

**Before the Oil Conservation Division  
Examiner Hearing September 20, 2018**

**Case No. 16418**

*Ramathorn Fed 22-32-14 TB 1H and Ramathorn Fed 22-32-14 FB 22H*

*And*

**Case No. 16419**

*Ramathorn Fed 22-32-14 SB 8H*





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

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

CASE NO. 16418

AMENDED APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order: (1) to the extent necessary, approving the creation of a 160-acre, more or less, spacing and proration unit covering the W/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and, (2) pooling all uncommitted mineral interests in the Bone Spring formation underlying this spacing and proration unit. 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 W/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico to form a 160-acre, more or less, spacing unit.
3. Marathon plans to drill the **Ramathorn Federal Com 22 32 14 FB 22H** wells to a depth sufficient to test the Bone Spring formation. Concurrently or at a later date, Marathon plans on drilling the **Ramathorn Federal Com 22 32 14 TB 1H** within the spacing unit. These wells will be horizontally drilled.

4. These wells will comply with the Division's setback requirements.
5. 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.
6. The creation of a non-standard spacing and proration unit and 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.
7. Marathon further requests that it be allowed one (1) year between the time the wells are drilled and completion of the first well under the order issued by the Division.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 20, 2018, and after notice and hearing as required by law, the Division enter its order:

- A. To the extent necessary, approving the creation of a non-standard spacing and proration unit in the Bone Spring formation comprised of the W/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico;
- B. Pooling all mineral interests in the Bone Spring formation underlying this spacing and proration unit;
- 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 these 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.

G. Allowing a period of one (1) year between when the wells are drilled and when the first well is completed under the order.

Respectfully submitted,

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

By: Deana M. Bennett

Jennifer Bradfute  
Deana M. Bennett  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
*Attorneys for Applicant*

**CASE NO. 16418: Amended Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a non-standard 160-acre, more or less, spacing and proration unit covering the W/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted mineral interests in the Bone Spring formation underlying this proposed spacing an proration unit. This proposed spacing unit will be dedicated to the **Ramathorn Federal Com 22 32 14 TB 1H and Ramathorn Federal Com 22 32 14 FB 22H** wells, to be horizontally drilled. The producing area for these wells will be orthodox. 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, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 26 miles northwest of Loving, New Mexico.

5. 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 well or to otherwise commit their interests to the well.

6. The creation of a non-standard spacing and proration unit and 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.

7. Marathon further requests that it be allowed one (1) year between the time the well is drilled and completion of the well under the order issued by the Division.

WHEREFORE, Marathon requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 20, 2018, and after notice and hearing as required by law, the Division enter its order:

A. To the extent necessary, approving the creation of a non-standard spacing and proration unit in the in the Bone Spring formation comprised of the E/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying this spacing and proration unit;

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 these 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.

G. Allowing a period of one (1) year between when the well is drilled and when the well is completed under the order.

Respectfully submitted,

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

By: Deana M. Bennett

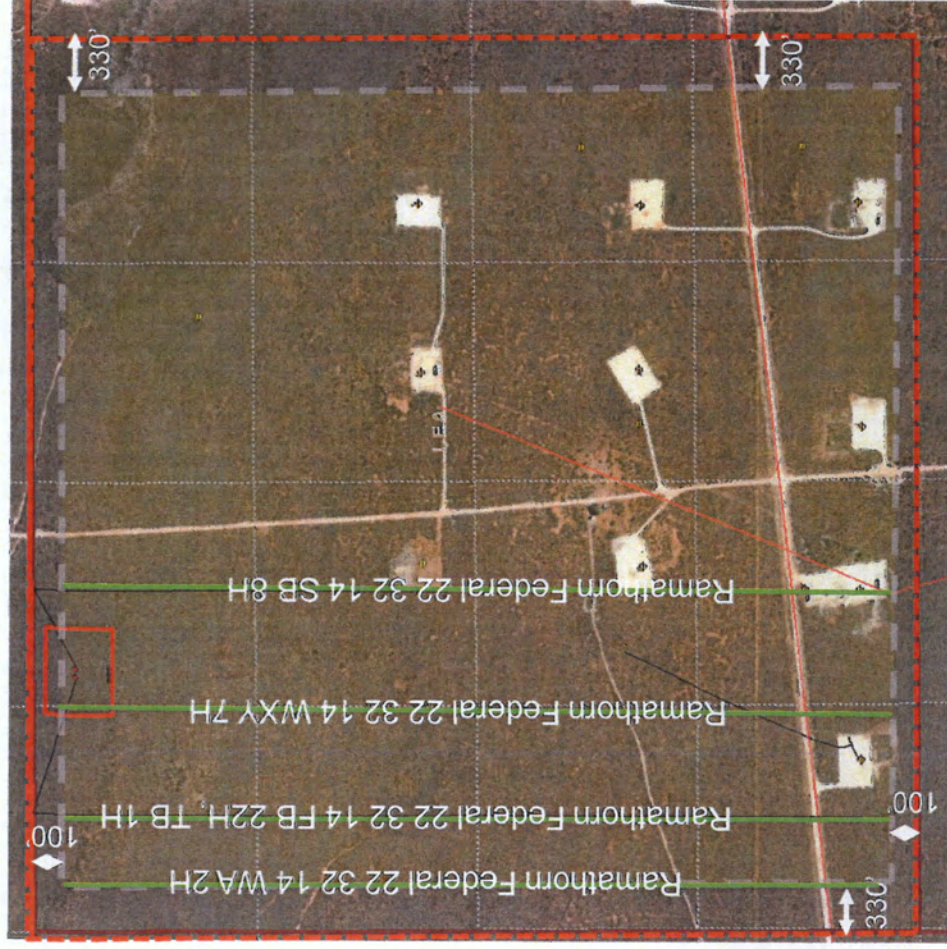
Jennifer Bradfute  
Deana M. Bennett  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
*Attorneys for Applicant*

**CASE NO. 16419: Amended Application of Marathon Oil Permian LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.**

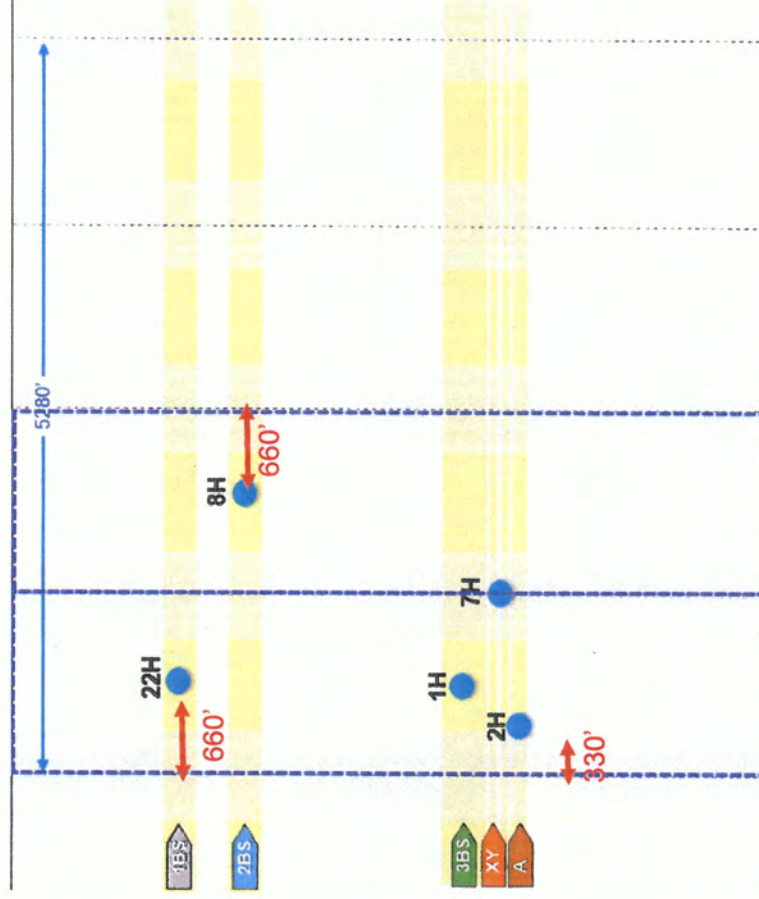
Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a non-standard 160-acre, more or less, spacing and proration unit covering the E/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico; and, (2) pooling all uncommitted mineral interests within the Bone Spring formation underlying this proposed spacing and proration unit. This proposed spacing unit will be dedicated to the **Ramathorn Federal Com 22 32 14 SB 8H** well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, 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, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 26 miles northwest of Loving, New Mexico.



# Ramathorn Federal 22 32 14 Unit Development



1320'



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

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

**CASE NO. 16418**

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

**CASE NO. 16419**

**AFFIDAVIT**

STATE OF TEXAS                    )  
  ) ss.  
COUNTY OF HARRIS            )

Ryan Gyllenband, being duly sworn, deposes and states:

1. I am over the age of 18, I am a landman for Marathon Oil Permian LLC and have personal knowledge of the matters stated herein. I have been qualified by the Oil Conservation Division ("Division") as an expert petroleum landman.

2. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling applications.

3. The purpose of these applications is to force pool interest owners into the horizontal spacing unit described below, and in the wells to be drilled in the unit.

4. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests in the well.

5. Case No. 16418:

a. Marathon seeks an order pooling of all mineral interests in the Bone Spring formation underlying the W/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Ramathorn Federal Com 22 32 14 TB 1H and Ramathorn Federal Com 22 32 14 FB 22H** wells, to be horizontally drilled.

b. A plat outlining the unit being pooled in Case No. 16418 is attached hereto as **Exhibit A**, which shows the proposed wells' locations within the unit. The parties being pooled, the nature and percent of their interests, and their last known addresses are also included as part of **Exhibit A**.

c. There are no depth severances within the Bone Spring formation.

d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and a form of Operating Agreement.

e. Marathon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well.

f. Attached as **Exhibit B** are proposed C-102s for the wells. The wells will develop the Red Tank (Bone Spring) pool, pool code 51683, which is an oil pool.

g. The producing interval for the wells will be orthodox and will comply with the Division's set back requirements.

h. **Exhibits C and D** are a sample proposal letter and 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.

6. Case No. 16419:

a. Marathon seeks an order pooling of all mineral interests in the Bone Spring formation underlying the E/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Ramathorn Federal Com 22 32 14 SB 8H well**, to be horizontally drilled.

b. A plat outlining the unit being pooled in Case No. 16419 is attached hereto as **Exhibit A**, which shows the proposed well's location within the unit. The parties being pooled, the nature and percent of their interests, and their last known addresses are also included as part of **Exhibit A**. Exhibit A includes information for the working interest owners, the overriding interest owners, and offsets.

c. There are no depth severances within the Bone Spring formation.

d. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure and a form of Operating Agreement.

e. Marathon has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed well.

i. Attached as **Exhibit B** is a proposed C-102 for the well. The wells will develop the Red Tank (Bone Spring) pool, pool code 51683, which is an oil pool.

f. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.

g. **Exhibits C and D** are a sample proposal letter and 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.

6. Marathon requests overhead and administrative rates of \$7000.00/month for drilling a well and \$700.00/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.

7. Marathon requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

8. Marathon requests that it be designated operator of the wells.

9. The attachments to this affidavit were prepared by me, or compiled from company business records.

10. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

11. The granting of this application is in the interests of conservation and the prevention of waste.

Ryan Gyllenband  
Ryan Gyllenband

SUBSCRIBED AND SWORN to before me this 18 day of September, 2018 by Ryan Gyllenband on behalf of Marathon Oil Permian LLC.

