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

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

CASE NO. 20220

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

CASE NO. 20221

PRE-HEARING STATEMENT

Tap Rock Operating, LLC provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

Marathon Oil Permian, LLC

APPLICANT'S ATTORNEYS

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OPPONENT

Tap Rock Operating, LLC

OPPONENT'S ATTORNEYS

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STATEMENT OF THE CASE

In Case No. 20220, Applicant seeks an order from the Division dedicating the E/2 of Section 15, Township 24 South, Range 34 East, NMPM, Lea County New Mexico to form a 320-acre, more or less, spacing unit and pool all uncommitted mineral interests within the Wolfcamp formation underlying the proposed spacing unit, and .

In Case No. 20221, Applicant seeks an order from the Division dedicating the E/2 of Section 15, Township 24 South, Range 34 East, NMPM, Lea County New Mexico to form a 320-acre, more or less, spacing unit and pool all uncommitted mineral interests within the Bone Spring formation underlying the proposed spacing unit.

Tap Rock is an uncommitted working interest owner in the proposed units and opposes these applications on the ground, *inter alia*, that Marathon has failed to engage in good faith negotiations with Tap Rock before proceeding to hearing.

PROPOSED EVIDENCE

OPPONENT'S WITNESSES

EST. TIME

EXHIBITS

Erica Hixon, Land

20 min.

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PROCEDURAL MATTERS

Tap Rock requests a continuance of this matter to allow Marathon sufficient time to meet its duty to negotiate in good faith with Tap Rock before proceeding to force pooling Tap Rock's interests. A motion for continuance has been filed herewith, and Tap Rock requests a pre-hearing conference to decide the motion and the path forward.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the following counsel of record by electronic mail on January 31, 2019:

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/s/ Seth C. McMillan
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