

**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, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16300**

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

**CASE NO. 16076**

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

**CASE NO. 16077**

**AMENDED APPLICATION OF BTA OIL PRODUCERS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16024**

**APPLICATION OF BTA OIL PRODUCERS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16161**

**APPLICATION OF BTA OIL PRODUCERS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 16162**

**AFFIDAVIT OF MIKHAIL ALEKSEENKO**

I, Mikhail Alekseenko, being first duly sworn, upon oath, states the following based upon my own personal knowledge:

1. I am over eighteen (18) years of age and am otherwise competent to make this sworn statement.

2. I currently work as a Reservoir Engineer in the Permian Basin in Southeastern New Mexico for Marathon Oil Company (“Marathon”), and I testified in the above-captioned cases on April 24, 2018 and July 13, 2018.

3. During the July 13, 2018 hearing, the parties discussed whether Marathon could provide production data and well information related to Exhibits DD, and FF.

4. In my position as a Reservoir Engineer, I review production data from wells and related well information that Marathon keeps as a matter of course in its company business records.

5. Attached hereto as **Exhibit 1** is a document which provides production data and well information for the wells depicted in Marathon Exhibit DD and portions of Marathon Exhibit FF. These wells are the STERLING 20 STATE 1H, STERLING 20 STATE 2H, STERLING STATE 23-27-20 TB 4H, and STERLING STATE 23-27-20 WA 6H wells, which are located in Section 20, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. These are wells were drilled and completed separately as to the Bone Spring and Wolfcamp formation and, thus, an example of a situation in which co-development of the Third Bone Spring Sand and the Upper Wolfcamp did not occur.

6. Attached hereto as **Exhibit 2** is a document which provides the production data and well information for the CYPRESS 1H, CYPRESS FEE 23-27-9 5H, and CYPRESS FEE 23-27-9 7H wells in Section 9, Township 23 South, Range 27 East, N.M.P.M, Eddy County, New Mexico. These wells were completed concurrently to co-develop the Upper Wolfcamp and Third Bone Spring Sands formations.

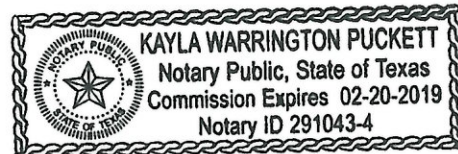
7. Exhibits 1 and 2 have been compiled under my supervision and direction and are company business records.

  
Mikhail Alekseenko

SUBSCRIBED AND SWORN to before me this 17th day of July, 2018 by Mikhail Alekseenko.

  
Notary Public

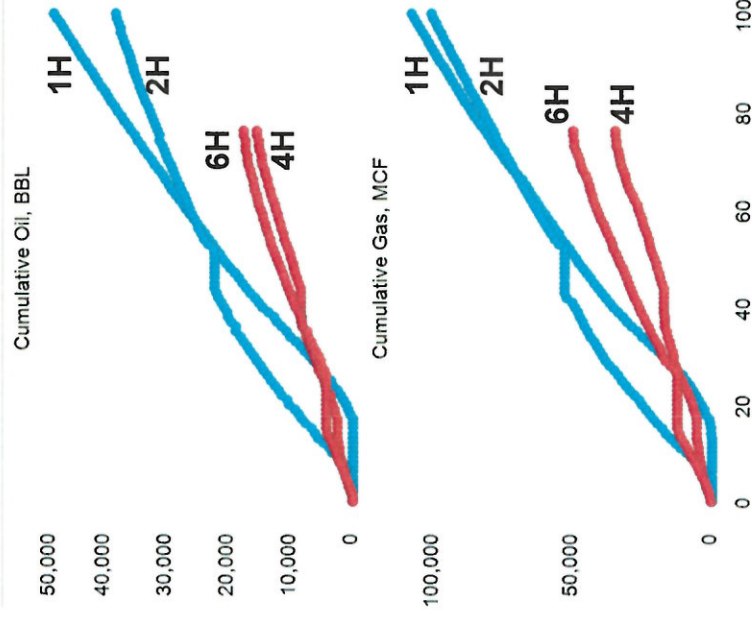
My commission expires: \_\_\_\_\_



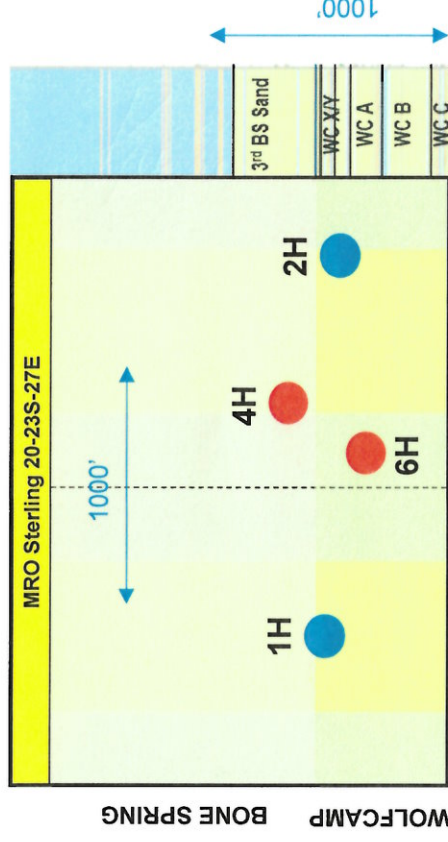
## Delayed development Performance

## Exhibit 1

### Wolfcamp Sands and 3<sup>rd</sup> Bone Spring



- Infill Bone Spring and Wolfcamp perform very poorly and very similarly
- Infill Bone Spring and Wolfcamp wells reach economic limit sooner



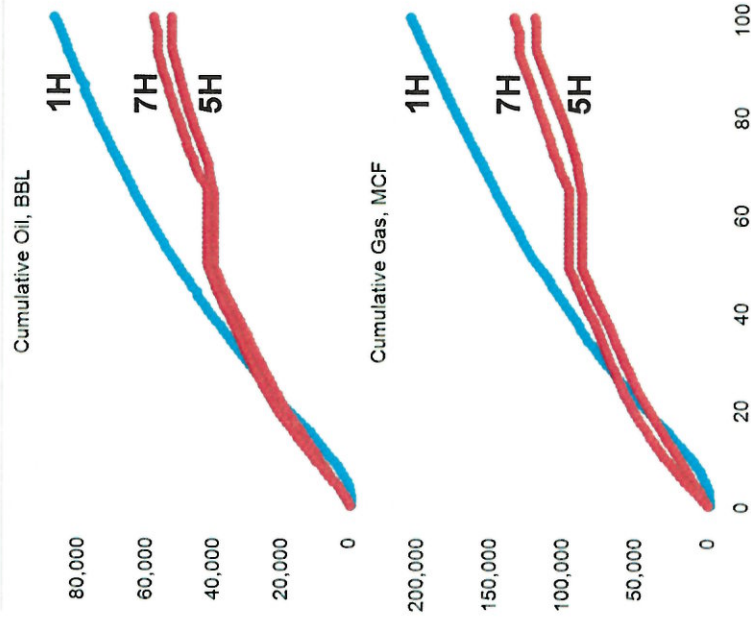
● First generation

● Second generation

1 Production data is based on daily, un-allocated values

## Co-Development Performance

### Wolfcamp Sands and 3<sup>rd</sup> Bone Spring



2 Production data is based on daily, un-allocated values

## Exhibit 2

- Co-development minimizes depletion impacts

