

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

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

CASE NO. 15998

**MARATHON'S PRE-HEARING STATEMENT**

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

**APPEARANCES**

**APPLICANT**

Marathon Oil Permian LLC  
5555 San Felipe St.  
Houston, TX 77056

**ATTORNEY**

Earl E. DeBrine, Jr.  
Jennifer L. Bradfute  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK, P.A.  
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Albuquerque, New Mexico 87103-2168  
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**STATEMENT OF CASE**

**APPLICANT:**

Applicant in the above-styled cause seeks an order from the Division (1) creating a non-standard 320-acre spacing and proration unit in the Wolfcamp formation, comprised of the W/2 of Section 13, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed non-standard spacing and proration unit. Marathon plans to drill and complete the **Ballista Federal 23 32 13 WA 6H** well, which is a horizontal well that will develop the Diamondtail Wolfcamp Pool (Pool Code 17645) underlying the project area. In addition, Marathon plans to drill the **Ballista Federal 23 32 13**

**WXY 3H** and the **Ballista Federal 23 32 13 WXY 12H** wells within the project area using the same rig. 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.

**PROPOSED EVIDENCE**

**APPLICANT:**

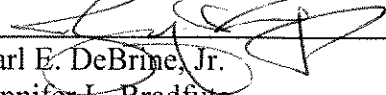
<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Ryan Gyllenband – Landman	Approx. 20	Approx. 6
Kate Zeigler or Ethan Perry – Geologist	Approx. 15	Approx. 4

**PROCEDURAL ISSUES**

Marathon does not have any procedural issues at this time.

Respectfully submitted,

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

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