Jessica Gorman  
Notary Public

My commission expires: 1/29/2019





**Case No. 16418**

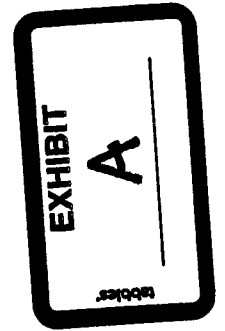
**Ramathorn Federal Com 22 32 14 TB 1H**

**Ramathorn Federal Com 22 32 14 FB 22H**

**Lease Tract Map**  
**Ramathorn Fed 22-32-14 TB 1H and Ramathorn Fed 22-32-14 FB 22H**  
**W/2 W/2 of Section 14, 22S-32E – 160 acres**

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- Tract 1: Federal Acreage
- Tract 2: Federal Acreage



**Summary of Interests**

**Ramathorn Fed 22-32-14 TB 1H, Ramathorn Fed 22-32-14 WA 2H, Ramathorn Fed 22-32-14 WXY 7H, Ramathorn Fed 22-32-14 SB 8H and Ramathorn Fed 22-32-14 FB 22H**

Committed Working Interest:  
Marathon Oil Permian LLC

**64.375%**

64.375%

Uncommitted Working Interest:  
COG Operating LLC  
RKI Exploration and Production

**35.625%**

21.250%  
14.375%

Unleased Mineral Interest:

**0.00%**



Ramathorn

Force Pooled Owners			
Owner Name	Address 1	Address 2	Type
Marathon Oil Permian LLC			WI
COG Operating LLC	600 West Illinois Ave.	Midland, TX 79701	WI
RKI Exploration and Production	210 Park Avenue, Suite 700	Oklahoma City, OK 73102	WI

### ORRIs

Owner Name	Address 1	Address 2	Type
Curtis A. Anderson	600 W. Illinois, Ste.701	Midland, TX 79701	ORRI
Allan C. Anderson	3807 South County Rd. 1135	Midland, TX 79706	ORRI
Wade S. Anderson	3807 South County Rd. 1135	Midland, TX 79706	ORRI
Kimbell Art Foundation	301 Commerce Street, Suite 2240	Fort Worth, Texas 76102	ORRI
MAP00-NET, a Texas general partnership	100 Park Avenue, Suite 1007	Oklahoma City, OK 73102	ORRI
Bill Burton	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
Ben J. Fortson III Children's Trust, Ben J. Fortson III, Trustee	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
Robert C. Grable	201 Main Street, Suite 2500	Fort Worth, Texas 76102	ORRI
MWB 1998 Trust, Ben J. Fortson, Jr., Trustee	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
CCB 1998 Trust, Ben J. Fortson, Jr., Trustee	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
DCB 1998 Trust, Ben J. Fortson, Jr., Trustee	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
The Roach Foundation	100 Throckmorton Street, Suite 480	Fort Worth, Texas 76102	ORRI
Sundance Minerals I	P.O. Box 17224	Fort Worth, Texas 76102	ORRI
Crownrock Minerals, LP	P.O. Box 51933	Midland, TX 79710	ORRI
XTO Holdings, LLC	810 Houston Street	Fort Worth, TX 76102	ORRI

### Offsets

Owner Name	Address 1	Address 2	Type
XTO HOLDINGS LLC	22777 SPRINGWOODS VILLAGE PKWY	SPRING TX 77389	Offset
CONOCO PHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 74005	Offset
ECHO PROD INC	PO BOX 1210	GRAHAM TX 76450	Offset
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 73102	Offset
EOG RESOURCES INC	5509 Champions Drive	Midland, TX 79706	Offset
RANSOME-LOSEE ANNE	3505 CALLE CUERVO #218	ALBUQUERQUE NM 87048	Offset
PRINCE F IV	2 WISCONSIN CIR	CHEVY CHASE MD 20815	Offset
BURLINGTON RES OIL & GAS CO LP	PO BOX 51810	MIDLAND TX 79710	Offset
LOSEE ELIZABETH	328 SIERRA PL	ALBUQUERQUE NM 87108	Offset
TRAINER PARTNERS LTD	PO BOX 3788	MIDLAND TX 79702	Offset

## **Summary of Attempted Contacts**

- Marathon sent well proposal letters.
- Marathon then contacted parties to see if they would participate in the well and/or execute a joint operating agreement.
- Marathon conducted updated record searches and internet searches for contact information for parties it seeks to pool.
- Marathon continued to attempt to contact the parties who had not executed an agreement.
- Marathon filed an application to force pool parties who had not entered in to an agreement.
- Marathon sent notices of the force pooling application to the addresses of record.
- Marathon then also published notice in a newspaper of general circulation in the county where the wells will be located.

District I  
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) 748-1261 Fax (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone (505) 334-6178 Fax (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3460 Fax (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		<sup>2</sup> Pool Code 51683		<sup>3</sup> Pool Name RED TANK (BONE SPRING)	
<sup>4</sup> Property Code		<sup>5</sup> Property Name RAMATHORN 22-32-14 TB FED COM			<sup>6</sup> Well Number 1H
<sup>7</sup> OGRID No. 372098		<sup>8</sup> Operator Name MARATHON OIL PERMIAN LLC			<sup>9</sup> Elevation 3740'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	14	22S	32E		436	NORTH	1489	WEST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	22S	32E		100	SOUTH	660	WEST	LEA

<sup>12</sup> Dedicated Acres 160.0	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

<p><b>Defining Well</b></p>	<p><b>CORNER COORDINATES</b> NAD 83, SPCS NM EAST A - X: 751004.65' / Y: 509557.01' B - X: 752321.73' / Y: 509574.21' C - X: 752359.42' / Y: 504291.47' D - X: 751039.55' / Y: 504278.69'</p>	<p><b>CORNER COORDINATES</b> NAD 27, SPCS NM EAST A - X: 709822.29' / Y: 508496.42' B - X: 711139.36' / Y: 509513.60' C - X: 711176.91' / Y: 504231.02' D - X: 709857.05' / Y: 504218.23'</p>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>
	<p><b>SURFACE HOLE LOCATION</b> 436' FNL 1489' FWL, SECTION 14 NAD 83, SPCS NM EAST X: 752496.36' / Y: 509140.90' LAT: 32.39783956N / LON: -103.64918588W NAD 27, SPCS NM EAST X: 711131.98' / Y: 509080.31' LAT: 32.39771655N / LON: -103.64869900W</p>		
	<p><b>KICK OFF POINT</b> 50' FNL 660' FWL, SECTION 14 NAD 83, SPCS NM EAST X: 751664.94' / Y: 509515.63' LAT: 32.39888414N / LON: -103.65187175W NAD 27, SPCS NM EAST X: 710482.57' / Y: 509455.03' LAT: 32.39876116N / LON: -103.65138476W</p>		
	<p><b>FIRST TAKE POINT</b> 100' FNL 660' FWL, SECTION 14 NAD 83, SPCS NM EAST X: 751665.27' / Y: 509465.63' LAT: 32.39874870N / LON: -103.65187172W NAD 27, SPCS NM EAST X: 710482.90' / Y: 509405.03' LAT: 32.39862372N / LON: -103.65138473W</p>		
<p><b>LAST TAKE POINT/BOTTOM HOLE LOCATION</b> 100' FSL 660' FWL, SECTION 14 NAD 83, SPCS NM EAST X: 751698.84' / Y: 504385.08' LAT: 32.38478152N / LON: -103.65186781W NAD 27, SPCS NM EAST X: 710516.34' / Y: 504324.62' LAT: 32.38465848N / LON: -103.65138133W</p>			

**<sup>18</sup> SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEPTEMBER 18, 2018

Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number

LLOYD P. SHORT 21653

SHEET 1 OF 3  
JOB No. R3835\_003  
REV 4 BM 09/18/2018

EXHIBIT

B

District I  
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  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1490'  
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	<sup>2</sup> Pool Code 51683	<sup>3</sup> Pool Name RED TANK (BONE SPRING)
<sup>4</sup> Property Code	<sup>5</sup> Property Name RAMATHORN 22 32 14 FB FED COM	<sup>6</sup> Well Number 22H
<sup>7</sup> OGRID No. 372098	<sup>8</sup> Operator Name MARATHON OIL PERMIAN LLC	<sup>9</sup> Elevation 3,730'

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	14	22S	32E		236	NORTH	1490	WEST	LEA

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	22S	32E		100	SOUTH	660	WEST	LEA

<sup>10</sup> Dedicated Acres 160	<sup>11</sup> Joint or Infill	<sup>12</sup> Consolidation Code	<sup>13</sup> Order No.
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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.

		<p><b>" OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p><b>"SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 17, 2018</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number _____</p> <p><b>LLOYD P. SHORT</b> NEW MEXICO 21653 PROFESSIONAL SURVEYOR</p>
--	--	---

1	09/13/18	JCS
REV.	DATE	BY

Ryan Gyllenband  
Land Professional



**Marathon Oil Permian LLC**  
5555 San Felipe Street  
Houston, TX 77056  
Telephone: 713.296.2453 Mobile: 281.684.7389  
Fax: 713.513.4006  
mrgyllenband@marathonoil.com

September 13, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating LLC  
600 West Illinois Ave.  
Midland, TX 79701

Re: Ramathorn Federal 1H, 2H, & 7H Well Proposals  
Section 14, T22S-R32E  
Lea County, New Mexico

Dear COG Operating LLC:

Marathon Oil Permian LLC ("MRO") proposes the drilling of the following wells located in Section 14, 22S-32E, Lea County, New Mexico to be drilled from the same pad location.

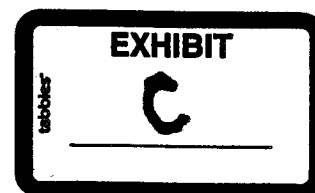
- Ramathorn Federal 22 32 14 TB 1H with a proposed first take point located 330' FNL and 330' FWL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 330' FWL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~11,889' TVD) with a productive lateral length of approximately 4,620'. The total estimated drilling and completion cost is \$7,308,537 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 WA 2H with a proposed first take point located 330' FNL and 330' FWL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 330' FWL of Section 14, 22S-32E. The well will have a targeted interval located in the Wolfcamp Formation (~12,151' TVD) with a productive lateral length of approximately 4,620'. The total estimated drilling and completion cost is \$7,377,279 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 WXY 7H with a proposed first take point located 330' FNL and 330' FWL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 330' FWL of Section 14, 22S-32E. The well will have a targeted interval located in the Wolfcamp Formation (~12,045' TVD) with a productive lateral length of approximately 4,620'. The total estimated drilling and completion cost is \$7,393,179 as shown in the attached AFE.

These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered. The AFEs represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred.

MRO proposes drilling the well under the terms of the 1989 AAPL JOA and a form of this JOA will be sent to you following this proposal. The JOA will have these general provisions:

- 100%/300%/300% non-consent penalty
- \$7,000/\$700 drilling and producing rates
- Contract area of Section 14, 22S-32E, covering all depths

Our title records show that you own 21.25% WI in the proposed unit.





If your election is to participate in the drilling and completion of the wells please sign and return a copy of this letter along with the enclosed AFE within thirty (30) days of receipt of this proposal.

If you do not wish to participate, Marathon proposes to acquire your interest via term assignment at the following terms:

- 3 year lease term
- \$2000 bonus consideration per net mineral acre
- Delivering a 75% NRI, proportionately reduced

This term assignment offer terminates August 15, 2018 and is subject to due diligence and title verification satisfactory to Marathon.

Should you have any questions regarding this or other matters, please don't hesitate to contact me at the above listed numbers.

Sincerely,

Ryan Gyllenband

**Ramathorn Federal 1H, 2H, & 7H**

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 TB 1H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 TB 1H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WA 2H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WA 2H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 7H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 7H well.

**COG Operating LLC**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Ryan Gyllenband  
Land Professional



**Marathon Oil Permian LLC**  
5555 San Felipe Street  
Houston, TX 77056  
Telephone: 713.296.2453 Mobile: 281.684.7389  
Fax: 713.513.4006  
mrgyllenband@marathonoil.com

May 30, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating LLC  
600 West Illinois Ave.  
Midland, TX 79701

Re: Ramathorn Federal 8H, 14H, 15H, 17H, 18H, 21H & 22H Well Proposals  
Section 14, T22S-R32E  
Lea County, New Mexico

Dear COG Operating LLC:

Marathon Oil Permian LLC ("MRO") proposes the drilling of the following wells located in Section 14, 22S-32E, Lea County, New Mexico to be drilled from 2 different surface pad locations.

- Ramathorn Federal 22 32 14 SB 8H with a proposed first take point located 330' FNL and 1,980' FWL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 1,980' FWL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~10,754' TVD) with a productive lateral length of approximately 4,620'. The total estimated drilling and completion cost is \$7,115,784 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 WXY 14H with a proposed first take point located 330' FNL and 2,310' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 2,310' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Wolfcamp Formation (~12,040' TVD) with a productive lateral length of approximately 4,750'. The total estimated drilling and completion cost is \$7,273,549 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 SB 15H with a proposed first take point located 330' FNL and 1,980' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 1,980' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~10,754' TVD) with a productive lateral length of approximately 4,750'. The total estimated drilling and completion cost is \$7,061,714 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 TB 17H with a proposed first take point located 330' FNL and 1,650' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 1,650' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~11,896' TVD) with a productive lateral length of approximately 4,750'. The total estimated drilling and completion cost is \$7,225,849 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 WA 18H with a proposed first take point located 330' FNL and 990' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 990' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Wolfcamp Formation (~12,147' TVD) with a productive lateral length of approximately 4,632'. The total estimated drilling and completion cost is \$7,272,489 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 WXY 21H with a proposed first take point located 330' FNL and 330' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 330' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Wolfcamp Formation (~12,040' TVD) with a productive lateral length of approximately 4,632'. The total estimated drilling and completion cost is \$7,272,489 as shown in the attached AFE.

