

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

**APPLICATION OF CIMAREX ENERGY CO. FOR
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. 21005

MARATHON'S AMENDED PRE-HEARING STATEMENT

Marathon Oil Permian LLC ("Marathon") submits this Amended Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Cimarex Energy Co.

ATTORNEY

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OPPONENT

Marathon Oil Permian LLC

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STATEMENT OF CASE

This application is contested. Marathon would like to present testimony in this matter and/or cross

examine the applicant’s witnesses, as a result, this case should not be heard telephonically pursuant to the Division’s Notice entitled: Notice OCD Hearings Scheduled for April 16, 2020 and After. That notice stated: “The Hearing Examiners will hear only cases that can be taken by affidavit. If a case requires a witness or cross examination, or a party does not consent to the case being taken by affidavit, the case will be continued.”

In Case No. 21005, Applicant seeks an order from the Division: (1) to the extent necessary, approving the creation of a 320-acre, more or less, Bone Spring horizontal spacing unit; and, (2) pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 E/2 of Sections 20 and 29, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Paco 20-29 Federal Com 1H** well, to be horizontally drilled. Through its application, Cimarex seeks to pool all uncommitted mineral interests.

Marathon owns working interests within the SE/4 of Section 29 and it has not committed its interests to Cimarex’s proposed spacing units. Prior to the filing of this application, Marathon did not receive a well proposal letter, AFE, or any other information from the applicant - Cimarex. As a result, Applicant has failed to comply with the requirements in New Mexico Oil Conservation Division Order R-13165, which requires operators to send out well proposal letters and an authority for expenditure prior to filing an application for compulsory pooling. Marathon further opposes this application on the basis that the applicant seeks to impair Marathon’s correlative rights.

PROPOSED EVIDENCE

Witness	Estimated Time	No. of Exhibits
<i>Travis Prewett - Landman</i>	Approx. 20 min.	Approx. 5

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on April 8, 2020:

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