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

APPLICATION OF MARATHON OIL PERMIAN LLC TO AMEND ORDER R-14623 TO ADD AN ADDITIONAL WELL, EDDY COUNTY, NEW MEXICO

CASE NO. 15958 (re-opened)

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order: (1) amending Order R-14623 to add an additional well; and (2) amending Order R-14623 to allow for additional time to complete wells. In support of this application, Marathon states:

- 1. Marathon obtained Order R-14623 in order to facilitate the drilling and completion of the Sweet Tea State 24-29-31 WA No. 5H and the Sweet Tea State 24-29-31 WXY Well No. 3H wells, which are horizontal wells that will develop the Wolfcamp formation underlying the W/2 of Section 6, Township 25 South, Range 29 East, and SW/4 of Section 31, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico to the proposed well to form a non-standard 480-acre oil spacing and proration unit.
- 2. Marathon seeks to drill the Sweet Tea State 24 29 31 WD 2H well within the spacing unit approved by the Division.
- 3. Under the order, the Division requires Marathon to complete specified wells within 120 days after the wells are drilled. Due to the rising demand for completion crews in this

area, Marathon requests an extension of one (1) year between the time when the wells are drilled and the completion of the first well.

4. Notice of this application is being given in accordance with Division rules.

WHEREFORE, Marathon requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 15, 2018, and, after notice and hearing as required by law, the Division enter an order:

A. Amend Order No. 14623 to allow for the drilling of the **Sweet Tea State 24 29 31 WD 2H** well

B. Amend Order No. 14623 to allow for a one year period between when the well(s) are drilled under that order and required to be completed.

Respectfully submitted,

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Telephone: 505.848.1800 Attorneys for Applicant CASE NO. 15958: Application of Marathon Oil Permian LLC to Amend Order R-14623 to an Add Additional Well, Eddy County, New Mexico. Applicant seeks an order (1) amending Order R-14623 to add an additional well; and (2) amending Order R-14623 to allow for additional time to complete wells. Marathon obtained Order R-14623 in order to facilitate the drilling and completion of the Sweet Tea State 24-29-31 WA No. 5H and the Sweet Tea State 24-29-31 WXY Well No. 3H wells, which are horizontal wells that will develop the Wolfcamp formation underlying the W/2 of Section 6, Township 25 South, Range 29 East, and SW/4 of Section 31, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Marathon seeks to amend the order to allow for the drilling of the Sweet Tea State 24 29 31 WD 2H well within the spacing unit. Marathon also seeks amendment to the order to allow for a one year period between when the well(s) are drilled under that order and required to be completed. Said area is located approximately 5 miles southeast of Malaga, New Mexico.