- Ramathorn Federal 22 32 14 FB 22H with a proposed first take point located 330' FNL and 660' FWL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 660' FWL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~9,843' TVD) with a productive lateral length of approximately 4,624'. The total estimated drilling and completion cost is \$7,101,744 as shown in the attached AFE.

These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered. The AFEs represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred.

MRO proposes drilling the well under the terms of the 1989 AAPL JOA and a form of this JOA will be sent to you following this proposal. The JOA will have these general provisions:

- 100%/300%/300% non-consent penalty
- \$7,000/\$700 drilling and producing rates
- Contract area of Section 14, 22S-32E, covering all depths

Our title records show that you own 21.25% WI in the proposed unit.

If your election is to participate in the drilling and completion of the wells please sign and return a copy of this letter along with the enclosed AFE within thirty (30) days of receipt of this proposal.

If you do not wish to participate, Marathon proposes to acquire your interest via term assignment at the following terms:

- 3 year lease term
- \$2000 bonus consideration per net mineral acre
- Delivering a 75% NRI, proportionately reduced

This term assignment offer terminates June 25, 2018 and is subject to due diligence and title verification satisfactory to Marathon.

Should you have any questions regarding this or other matters, please don't hesitate to contact me at the above listed numbers.

Sincerely,

Ryan Gyllenband

**Ramathorn Federal 8H, 14H, 15H, 17H, 18H, 21H & 22H**

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 SB 8H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 SB 8H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 14H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 14H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 SB 15H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 SB 15H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 TB 17H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 TB 17H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WA 18H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WA 18H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 21H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 21H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 FB 22H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 FB 22H well.

**COG Operating LLC**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

MARATHON OIL PERMIAN LLC  
AUTHORITY FOR EXPENDITURE  
DETAIL OF ESTIMATED WELL COSTS

DATE 5/22/2018  
DRILLING & LOCATION PREPARED BY MATTHEW RUGAARD  
COMPLETION PREPARED BY JOSH SHANNON  
FACILITIES PREPARED BY MATT HENSCHEN  
ARTIFICIAL LIFT PREPARED BY BILLY MOORE

Asset Team	PERMIAN				
Field	Red Tank (Bone Spring) - 51683	FORMATION:	3RD BONE SPRINGS	WILDCAT	EXPLORATION
Lease/Facility	Ramathorn Federal 22-92-14 TB 1H			DEVELOPMENT	RECOMPLETION
Location	LEA			X EXPLOITATION	WORKOVER
Prospect	RANGER				

Est Total Depth	16,816	Est Drilling Days	24.8	Est Completion Days	5.5
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LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	50,000
7001250	Land Broker Fees and Services	50,000
TOTAL LOCATION COST - INTANGIBLE		100,000

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	40,000
7012050	Surface Casing	36,000
7012050	Intermediate Casing 1	123,000
7012050	Intermediate Casing 2	237,000
7012050	Production Casing	73,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	10,000
7012550	Drilling Wellhead Equipment	50,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	5,000
TOTAL DRILLING - TANGIBLE		598,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	50,000
7019220	Drilling Rig - day work/footage	610,833
7019040	Directional Drilling Services	205,950
7019020	Cement and Cementing Service Surface	20,000
7019020	Cement and Cementing Service Intermediate 1	25,000
7019020	Cement and Cementing Service Intermediate 2	45,000
7019020	Cement and Cementing Service Production	50,000
7019140	Mud Fluids & Services	58,100
7012310	Solids Control equipment	43,000
7012020	Blts	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	75,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7019000	Well Logging Services	-
7019150	Mud Logging/geosteering	20,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	60,000
7001440	Vacuum Trucks	10,000
7000030	Contract Labor - general	30,000
7018150	Rental Tools and Equipment (surface rentals)	97,733
7018150	Rig Equipment and Misc.	12,217
7001110	Telecommunications Services	5,000
7001120	Consulting Services	114,837
7001400	Safety and Environmental	39,093
7018120	Rental Buildings (trailers)	19,547
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	151,652
TOTAL DRILLING - INTANGIBLE		\$1,950,962

TOTAL DRILLING COST

\$2,548,962

COMPLETION - TANGIBLE

7012580	Tubing	50,000
7012040	Tubing Accessories (nipple, wireline entry)	5,000
7012550	Wellhead Equip	5,000
7012560	Packers - Completion Equipment	40,000
TOTAL COMPLETION - TANGIBLE		\$100,000





MARATHON OIL PERMIAN LLC  
AUTHORITY FOR EXPENDITURE  
DETAIL OF ESTIMATED WELL COSTS

DATE 5/22/2018

Asset Team PERMIAN  
Field Red Tank (Bone Spring) - 51683 FORMATION: 3RD BONE SPRINGS  
Lease/Facility Ramathorn Federal 22-32-14 TB 1H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7002270	Location and Access (dress location after rig move, set anchors)	5,000
7019220	Drilling Rig During Completion	60,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	120,000
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drig)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	105,000
7019320	Fracturing Services	2,250,000
7019330	Perforating	175,000
7019360	Wireline Services	10,000
7001460	Water Hauling & Disposal (frac fluids)	250,000
7016180	Freight - Truck (haul pipe; drig & compl)	10,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drig; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	-
7000030	Contract Labor - general	25,000
7001110	Telecommunications Services	90,000
7001400	Safety and Environmental	-
7001120	Consulting Services	40,000
7018150	Zipper Manifold	110,000
7019300	Frack Stack Rentals	40,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental ( w/o operator, frac tanks, lightplants)	65,000
7018120	Rental Buildings (trailers)	15,000
7000030	Contract Labor - Pumping (pump-down pumps)	60,000
7011010	8% Contingency & Taxes	250,000
TOTAL COMPLETION - INTANGIBLE		\$3,680,000

TOTAL COMPLETION COST

\$3,780,000

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	85,794
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	67,540
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	26,786
7012270	Miscellaneous Materials (containment system)	43,227
7008060	SCADA	-
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	235,914
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	85,919
7012500	Tanks	144,894
7012100	Heater Treater	17,330
7012640	Flare & Accessories	11,646
7000010	Electrical Labor	29,116
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$800,575

TOTAL SURFACE EQUIPMENT COST

\$ 800,575

ARTIFICIAL LIFT

7006640	Company Labor	2,500
7012180	Gas Lift Equipment	38,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	20,000
7012270	Materials & Supplies-Tangible	18,000
7012550	Surface Wellhead Equipment	5,500
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	-
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST

\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 100,000
TOTAL DRILLING COST	\$ 2,548,962
TOTAL COMPLETIONS COST	\$ 3,780,000
TOTAL SURFACE EQUIPMENT COST	\$ 800,575
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$7,308,537

Participant's Approval

Name of \_\_\_\_\_  
Company: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_ Date: \_\_\_\_\_

MARATHON OIL PERMIAN LLC  
 AUTHORITY FOR EXPENDITURE  
 DETAIL OF ESTIMATED WELL COSTS

DATE 1/8/2018  
 DRILLING & LOCATION PREPARED BY KYLE SCHRINER  
 COMPLETION PREPARED BY JOSH SHANNON  
 FACILITIES PREPARED BY MATT HENSCHEN  
 ARTIFICIAL LIFT PREPARED BY TOMMY MAZAL/BILLY

Asset Team	<u>PERMIAN</u>	FORMATION: <u>1ST BONE SPRINGS</u>	WILDCAT	EXPLORATION
Field			DEVELOPMENT	RECOMPLETION
Lease/Facility	<u>MARATHON FEDERAL 23 22 14 FB 22H</u>		<u>X</u> EXPLOITATION	WORKOVER
Location	<u>LEA COUNTY</u>			
Prospect	<u>RANGER</u>			

Est Total Depth	<u>14,735</u>	Est Drilling Days	<u>23.8</u>	Est Completion Days	<u>5.5</u>
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LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	67,500
7001250	Land Broker Fees and Services	45,000
TOTAL LOCATION COST - INTANGIBLE		112,500

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	34,000
7012050	Intermediate Casing 1	129,000
7012050	Intermediate Casing 2	-
7012050	Production Casing	222,000
7012050	Drig Liner Hanger, Tieback Eo & Csg Accessories	-
7012550	Drilling Wellhead Equipment	70,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	-
TOTAL DRILLING - TANGIBLE		507,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	65,000
7019220	Drilling Rig - day work/footage	475,000
7019040	Directional Drilling Services	186,000
7019020	Cement and Cementing Service Surface	15,000
7019020	Cement and Cementing Service Intermediate 1	25,000
7019020	Cement and Cementing Service Intermediate 2	40,000
7019020	Cement and Cementing Service Production	45,000
7019140	Mud Fluids & Services	66,000
7012310	Solids Control equipment	40,000
7012020	BHs	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	73,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7019000	Well Logging Services	-
7019150	Mud Logging/geosteering	18,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	135,000
7001440	Vacuum Trucks	20,000
7000030	Contract Labor - general	30,000
7018150	Rental Tools and Equipment (surface rentals)	95,000
7018150	Rig Equipment and Misc.	7,125
7001110	Telecommunications Services	10,000
7001120	Consulting Services	111,625
7001400	Safety and Environmental	10,000
7018120	Rental Buildings (trailers)	-
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	174,540
TOTAL DRILLING - INTANGIBLE		\$1,849,290

TOTAL DRILLING COST

\$2,356,290

COMPLETION - TANGIBLE

7012580	Tubing	75,000
7012040	Tubing Accessories (nipple, wireline entry)	15,000
7012550	Wellhead Equip	20,000
7012560	Packers - Completion Equipment	38,850
TOTAL COMPLETION - TANGIBLE		\$148,850

MARATHON OIL PERMIAN LLC  
AUTHORITY FOR EXPENDITURE  
DETAIL OF ESTIMATED WELL COSTS

DATE 1/8/2018

Asset Team PERMIAN  
Field FORMATION: 1ST BONE SPRINGS  
Lease/Facility RAMATHORN FEDERAL 22 32 14 FB 22H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	20,000
7019220	Drilling Rig During Completion	20,000
7019240	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	140,000
7019240	Snubbing Services	25,000
7019270	Pulling/Swab Units	10,000
7016350	Fuel (from drig)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	73,000
7019320	Fracturing Services	1,860,000
7019330	Perforating	124,000
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	550,000
7016180	Freight - Truck (haul pipe; drig & compl)	40,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drig; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	45,000
7000030	Contract Labor - general	75,000
7001110	Telecommunications Services	25,000
7001400	Safety and Environmental	-
7001120	Consulting Services	80,000
7018150	Zipper Manifold	57,600
7019300	Frack Stack Rentals	39,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental ( w/o operator, frac tanks, lightplants)	100,000
7018120	Rental Buildings (trailers)	55,000
7000030	Contract Labor - Pumping (pump-down pumps)	42,000
7011010	8% Contingency & Taxes	264,928
TOTAL COMPLETION - INTANGIBLE		\$3,593,528

TOTAL COMPLETION COST \$3,742,378

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	103,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,891
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	3,484
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	211,962
7012290	IME Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$811,576

TOTAL SURFACE EQUIPMENT COST \$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST \$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

TOTAL LOCATION COST	\$ 112,500
TOTAL DRILLING COST	\$ 2,356,290
TOTAL COMPLETIONS COST	\$ 3,742,378
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000

GRAND TOTAL COST \$7,101,744

Participant's Approval

Name of  
Company: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_ Date: \_\_\_\_\_

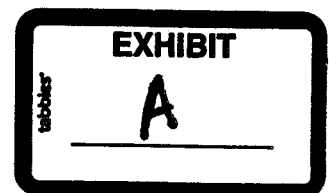
**Case No. 16419**

**Ramathorn Federal Com 22 32 14 SB 8H**

Lease Tract Map  
Ramathorn Fed 22-32-14 SB 8H  
E/2 W/2 of Section 14, 22S-32E – 160 acres

- Tract 1: Federal Acreage
- Tract 2: Federal Acreage

Tract 1	Tract 2
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**Summary of Interests**

**Ramathorn Fed 22-32-14 TB 1H, Ramathorn Fed 22-32-14 WA 2H, Ramathorn Fed 22-32-14 WXY 7H, Ramathorn Fed 22-32-14 SB 8H and Ramathorn Fed 22-32-14 FB 22H**

