simpson; Cyml Simpson; Javalis J. Slade; Sila

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00286828

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





### OFFSETTING TRACT NOTICE LIST

Section 29: SWSW

Section 30: SESW, S2SE

Section 31: E2W2

Section 32: W2W2

Township 19 South, Range 33 East, NMPM

Section 5: W2W2

Section 6: E2W2

Section 7: E2W2

Section 8: W2W2

Section 17: NWNW

Section 18: N2NE, NWNE

Township 20 South, Range 33 East, NMPM Township 20 South, Rang Lea County, New Mexico

LAST NAME	FIRST NAME	ADDRESS	CITY/STATE	
		HUDRESS	CITT/STATE	
The United States of America, Department of the Interior, Bureau of Land Management		301 Dinosaur Trail	Santa Fe, NM 87508	
ARD OIL COMPANY, ARD ENERGY GROUP LP		222 W. 4TH STREET, PH 5	FORT FORTH, TX 76102	
ARMSTRONG ENERGY CORPORATION			10101101111, 12 70102	
BANE	JEFFERY G.	PO BOX 1973 PO BOX 10886	ROSWELL, NM 88202	
BANE	ALICE		MIDLAND, TX 79702	
BLACK CROWN ENERGY PARTNERS, LP	ALICE	PO BOX 10886	MIDLAND, TX 79702	
		PO BOX 50820	MIDLAND, TX 79710	
BOOTS GROUP MINERAL INTEREST, LTD.		PO BOX 572069	HOUSTON, TX 77257-2069	
CAMPECHE PETROLEUM LP		SUITE 600	FORT WORTH, TX 76102	
CAMTERRA RESOURCES PARTNERS, LTD		SOUTH		
COG OPERATING LLC		SUITE 600	MARSHALL, TX 75670	
CONOCOPHILLIPS COMPANY			FORT WORTH, TX 76102	
CRUMP FAMILY PARTNERSHIP , LTD.		PO BOX 7500	BARTLESVILLE, OK 74005	
DELMAR HUDSON LEWIS LIVING TRUST UAD SEPTEMBER 9, 2002		PO BOX 50820	MIDLAND, TX 79710	
		6300 RIDGLEA PLACE	FORT WORTH, TX 76116	
DEVON ENERGY PRODUCTION COMPANY, LP DPO&G, LTD.		333 W. SHERIDAN AVE.	73102	
EGL EXPLORATION LP; EGL RESOURCES, INC.		PO BOX 572069	HOUSTON, TX 77257-2069	
		PO BOX 10886	MIDLAND, TX 79702	
ERWIN	RONALD JACKSON	PO BOX 50820	MIDLAND, TX 79710	
FINALING CORPORATION		PO BOX 10886	MIDLAND, TX 79702	
FINWING CORPORATION RETIREMENT TRUSTG		PO BOX 10886	MIDLAND, TX 79702	
ARD		PO BOX 1600	SAN ANTONIO, TX 78296	
GUYS OIL & GAS, LTD		PO BOX 5115	HOBBS, NM 88241	
H6 HOLDING LLC		PO BOX 1212	MIDLAND, TX 79702	
HANLEY PETROLEUM LLC HOLMQUIST		415 WEST WALL STREET,	MIDLAND, TX 79701	
	CHRIS	PO BOX 10886	MIDLAND, TX 79702	
HUDSON	FRANCIS	616 TEXAS STREET	FORT WORTH, TX 76102	
AVALINA PARTNERS		616 TEXAS STREET	FORT WORTH, TX 73102	
IHAH PROPERTIES, LLC		SUITE 1500	MIDLAND, TX 79701	

