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

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

CASE NO. 21392

MARATHON OIL PERMIAN LLC'S PRE-HEARING STATEMENT

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

APPEARANCES

<u>APPLICANT</u> ATTORNEY

Marathon Oil Permian LLC Deana M. Bennett

MODRALL, SPERLING, ROEHL,

HARRIS & SISK, P.A.

P. O. Box 2168

Albuquerque, New Mexico 87103-2168

(505) 848-1800

<u>OTHER PARTIES</u> ATTORNEY

EOG Resources, Inc.

Michael Feldewert

Adam Rankin Julia Broggi Kaitlyn Luck PO Box 2208

Santa Fe, NM 85704

mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com kaluck@hollandhart.com

STATEMENT OF CASE

APPLICANT:

In Case No. 21392, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the N/2 of Sections 23 and 24,

Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Fiddle Fire 24 SB Fed Com 10H and Fiddle Fire 24 SB Fed Com 11H 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.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
VV I I I VILVO		LAMBIA

Landman: Clayton Rule Approx. 15 minutes Approx. 8

Geologist: Matt Baker Approx. 15 minutes Approx. 6

PROCEDURAL ISSUES

If there are no objections to this matter, Marathon intends to present it by affidavit.

Respectfully submitted,

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

Deana M. Bennett

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 <u>Deana.bennett@modrall.com</u>

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 September 3, 2020:

Michael Feldewert
Adam Rankin
Julia Broggi
Kaitlyn Luck
PO Box 2208
Santa Fe, NM 85704
mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

By: Deena M. Bennett