Committed Working Interest:  
Marathon Oil Permian LLC

64.375%

**64.375%**

Uncommitted Working Interest:  
COG Operating LLC  
RKI Exploration and Production

21.250%  
14.375%

**35.625%**

Unleased Mineral Interest:

**0.00%**

Ramathorn

Force Pooled Owners			
Owner Name	Address 1	Address 2	Type
Marathon Oil Permian LLC			WI
COG Operating LLC	600 West Illinois Ave.	Midland, TX 79701	WI
RKI Exploration and Production	210 Park Avenue, Suite 700	Oklahoma City, OK 73102	WI

ORRIs

Owner Name	Address 1	Address 2	Type
Curtis A. Anderson	600 W. Illinois, Ste. 701	Midland, TX 79701	ORRI
Allan C. Anderson	3807 South County Rd. 1135	Midland, TX 79706	ORRI
Wade S. Anderson	3807 South County Rd. 1135	Midland, TX 79706	ORRI
Kimbell Art Foundation	301 Commerce Street, Suite 2240	Fort Worth, Texas 76102	ORRI
MAP00-NET, a Texas general partnership	100 Park Avenue, Suite 1007	Oklahoma City, OK 73102	ORRI
Bill Burton	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
Ben J. Fortson III Children's Trust, Ben J. Fortson III, Trustee	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
Robert C. Grable	201 Main Street, Suite 2500	Fort Worth, Texas 76102	ORRI
MWB 1998 Trust, Ben J. Fortson, Jr., Trustee	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
CCB 1998 Trust, Ben J. Fortson, Jr., Trustee	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
DCB 1998 Trust, Ben J. Fortson, Jr., Trustee	301 Commerce Street, Suite 3301	Fort Worth, Texas 76102	ORRI
The Roach Foundation	100 Throckmorton Street, Suite 480	Fort Worth, Texas 76102	ORRI
Sundance Minerals I	P.O. Box 17224	Fort Worth, Texas 76102	ORRI
Crownrock Minerals, LP	P.O. Box 51933	Midland, TX 79710	ORRI
XTO Holdings, LLC	810 Houston Street	Fort Worth, TX 76102	ORRI

Offsets

Owner Name	Address 1	Address 2	Type
XTO HOLDINGS LLC	22777 SPRINGWOODS VILLAGE PKWY	SPRING TX 77389	Offset
CONOCO PHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 74005	Offset
ECHO PROD INC	PO BOX 1210	GRAHAM TX 76450	Offset
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 73102	Offset
EOG RESOURCES INC	5509 Champions Drive	Midland, TX 79706	Offset
RANSOME-LOSEE ANNE	3505 CALLE CUERVO #218	ALBUQUERQUE NM 87048	Offset
PRINCE F IV	2 WISCONSIN CIR	CHEVY CHASE MD 20815	Offset
BURLINGTON RES OIL & GAS CO LP	PO BOX 51810	MIDLAND TX 79710	Offset
LOSEE ELIZABETH	328 SIERRA PL	ALBUQUERQUE NM 87108	Offset
TRAINER PARTNERS LTD	PO BOX 3788	MIDLAND TX 79702	Offset

## **Summary of Attempted Contacts**

- Marathon sent well proposal letters.
- Marathon then contacted parties to see if they would participate in the well and/or execute a joint operating agreement.
- Marathon conducted updated record searches and internet searches for contact information for parties it seeks to pool.
- Marathon continued to attempt to contact the parties who had not executed an agreement.
- Marathon filed an application to force pool parties who had not entered in to an agreement.
- Marathon sent notices of the force pooling application to the addresses of record.
- Marathon then also published notice in a newspaper of general circulation in the county where the wells will be located.

District I  
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  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (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	<sup>2</sup> Pool Code 51683	<sup>3</sup> Pool Name RED TANK (BONE SPRING)
<sup>4</sup> Property Code	<sup>5</sup> Property Name RAMATHORN 22 32 14 SB FED COM	<sup>6</sup> Well Number 8H
<sup>7</sup> OGRID No. 372098	<sup>8</sup> Operator Name MARATHON OIL PERMIAN LLC	<sup>9</sup> Elevation 3729'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	14	22S	32E		236	NORTH	1540	WEST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

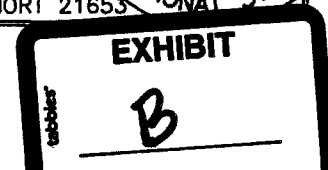
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	14	22S	32E		100'	SOUTH	1979	WEST	LEA

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

		<p><b><sup>16</sup> OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p><b><sup>17</sup> SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 18, 2018</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number LLOYD P. SHORT 21653</p>
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1	09/17/18	JCS
REV.	DATE	BY



Ryan Gyllenband  
Land Professional



**Marathon Oil Permian LLC**  
5555 San Felipe Street  
Houston, TX 77056  
Telephone: 713.296.2453 Mobile: 281.684.7389  
Fax: 713.513.4006  
mrgyllenband@marathonoil.com

May 30, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating LLC  
600 West Illinois Ave.  
Midland, TX 79701

Re: Ramathorn Federal 8H, 14H, 15H, 17H, 18H, 21H & 22H Well Proposals  
Section 14, T22S-R32E  
Lea County, New Mexico

Dear COG Operating LLC:

Marathon Oil Permian LLC ("MRO") proposes the drilling of the following wells located in Section 14, 22S-32E, Lea County, New Mexico to be drilled from 2 different surface pad locations.

- Ramathorn Federal 22 32 14 SB 8H with a proposed first take point located 330' FNL and 1,980' FWL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 1,980' FWL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~10,754' TVD) with a productive lateral length of approximately 4,620'. The total estimated drilling and completion cost is \$7,115,784 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 WXY 14H with a proposed first take point located 330' FNL and 2,310' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 2,310' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Wolfcamp Formation (~12,040' TVD) with a productive lateral length of approximately 4,750'. The total estimated drilling and completion cost is \$7,273,549 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 SB 15H with a proposed first take point located 330' FNL and 1,980' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 1,980' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~10,754' TVD) with a productive lateral length of approximately 4,750'. The total estimated drilling and completion cost is \$7,061,714 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 TB 17H with a proposed first take point located 330' FNL and 1,650' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 1,650' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~11,896' TVD) with a productive lateral length of approximately 4,750'. The total estimated drilling and completion cost is \$7,225,849 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 WA 18H with a proposed first take point located 330' FNL and 990' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 990' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Wolfcamp Formation (~12,147' TVD) with a productive lateral length of approximately 4,632'. The total estimated drilling and completion cost is \$7,272,489 as shown in the attached AFE.
- Ramathorn Federal 22 32 14 WXY 21H with a proposed first take point located 330' FNL and 330' FEL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 330' FEL of Section 14, 22S-32E. The well will have a targeted interval located in the Wolfcamp Formation (~12,040' TVD) with a productive lateral length of approximately 4,632'. The total estimated drilling and completion cost is \$7,272,489 as shown in the attached AFE.

EXHIBIT

C



- Ramathorn Federal 22 32 14 FB 22H with a proposed first take point located 330' FNL and 660' FWL of Section 14, 22S-32E, and a proposed last take point located 330' FSL and 660' FWL of Section 14, 22S-32E. The well will have a targeted interval located in the Bone Spring Formation (~9,843' TVD) with a productive lateral length of approximately 4,624'. The total estimated drilling and completion cost is \$7,101,744 as shown in the attached AFE.

These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered. The AFEs represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred.

MRO proposes drilling the well under the terms of the 1989 AAPL JOA and a form of this JOA will be sent to you following this proposal. The JOA will have these general provisions:

- 100%/300%/300% non-consent penalty
- \$7,000/\$700 drilling and producing rates
- Contract area of Section 14, 22S-32E, covering all depths

Our title records show that you own 21.25% WI in the proposed unit.

If your election is to participate in the drilling and completion of the wells please sign and return a copy of this letter along with the enclosed AFE within thirty (30) days of receipt of this proposal.

If you do not wish to participate, Marathon proposes to acquire your interest via term assignment at the following terms:

- 3 year lease term
- \$2000 bonus consideration per net mineral acre
- Delivering a 75% NRI, proportionately reduced

This term assignment offer terminates June 25, 2018 and is subject to due diligence and title verification satisfactory to Marathon.

Should you have any questions regarding this or other matters, please don't hesitate to contact me at the above listed numbers.

Sincerely,

Ryan Gyllenband

**Ramathorn Federal 8H, 14H, 15H, 17H, 18H, 21H & 22H**

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 SB 8H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 SB 8H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 14H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 14H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 SB 15H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 SB 15H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 TB 17H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 TB 17H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WA 18H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WA 18H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 21H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 WXY 21H well.

\_\_\_\_\_ elects to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 FB 22H well.

\_\_\_\_\_ elects NOT to participate in the drilling, completing, and equipping of the Ramathorn Federal 22 32 14 FB 22H well.

**COG Operating LLC**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

MARATHON OIL PERMIAN LLC  
 AUTHORITY FOR EXPENDITURE  
 DETAIL OF ESTIMATED WELL COSTS

DATE 1/8/2018

DRILLING & LOCATION PREPARED BY KYLE SCHRINER  
 COMPLETION PREPARED BY JOSH SHANNON  
 FACILITIES PREPARED BY MATT HENSCHEN  
 ARTIFICIAL LIFT PREPARED BY TOMMY MAZAL/BILLY A

Asset Team	PERMIAN	FORMATION: 2ND BONE SPRINGS	WILDCAT	EXPLORATION
Field	0			
Lease/Facility	RAMATHORN FEDERAL 22 32 34 5B 8H		DEVELOPMENT	RECOMPLETION
Location	LEA COUNTY		X EXPLOITATION	WORKOVER
Prospect	RANGER			

Est Total Depth	15,645	Est Drilling Days	23.8	Est Completion Days	5.5
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LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	67,500
7001250	Land Broker Fees and Services	45,000
TOTAL LOCATION COST - INTANGIBLE		112,500

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	34,000
7012050	Intermediate Casing 1	129,000
7012050	Intermediate Casing 2	-
7012050	Production Casing	235,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	-
7012550	Drilling Wellhead Equipment	70,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	-
TOTAL DRILLING - TANGIBLE		520,000

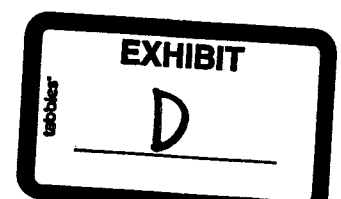
DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	65,000
7019220	Drilling Rig - day work/footage	475,000
7019040	Directional Drilling Services	186,000
7019020	Cement and Cementing Service Surface	15,000
7019020	Cement and Cementing Service Intermediate 1	25,000
7019020	Cement and Cementing Service Intermediate 2	40,000
7019020	Cement and Cementing Service Production	45,000
7019140	Mud Fluids & Services	66,000
7012310	Solids Control equipment	40,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	73,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	18,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	135,000
7001440	Vacuum Trucks	20,000
7000030	Contract Labor - general	30,000
7018150	Rental Tools and Equipment (surface rentals)	95,000
7018150	Rig Equipment and Misc.	7,125
7001110	Telecommunications Services	10,000
7001120	Consulting Services	111,625
7001400	Safety and Environmental	10,000
7018120	Rental Buildings (trailers)	-
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	175,580
TOTAL DRILLING - INTANGIBLE		\$1,850,330

TOTAL DRILLING COST	\$2,370,330
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COMPLETION - TANGIBLE

7012580	Tubing	75,000
7012040	Tubing Accessories (nipple, wireline entry)	15,000
7012550	Wellhead Equip	20,000
7012560	Packers - Completion Equipment	38,850
TOTAL COMPLETION - TANGIBLE		\$148,850



MARATHON OIL PERMIAN LLC  
AUTHORITY FOR EXPENDITURE  
DETAIL OF ESTIMATED WELL COSTS

DATE 1/8/2018

Asset Team PERMIAN  
Field 0 FORMATION: 2ND BONE SPRINGS  
Lease/Facility RAMATHORN FEDERAL 22 32 14 SB 8H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	20,000
7019220	Drilling Rig During Completion	20,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	140,000
7019240	Snubbing Services	25,000
7019270	Pulling/Swab Units	10,000
7016350	Fuel (from drig)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	71,000
7019320	Fracturing Services	1,860,000
7019330	Perforating	124,000
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	550,000
7016180	Freight - Truck (haul pipe; drig & compl)	40,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drig; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. BIV, BHA)	45,000
7000030	Contract Labor - general	75,000
7001110	Telecommunications Services	25,000
7001400	Safety and Environmental	-
7001120	Consulting Services	30,000
7018150	Zipper Manifold	57,600
7019300	Frac Stack Rentals	39,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental ( w/o operator, frac tanks, lightplants)	100,000
7018120	Rental Buildings (trailers)	55,000
7000030	Contract Labor - Pumping (pump-down pumps)	42,000
7011010	8% Contingency & Taxes	264,928
TOTAL COMPLETION - INTANGIBLE		\$3,593,528

TOTAL COMPLETION COST \$3,742,378

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	109,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,891
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	3,494
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and instrumentation	211,962
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$811,576

TOTAL SURFACE EQUIPMENT COST \$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST \$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 112,500
TOTAL DRILLING COST	\$ 2,370,330
TOTAL COMPLETIONS COST	\$ 3,742,378
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000

GRAND TOTAL COST \$7,115,784

Participant's Approval

Name of Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

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

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

**CASE NO. 16418**

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

**CASE NO. 16419**

**AFFIDAVIT**

STATE OF Texas )  
COUNTY OF Harris ) ss.

