

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

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

MAR 29 2018 AM04:02

CASE NO. 16051

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.
P. O. Box 2168
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OPPONENT

COG Operating LLC
One Concho Center
600 W. Illinois Ave
Midland, TX 79701

ATTORNEY

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Michael Feldewert
Holland & Hart
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STATEMENT OF CASE

APPLICANT:

Applicant in the above-styled cause seeks an order from the Division pooling all mineral interests in the Wolfcamp formation underlying the standard 320-acre, more or less, spacing and proration unit comprised of the S/2 of Section 5, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico. Marathon plans to drill and complete the **Hambone Federal 26-29-5 WB 3H** and **Hambone Federal 26-29-5 WD 4H** wells within the spacing and proration unit underlying this acreage to a depth sufficient to test the Wolfcamp formation. These wells will be horizontally drilled within the Purple Sage Wolfcamp (Gas) Pool using the same drilling 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 well, and a 200% charge for risk involved in drilling said well.

PROPOSED EVIDENCE

APPLICANT:

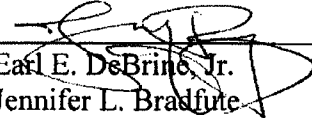
<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Chase Rice – Landman	Approx. 20	Approx. 6
Tucker Keren – Geologist	Approx. 15	Approx. 4
Mikhail Alekseenko – Engineer	Approx. 15	Approx. 4

PROCEDURAL ISSUES

Marathon requests an expedited order in this case due to lease expiration concerns.

Respectfully submitted,

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

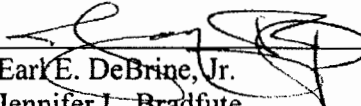
By: 
Earl E. DeBrine, Jr.
Jennifer L. Bradfute

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served
on counsel of record by electronic mail on March 29, 2018:

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