JNG TRUSTEE		PO BOX 51187	MIDLAND, TX 79710
JOCHIMSEN	ALAN	4209 CARDINAL LANE	MIDLAND, TX 79710
K.T. BOOTS, LTD.	7 12 11	PO BOX 572069	HOUSTON, TX 77257-2069
KAREMONT PROPERTIES, LLC		PO BOX 9451	MIDLAND, TX 79708
KASPER	LARRY B.	1039 ALADDIN STREET	92649
KASPER, III	PAUL F.	5016 STEVEANN STREET	TORRANCE, CA 90503
LERWICK	ASHLEY BROOKE		
LEWIS	DELMAR H.	3130 TEALWOOD PLACE	MIDLAND, TX 79705
LINDY'S LIVING TRUST UTAD JULY 8, 1994	DELIVIAR H.	616 TEXAS STREET 6300 RIDGLEA PLACE	FORT WORTH, TX 76102 FORT WORTH, TX 76116
LORO CORPORATION		PO BOX 10886	MIDLAND, TX 79702
LORO CORPORATION RETIREMENT TRUST		PO BOX 10886	MIDLAND, TX 79702
L-T PARTNERS		PO BOX 10886	MIDLAND, TX 79702
MAGNUM HUNTER PRODUCTION INC.		600 N. MARIENFELD STREET	
MANTA OIL & GAS CORPORATION		PO BOX 10886	MIDLAND, TX 79702
MARATHON OIL PERMIAN, LLC		5555 SAN FELIPE STREET	HOUSTON, TX 77056
MAVROS OIL COMPANY		P.O. BOX 50820	MIDLAND, TX 79701
MCMULLEN MINERALS II, LP		P. O. BOX 470857	FORT WORTH, TX 76147
MD SQUARED, INC.		PO BOX 50264	MIDLAND, TX 79710
MERLWETHER RESOURCES, INVESTMENTS		PO BOX 10886	MIDLAND, TX 79702
MILAGROS DE GLORIA, INC.		PO BOX 10886	MIDLAND, TX 79702
MRC DELAWARE RESOURCES LLC		1500	DALLAS, TX 75240
MRC EXPLORER RESOURCES LLC		1500	DALLAS, TX 75240
MRC PERMIAN COMPANY		5400 LBJ FREEWAY, SUITE	DALLAS, TX 75240
MRC SPIRAL RESOURCES LLC		1500	DALLAS, TX 75240
MURATTA	MATT S.	10918 VILLA LEA LANE	HOUSTON, TX 77071
NEWMAN	MICHAEL D.	PO BOX 10886	MIDLAND, TX 79702
NEWMAN	TERESA	PO BOX 10886	MIDLAND, TX 79702
NORIAS L.P.		SUITE 600	FORT WORTH, TX 76102
OAK VALLEY MINERAL AND LAND, LP		P.O. BOX 50820	MIDLAND, TX 79710
OLWICK OIL & GAS, LLC		SUITE 900	MIDLAND, TX 79701
ONEWAY, LLC		223 WEST WALL STREET,	MIDLAND, TX 79701
ONEWAY, LLC		SUITE 900	
PEGASUS RESOURCES II, LLC			MIDLAND, TX 79701
PETRAITIS	MICHAEL J.	P. O. BOX 470698 PO BOX 10886	FORT WORTH, TX 76147
PETRAITIS		eco mesi immedimeeti,	MIDLAND, TX 79702
PETRAITIS OIL & GAS, INC.	MICHAEL J.	SUITE 900	MIDLAND, TX 79701
PITTMAN ENERGY LP		PO BOX 10886	MIDLAND, TX 79702
PLACER, LTD.		600 N. MARIENFELD	MIDLAND, TX 79701
		PO BOX 10886	MIDLAND, TX 79702
RAY	CHARLES D.	PO BOX 51608	MIDLAND, TX 79710
RIMCO ROYALTY PARTNERS		22 WATERVILLE ROAD	AVON, CT 06001
S.E.S INVESTMENTS, LTD DEFINED BENEFIT PLAN		PO BOX 10886	MIDLAND, TX 79702
S.E.S. INVESTMENTS, LTD		SUITE 900	MIDLAND, TX 79701
S.E.S. OIL & GAS, INC.		PO BOX 10886	MIDLAND, TX 79702
SAGER MINERAL PARTNERS, LP		PO BOX 803384	DALLAS, TX 75380
SAPIENT ENERGY CORPORATION		621 17TH STREET, SUITE	DENVER, CO 80293
SCOLADO, LLC		PO BOX 660	ARTESIA, NM 66211

SHARON R. JACKSON, TRUSTEE OF THE ROBERT MONROE JACKSON AND SHARON ROSS JACKSON REVOCABLE TRUST DATED SEPTEMBER 25, 2015		1810 SUN MOUNTAIN DRIVE	SANTA FE, NM 87505
SHARON R.JACKSON, TRUSTEE OF THE NOELL ROSS TRUST		DRIVE	SANTA FE, NM 87505
SIMPSON	BERRY D.	PO BOX 10886	MIDLAND, TX 79702
SIMPSON	CYNDI	PO BOX 10886	MIDLAND, TX 79702
SLADE	JARVIS J.	446 E. 52ND STREET	NEW YORK, NY 10022
SLASH EXPLORATION LP		PO BOX 1973	ROSWELL, NM 88202
SNYDER	ROBERT D.	PO BOX 10886	MIDLAND, TX 79702
SNYDER	KAY	PO BOX 10886	MIDLAND, TX 79702
SNYDER	MARCUS	PO BOX 10886	MIDLAND, TX 79702
STARCK	JOHN A.	223 WEST WALL STREET,	MIDLAND, TX 79701
STARCK FAMILY, LTD.		PO BOX 10886	MIDLAND, TX 79702
TAPRON INDUSTRIES CORPORATION		PO BOX 52002	MIDLAND, TX 79710
TBO OIL & GAS, LLC		4505 MOCKINGBIRD LANE	MIDLAND, TX 79707
THE ALLAR COMPANY		735 ELM STREET	GRAHAM, TX 76450
THE PERRY TRUST		PO BOX 10886	MIDLAND, TX 79702
WESLEY PERRY OIL AND GAS, INC.		PO BOX 371	MIDLAND, TX 97902
WILLIAM G. ROSS & VEE ROSS LIVING TRUST		PO BOX 86	MIDLAND, TX 79702
XTO HOLDINGS LLC		VILLAGE PARKWAY	SPRING, TX 77389
ZORRO PARTNERS, LTD		616 TEXAS STREET	FORT WORTH, TX 76102
ZPZ DELAWARE I LLC		SUITE 100	HOUSTON, TX 77056