Ethan Perry, being duly sworn, deposes and states:

1. I am over the age of 18, I am a geologist for Marathon Oil Permian LLC, and have personal knowledge of the matters stated herein. I have been qualified by the Oil Conservation Division ("Division") as an expert petroleum geologist.

2. **Exhibit A** is a structure map of the top of the Bone Spring. The proposed project area is identified by black-dashed boxes. The proposed horizontal locations are identified by a blue line, and the proposed wells are numbered 1, 2, and 3.

3. Exhibit A identifies Bone Spring wells in the vicinity of the proposed wells, with a line of cross-section running from A to A'.

4. Exhibit A shows that the structure dips down to the northwest.
5. **Exhibit B** is a First Bone Spring cross section. It is a stratigraphic cross-section hung on the top of the First Bone Spring Sand. The well logs on the cross-section give a representative sample of the First Bone Spring Sand formation in the area. The target zone for the well is the First Bone Spring Sand, as identified by the words "Producing Zone" and the shaded area across the cross section. That zone is continuous across the well unit.
6. **Exhibit C** is a Gross Interval Isochore of the First Bone Spring. The First Bone Spring is uniform across the proposed well unit.
7. **Exhibit D** is a Second Bone Spring cross section. It is a stratigraphic cross-section hung on the base of the Second Bone Spring Sand. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand formation in the area. The target zone for the well is the Second Bone Spring Sand, as identified by the words "Producing Zone" and the shaded area across the cross section. That zone is continuous across the well unit.
8. **Exhibit E** is a Gross Sand Isochore of the Second Bone Spring. The Second Bone Spring is uniform across the proposed well unit.
9. **Exhibit F** is a structure map of the top of the Wolfcamp. The proposed project area is identified by black-dashed boxes. The proposed horizontal locations are identified by a blue line, and the proposed wells are numbered 1, 2, and 3.
10. Exhibit F identifies Third Bone Spring wells in the vicinity of the proposed wells, with a line of cross-section running from A to A'.
11. Exhibit F shows that the structure dips slightly down to the east.
12. **Exhibit G** is a Third Bone Spring cross section. It is a stratigraphic cross-section hung on the top of the Wolfcamp. The well logs on the cross-section give a representative sample

of the Third Bone Spring Sand formation in the area. Note that the gamma ray log in the middle well on the exhibit exhibits API unit scaling issues across the interval of interest. The target zone for the well is the Third Bone Spring Sand, as identified by the words "Producing Zone" and the shaded area across the cross section. That zone is continuous across the well unit.

13. **Exhibit H** is Gross Sand Isochore of the Third Bone Spring. The Third Bone Spring is uniform across the proposed well unit.

14. I conclude from the maps that:

- a. The horizontal spacing and proration 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 unit will contribute more or less equally to production.

15. The preferred well orientation in this area is north-south. This is because the inferred orientation of maximum horizontal stress is roughly east-west at this location.

Ethan Perry  
Ethan Perry

SUBSCRIBED AND SWORN to before me this 18th day of September, 2018 by Ethan Perry, on behalf of Marathon Oil Permian LLC.

Jessica Gorman  
Notary Public

My commission expires: 1/23/2019





# Ramathorn Federal 22 32 14 FB 22H, SB 8H, TB 1H, WA 2H, WXY 7H

Structure Map – Top of Bone Spring (SSTVD)

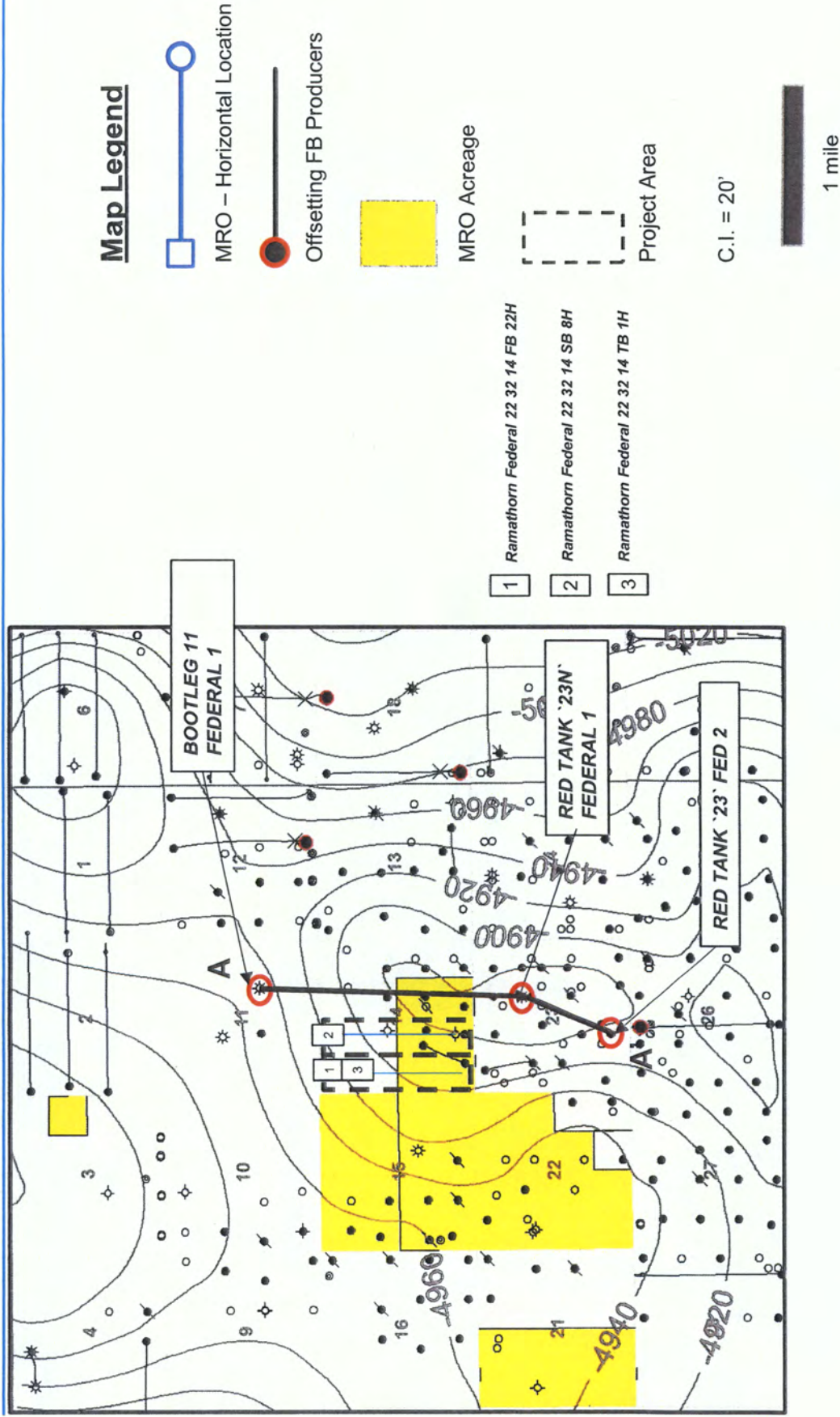
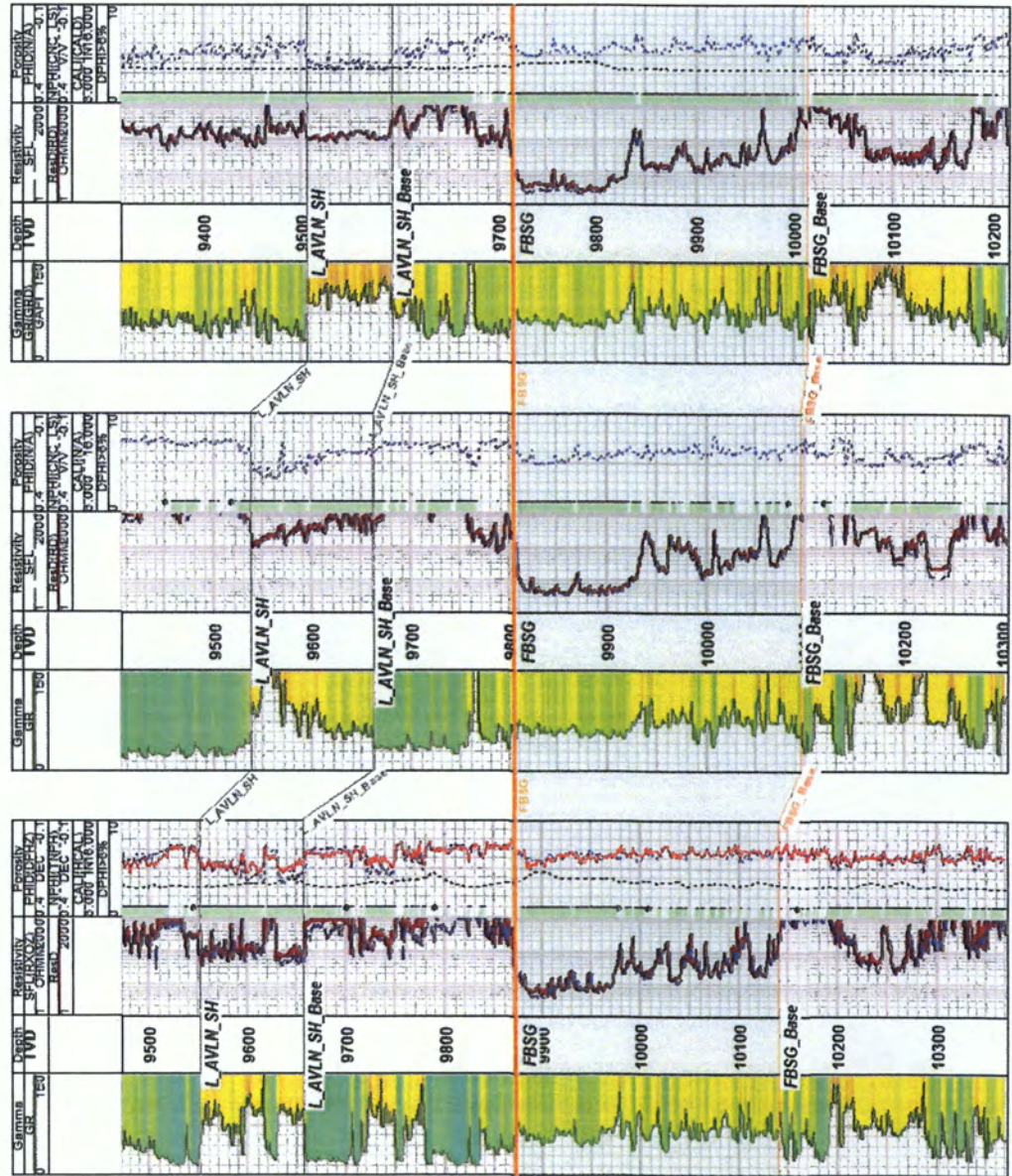
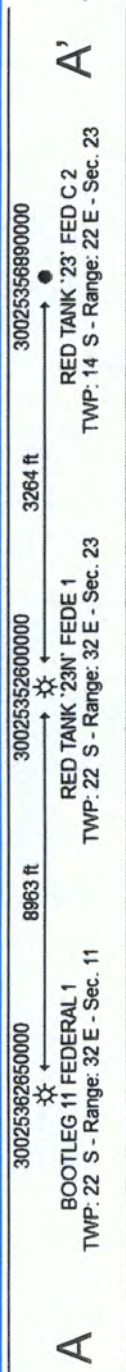


