

April 28, 2020

LAWYERS

Deana M. Bennett
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Via E-mail

Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Saint Francis Drive Santa Fe, New Mexico 87505 Ocd.engineer.nm.us

Re: Completion Extension Request for:

APPLICATION OF MARATHON OIL PERMIAN LLC FOR APPROVAL OF A SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 20128

20129

20131

ORDER NOS. R-20460

R-20461

R-20462

Dear OCD:

Marathon Oil Permian, LLC ("Marathon") respectfully requests a one (1) year extension to complete the wells under the above-referenced orders. This extension is being requested because there have been changes in Marathon's drilling schedule due to COVID-19 and current market conditions. The wells and lands impacted by this extension are the following:

CASE NO. 20128 ORDER NO. R-20460

WELLS: Battle 34 SB Fee Well No. 15H, API No. 30-025-45355 LANDS: W/2E/2 of Section 34, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico

CASE NO. 20129 ORDER NO. R-20461

WELLS: Battle 34 AV Fee Well No. 17H, API No. 30-025-45356;

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com Battle 34 AV Fee Well No. 25H. API No. 30-025-Pending **LANDS:** E/2 E/2 of Section 34. Township 21 South, Range 33 East, NMPM, Lea County, New Mexico

CASE NO. 20131 ORDER NO. R-20462

WELLS: Battle 34 WC Fee Well No. 20H, API No. 30-025-45358 LANDS: E/2 E/2 of Section 34, Township 21 South. Range 33 East. NMPM, Lea County, New Mexico

All three orders were issued on April 30, 2019, and require Marathon to commence completion operations within one year after commencement of drilling operations. Orders, p. 3, ¶ 7. Marathon timely commenced drilling operations but requires additional time to commence completion operations. Marathon asks that the deadline to complete these wells be extended to April 30, 2021. Each of the orders states Marathon may request a written extension of time from the Division Director "pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence." See Orders, p. 3, ¶ 7. Each order also states that Marathon "shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request." See Orders, p. 3-4, ¶ 8. Marathon attaches an affidavit of a Land Professional confirming that there are no parties entitled to notice under this requirement, under all three orders, and that Marathon's extension request is made in good faith and warranted. See Prewett Affidavit, attached as Exhibit A to this request.

> Sincerely, Neona M. Bennett

Deana M. Bennett

Attorney for Marathon Oil Permian LLC

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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR COMPUSLORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 20128 20129 20131

ORDER NOS. R-20460 R-20461 R-20462

AFFIDAVIT

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

Travis Prewett, 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 in support receiving extensions for the above referenced compulsory pooling orders.
- 3. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
- 4. I am familiar with the applications filed by Marathon in these cases.



- 5. I am familiar with the status of the lands that are subject to these compulsory pooling orders and with the status of Marathon's operations on the spacing units approved by each order.
- 6. Due to the recent COVID-19 pandemic and downturn in the oil and gas market, Marathon is not able to complete the wells within the timeline outlined in the orders.
- 7. I have reviewed each compulsory pooling order and confirmed that no notification is required to be sent to working interest owners at this point in time.
- 8. It is my opinion that the granting of these extensions is reasonable and in the interests of conservation and the prevention of waste.

Travis Prewett

SUBSCRIBED AND SWORN to before me this 28th day of April, 2020 by Travis Prewett on behalf of Marathon Oil Permian LLC.

My commission expires: <u>62-27-21</u>

OFFICIAL SEAL

Karlene Schuman

NOTARY PUBLIC
STATE OF NEW MEXICO
Compilission Expires: 02 27-2