EXHIBIT  
**A**



# Ramathorn Federal 22 32 14 FB 22H, SB 8H, TB 1H, WA 2H, WXY 7H

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



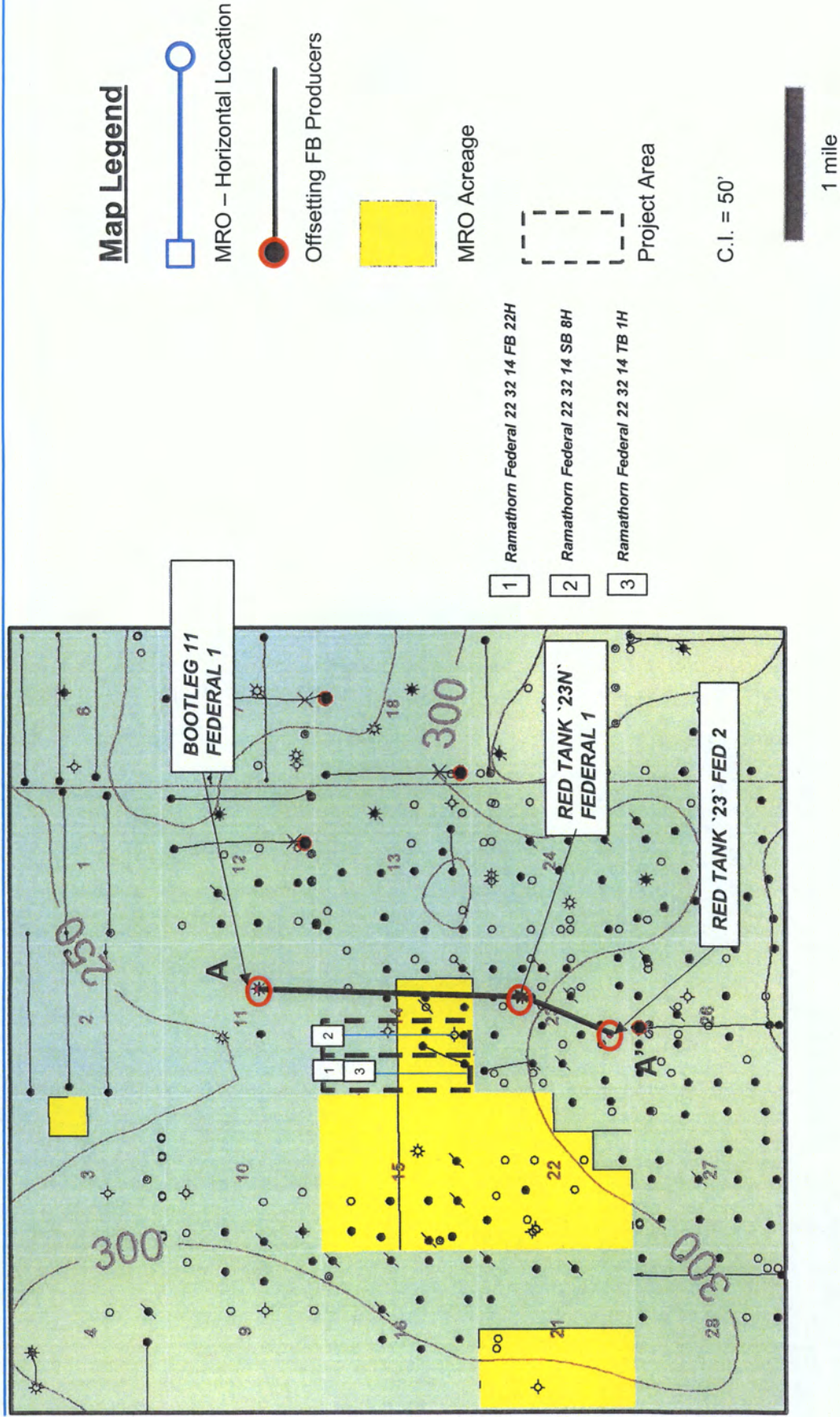
Producing Zone





# Ramathorn Federal 22 32 14 FB 22H, SB 8H, TB 1H, WA 2H, WXY 7H

## Gross Interval Isochore – First Bone Spring



EXHIBIT

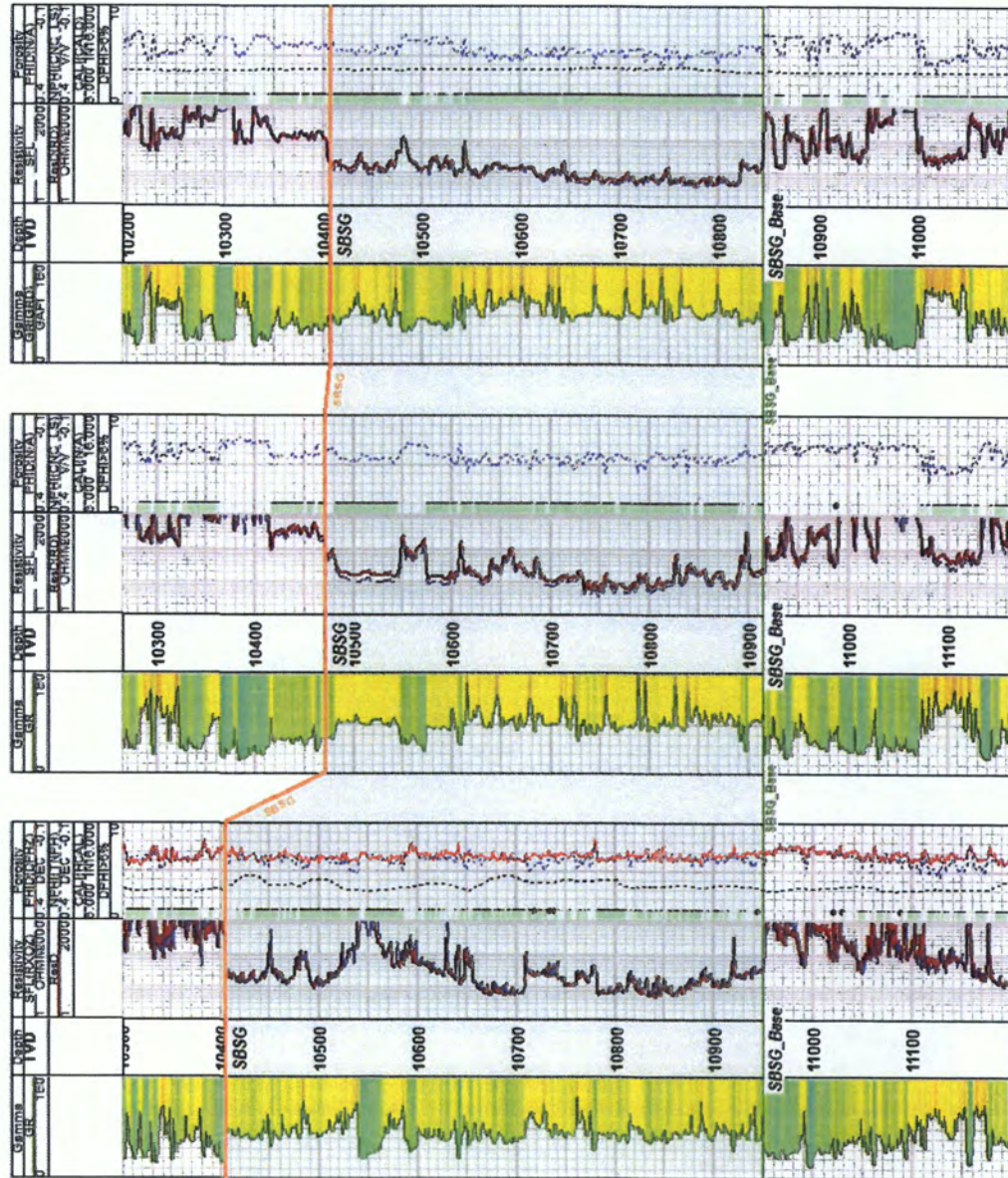
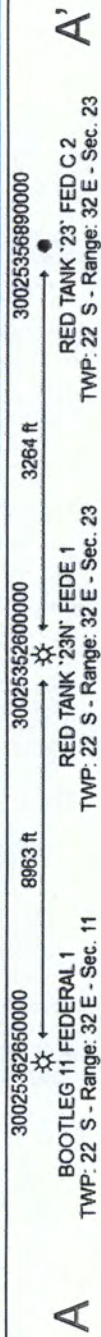
C

tabbles



# Ramathorn Federal 22 32 14 FB 22H, SB 8H, TB 1H, WA 2H, WXY 7H

## Stratigraphic Cross Section (Top Second Bone Spring Base Datum)



500

Producing Zone

0

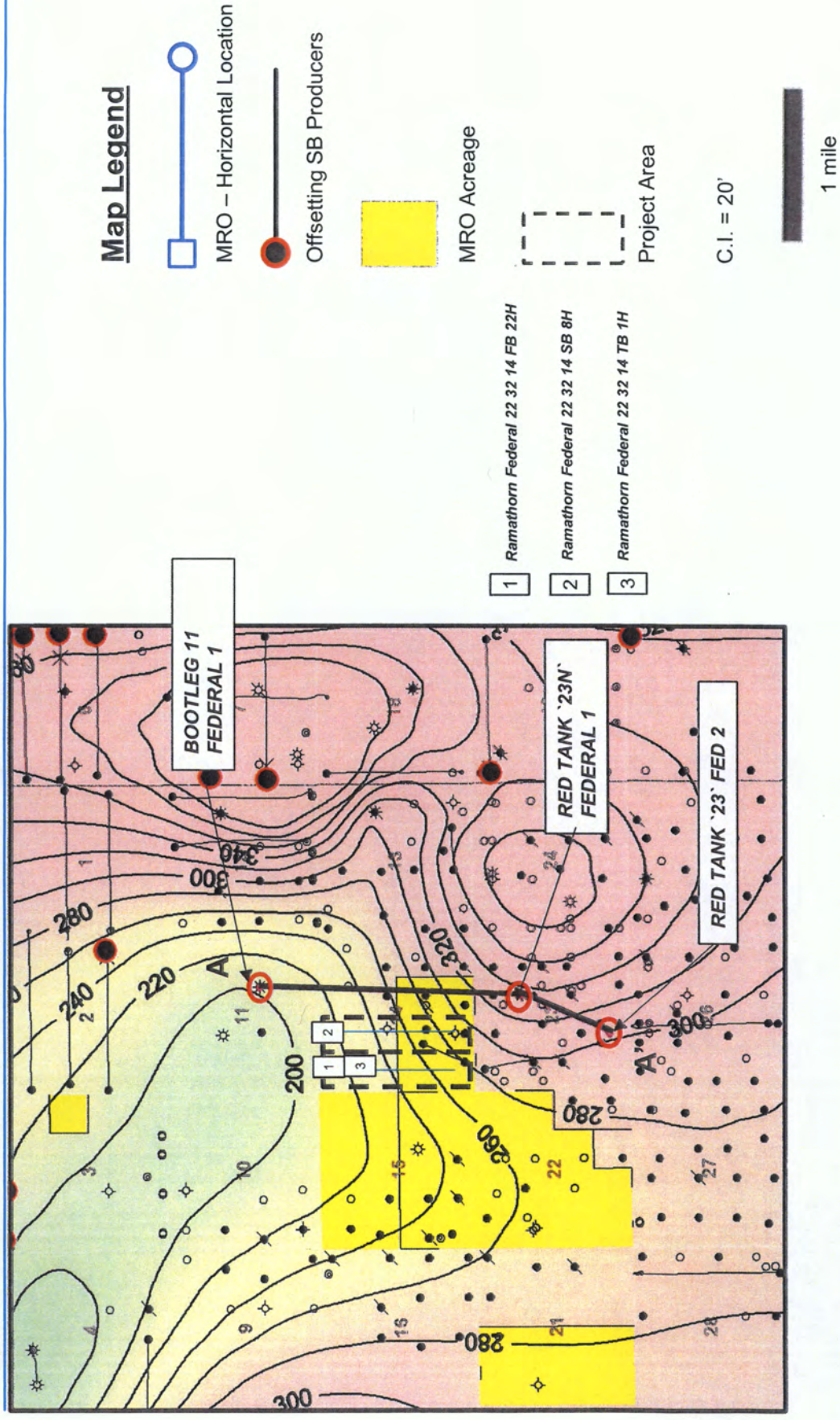
EXHIBIT

D



# Ramathorn Federal 22 32 14 FB 22H, SB 8H, TB 1H, WA 2H, WXY 7H

## Gross Sand Isochore – Second Bone Spring



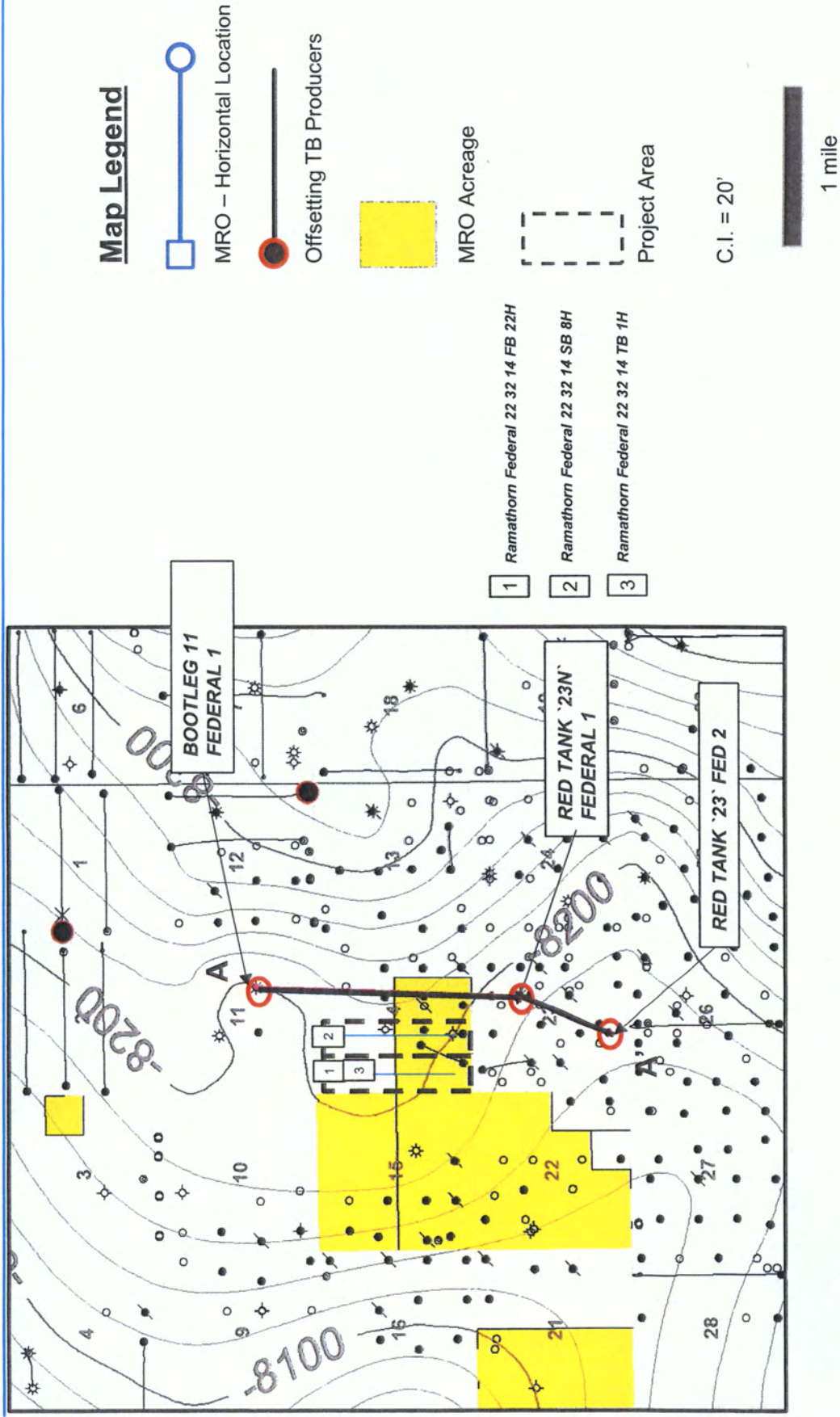
EXHIBIT

E



# Ramathorn Federal 22 32 14 FB 22H, SB 8H, TB 1H, WA 2H, WXY 7H

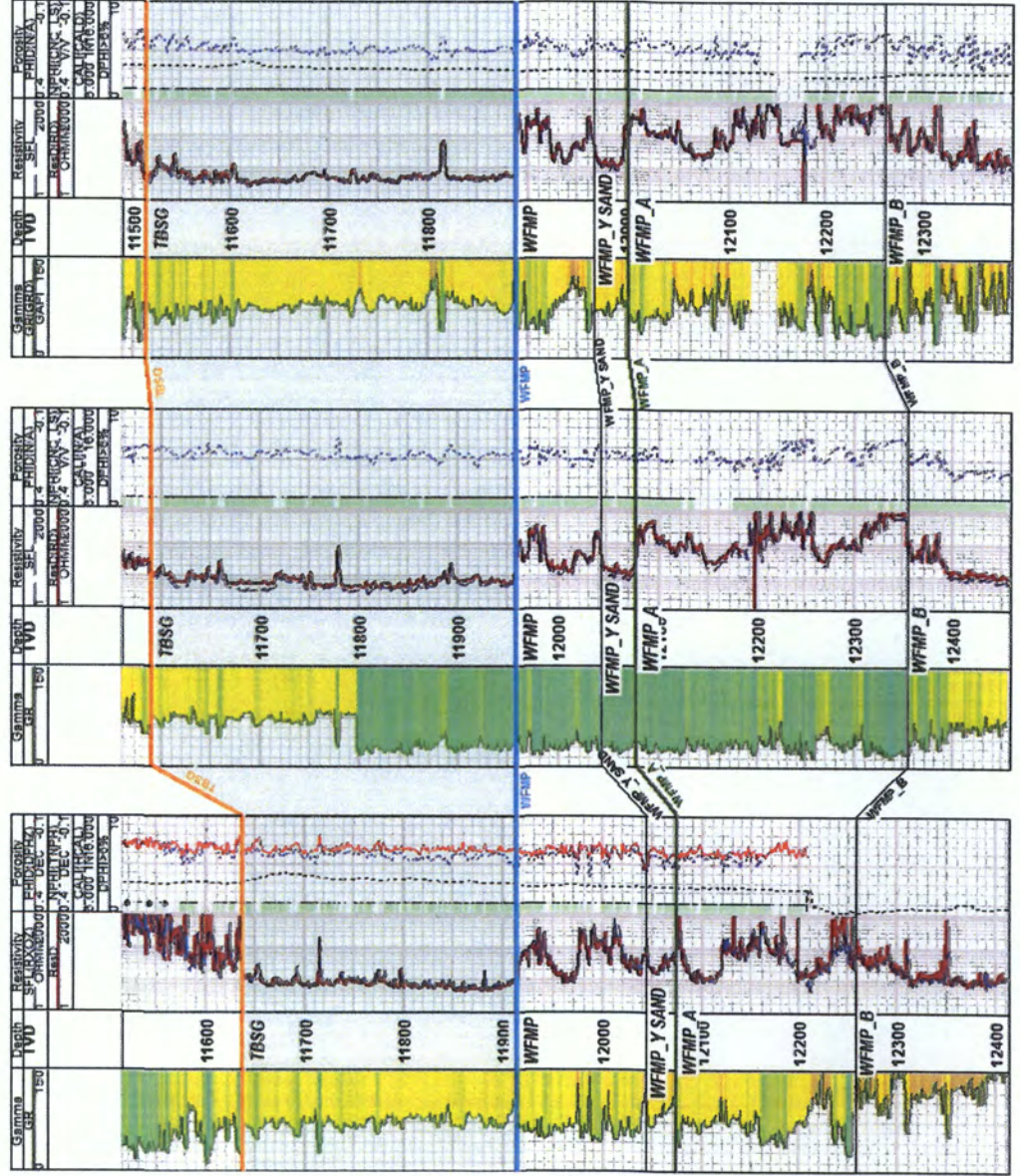
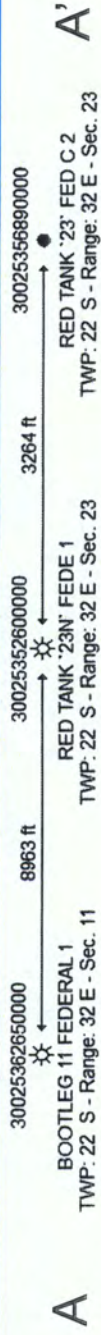
Structure Map – Top of Wolfcamp (SSTVD)





# Ramathorn Federal 22 32 14 FB 22H, SB 8H, TB 1H, WA 2H, WXY 7H

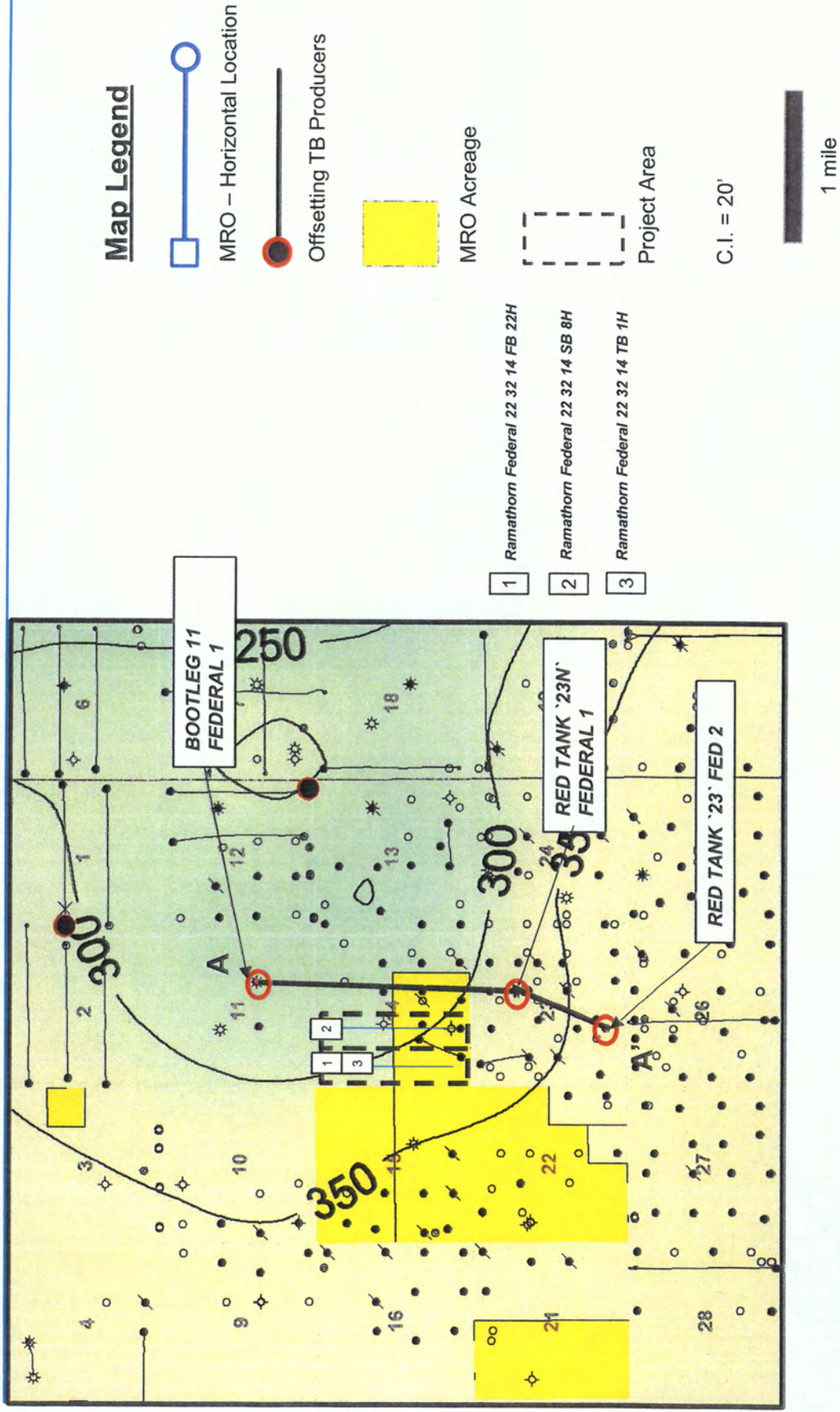
## Stratigraphic Cross Section (Top Wolfcamp Datum)





# Ramathorn Federal 22 32 14 FB 22H, SB 8H, TB 1H, WA 2H, WXY 7H

## Gross Sand Isochore – Third Bone Spring





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

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

**CASE NO. 16418**


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

**CASE NO. 16419**

**AFFIDAVIT**

STATE OF NEW MEXICO            )  
  ) ss.  
COUNTY OF BERNALILLO        )

Deana M. Bennett, attorney in fact and authorized representative of Marathon Oil Permian LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application was provided under the notice letter and that proof of receipt is attached hereto. Marathon has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the application filed herein.

  
Deana M. Bennett

SUBSCRIBED AND SWORN to before me this 19th day of September, 2018 by Deana M. Bennett.

My commission expires: 

  
Notary Public

Transaction Report Details - CertifiedPro.net  
Firm Mail Book ID: 150123  
Generated: 9/19/2018 12:08:48 PM

Certified Mail Article Number	Date Created	Reference Number	Name 1	Name 2	Address	City	State	Zip	Certified Mailing Status	Service Options	Mail Delivery Date
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9314869904300050256588	2018-08-31 9:48 AM	81363-0163	LOSEE ELIZABETH		328 SIERRA PL	ALBUQUERQUE	NM	87108	To be Returned	Return Receipt - Electronic	09-05-2018
9314869904300050256581	2018-08-31 9:48 AM	81363-0163	BURLINGTON RES OIL & GAS CO LP		PO BOX 51810	MIDLAND	TX	79710	Delivered	Return Receipt - Electronic	09-05-2018
9314869904300050256574	2018-08-31 9:48 AM	81363-0163	PRINCE F IV		2 WISCONSIN CIR	CHEVY CHASE	MD	20815	To be Returned	Return Receipt - Electronic	09-18-2018
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9314869904300050256499	2018-08-31 9:48 AM	81363-0163	Crownrock Minerals, LP		P.O. Box 51933	Midland	TX	79710	Delivered	Return Receipt - Electronic	09-04-2018
9314869904300050256482	2018-08-31 9:48 AM	81363-0163	Sundance Minerals I		P.O. Box 17224	Fort Worth	TX	76102	Delivered	Return Receipt - Electronic	09-13-2018
9314869904300050256475	2018-08-31 9:48 AM	81363-0163	The Roach Foundation		100 Throckmorton Street, Suite 480	Fort Worth	TX	76102	To be Returned	Return Receipt - Electronic	09-04-2018
9314869904300050256468	2018-08-31 9:48 AM	81363-0163	DCB 1998 Trust, Ben J. Fortson, Jr., Trustee		301 Commerce Street, Suite 3301	Fort Worth	TX	76102	To be Returned	Return Receipt - Electronic	09-04-2018
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9314869904300050256369	2018-08-31 9:48 AM	81363-0163	Curtis A. Anderson		210 Park Avenue, Suite 700	Oklahoma City	OK	73102	To be Returned	Return Receipt - Electronic	09-05-2018
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9314869904300050256345	2018-08-31 9:48 AM	81363-0163	COG Operating LLC								

Karlene Schuman  
Modrall Sperlberg Roehl Harris & Sisk P.A.  
500 Fourth Street, Suite 1000  
Albuquerque NM 87114



Ramathorn  
81363-0163



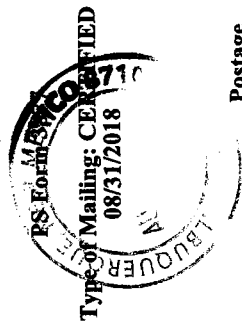
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Line	Article Number	Name, Street & P.O. Address	Postage	Fee	R.R.Fee	Reference	Rest.Del.Fee Contents
1	9314 8699 0430 0050 2563 45	COG Operating LLC 600 West Illinois Ave. Midland, TX 79701 Midland TX 79701	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
2	9314 8699 0430 0050 2563 52	RKI Exploration and Production 210 Park Avenue, Suite 700 Oklahoma City, OK 73102 Oklahoma City OK 73102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
3	9314 8699 0430 0050 2563 69	Curtis A. Anderson 600 W. Illinois, Ste. 701 Midland TX 79701	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
4	9314 8699 0430 0050 2563 76	Allan C. Anderson 3807 South County Rd. 1135 Midland TX 79706	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
5	9314 8699 0430 0050 2563 83	Wade S. Anderson 3807 South County Rd. 1135 Midland TX 79706	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
6	9314 8699 0430 0050 2563 90	Kimbell Art Foundation 301 Commerce Street, Suite 2240 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
7	9314 8699 0430 0050 2564 06	MAP00-NET, a Texas general partnership 100 Park Avenue, Suite 1007 Oklahoma City OK 73102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
8	9314 8699 0430 0050 2564 13	Bill Burton 301 Commerce Street, Suite 3301 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
9	9314 8699 0430 0050 2564 20	Ben J. Fortson III Children's Trust , Ben J. Fortson III, Trustee 301 Commerce Street, Suite 3301 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
10	9314 8699 0430 0050 2564 37	Robert C. Grable 201 Main Street, Suite 2500 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
11	9314 8699 0430 0050 2564 44	MWB 1998 Trust, Ben J. Fortson, Jr., Trustee 301 Commerce Street, Suite 3301 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
12	9314 8699 0430 0050 2564 51	CCB 1998 Trust, Ben J. Fortson, Jr., Trustee 301 Commerce Street, Suite 3301 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
13	9314 8699 0430 0050 2564 68	DCB 1998 Trust, Ben J. Fortson, Jr., Trustee 301 Commerce Street, Suite 3301 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
14	9314 8699 0430 0050 2564 75	The Roach Foundation 100 Throckmorton Street, Suite 480 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice

Karlene Schuman  
Modrall Sperling Roehl Harris & Sisk P.A.  
500 Fourth Street, Suite 1000  
Albuquerque NM 87114



Firm Mailing Book ID: 150123



Line	Article Number	Name, Street & P.O. Address	Postage	Fee	R.R.Fee	Reference	Rest.Del.Fee Contents
15	9314 8699 0430 0050 2564 82	Sundance Minerals I P.O. Box 17224 Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
16	9314 8699 0430 0050 2564 99	Crownrock Minerals, LP P.O. Box 51933 Midland TX 79710	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
17	9314 8699 0430 0050 2565 05	XTO Holdings, LLC 810 Houston Street Fort Worth TX 76102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
18	9314 8699 0430 0050 2565 12	XTO HOLDINGS LLC 22777 SPRINGWOODS VILLAGE PKWY SPRING TX 77389	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
19	9314 8699 0430 0050 2565 29	CONOCO PHILLIPS CO PO BOX 7500 BARTLESVILLE OK 74005	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
20	9314 8699 0430 0050 2565 36	ECHO PROD INC PO BOX 1210 GRAHAM TX 76450	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
21	9314 8699 0430 0050 2565 43	DEVON ENERGY PROD CO LP 333 W SHERIDAN AVE OKLAHOMA CITY OK 73102	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
22	9314 8699 0430 0050 2565 50	EOG RESOURCES INC 5509 Champions Drive Midland TX 79706	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
23	9314 8699 0430 0050 2565 67	RANSOME-LOSEE ANNE 3505 CALLE CUERVO #218 ALBUQUERQUE NM 87046	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
24	9314 8699 0430 0050 2565 74	PRINCE F IV 2 WISCONSIN CIR CHEVY CHASE MD 20815	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
25	9314 8699 0430 0050 2565 81	BURLINGTON RES OIL & GAS CO LP PO BOX 51810 MIDLAND TX 79710	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
26	9314 8699 0430 0050 2565 98	LOSEE ELIZABETH 328 SIERRA PL ALBUQUERQUE NM 87108	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
27	9314 8699 0430 0050 2566 04	TRAINER PARTNERS LTD PO BOX 3788 MIDLAND TX 79702	\$1.63	\$3.45	\$1.50	81363-0163	\$0.00 Notice
<b>Totals:</b>			<b>\$44.01</b>	<b>\$93.15</b>	<b>\$40.50</b>	<b>Grand Total:</b>	<b>\$0.00 \$177.66</b>

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Listed by Sender

Total Number of Pieces  
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Name of receiving employee

Dated:

# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

I, Jennifer Warden, Administrative Coordinator 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).

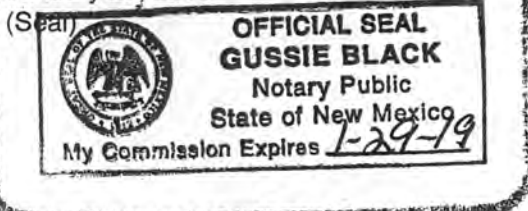
Beginning with the issue dated  
September 07, 2018  
and ending with the issue dated  
September 07, 2018.

*Jennifer Warden*  
Administrative Coordinator

Sworn and subscribed to before me this  
7th day of September 2018.

*Gussie Black*  
Business Manager

My commission expires  
January 29, 2019



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

LEGAL NOTICE  
September 7, 2018

CASE No. 16418: Notice to all affected parties, as well as the heirs and devisees of COG Operating LLC; RKI Exploration and Production; Curtis A. Anderson; Allan C. Anderson; Wade S. Anderson; Kimbell Art Foundation; MAP00-NET, a Texas general partnership; Bill Burton; Ben J. Fortson III Children's Trust; Robert C. Grable; MWB 1998 Trust; Ben J. Fortson, Jr., Trustee; CCB 1998 Trust; Ben J. Fortson, Jr., Trustee; DCB 1998 Trust; Ben J. Fortson, Jr., Trustee; The Roach Foundation; Sundance Minerals I; Crownrock Minerals, LP; XTO Holdings, LLC; XTO HOLDINGS LLC; CONOCO PHILLIPS CO; ECHO PROD INC; DEVON ENERGY PROD CO LP; EOG GAS CO LP; LOSEE ELIZABETH; and PRINCE F IV; BURLINGTON RES OIL & PERMIAN LLC's amended application for a non-standard spacing and proration unit and 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 September 20, 2018, to consider this application. Applicant seeks an order from the Division: approving the creation of a non-standard spacing and proration unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Ramothorn Federal Com 22 32 14 TB 1H and Ramothorn Federal Com 22 32 14 FB 22H wells, to be horizontally drilled. The producing area for these wells will be orthodox. 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, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 26 miles northwest of Loving, New Mexico.

CASE No. 16419: Notice to all affected parties, as well as the heirs and devisees of COG Operating LLC; RKI Exploration and Production; Curtis A. Anderson; Allan C. Anderson; Wade S. Anderson; Kimbell Art Foundation; MAP00-NET, a Texas general partnership; Bill Burton; Ben J. Fortson III Children's Trust; Robert C. Grable; MWB 1998 Trust; Ben J. Fortson, Jr., Trustee; CCB 1998 Trust; Ben J. Fortson, Jr., Trustee; DCB 1998 Trust; Ben J. Fortson, Jr., Trustee; The Roach Foundation; Sundance Minerals I; Crownrock Minerals, LP; XTO Holdings, LLC; XTO HOLDINGS LLC; CONOCO PHILLIPS CO; ECHO PROD INC; DEVON ENERGY PROD CO LP; EOG GAS CO LP; LOSEE ELIZABETH; and PRINCE F IV; BURLINGTON RES OIL & PERMIAN LLC's amended application for a non-standard spacing and proration unit and 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 September 20, 2018, to consider this application. Applicant seeks an order from the Division: approving the creation of a non-standard spacing and proration unit and pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Ramothorn Federal Com 22 32 14 SB 8H well, to be horizontally drilled. The producing area for this well will be orthodox. Also to be considered will be the cost of drilling and completing said well, 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, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 26 miles northwest of Loving, New Mexico.

CASE No. 16420: Notice to all affected parties, as well as the heirs and devisees of COG Operating LLC; RKI Exploration and Production; Curtis A. Anderson; Allan C. Anderson; Wade S. Anderson; Kimbell Art Foundation; MAP00-NET, a Texas general partnership; Bill Burton; Ben J. Fortson III Children's Trust; Robert C. Grable; MWB 1998 Trust; Ben J. Fortson, Jr., Trustee; CCB 1998 Trust; Ben J. Fortson, Jr., Trustee; DCB 1998 Trust; Ben J. Fortson, Jr., Trustee; The Roach Foundation; Sundance Minerals I; Crownrock Minerals, LP; XTO Holdings, LLC; XTO HOLDINGS LLC; CONOCO PHILLIPS CO; ECHO PROD INC; DEVON ENERGY PROD CO LP; EOG GAS CO LP; LOSEE ELIZABETH; and PRINCE F IV; BURLINGTON RES OIL & PERMIAN LLC's amended application for a non-standard spacing and proration unit and 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 September 20, 2018, to consider this application. Applicant seeks an order from the Division: approving the creation of a non-standard spacing and proration unit and pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Section 14, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Ramothorn Federal Com 22 32 14 WA 2H and Ramothorn Federal Com 22 32 14 WXY 7H wells, to be horizontally drilled. The producing area for these wells will be orthodox. 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, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 26 miles northwest of Loving, New Mexico. #33201

01104570

00217602

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