## STATE OF NEW MEXICO

ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 21599

Application of Marathon Oil Permian, LLC to Amend OCD Order R-21132, Eddy County, New Mexico

THURSDAY, JANUARY 7, 2020

This matter came on for hearing before the New Mexico Oil Conservation Division, William Brancard, Hearing Examiner, Dylan Rose-Coss, Technical Examiner, Dean McClure, Techical Examiner, via Cisco Webex Virtual Meeting Platform

Reported by: Mary Therese Macfarlane

New Mexico CCR No. 122

PAUL BACA PROFESSIONAL COURT REPORTERS

500 Fourth Street NW, Suite 105 Albuquerque, New Mexico 87102

(505) 843-9241

		Page 2
1	APPEARANCES	
2	FOR MARATHON OIL PERMIAN, LLC:	
3	Deana Bennett, Esq	
4	Modrall, Sperling 500 4th Street NW	•
5	Suite 1000 Albuquerque, NM 87	102
6	(505) 848-1834 deana.bennett@modr	
7	deana. Dennet Lemodr	all.Com
8	CONTENTS	
9	CASE NUMBER 21599	PAGE
10	CASE CALLED:	3
11	STATEMENT BY MS. BENNETT:	3
12	TESTIMONY OF CLAYTON RULE (BY AFFIDAVIT)	3
13	TAKEN UNDER ADVISEMENT:	5
14		
15	EXHIBIT INDEX	
16	MARATHON PERMIAN OIL, LLC, EXHIBITS	ADMITTED
17	1 OCD letter of April 9, 2020	5
18	2 Notice Affidavits	5
19		
20		
21		
22		
23		
24		
25		

Page 3

- 1 (Time noted 9:10 a.m.)
- 2 HEARING EXAMINER BRANCARD: Moving on now to
- 3 Case 19, 21599. And this is also Marathon.
- 4 MS. BENNETT: Good moring, again. Deana Bennett
- 5 on behalf of Marathon Oil Permian, LLC.
- 6 This is a single case I would like to
- 7 present today, 21599.
- 8 This is a unit of Marathon's called Honey
- 9 Mustard, and again, this is -- Marathon is seeking in this
- 10 Application to reopen the Order that the Division
- 11 previously entered designating Marathon as the operator
- 12 for two purposes: 1, to extend the time for drilling; and
- 13 2, to conform this Order to the new Order template.
- 14 And as with the prior packets I've included
- 15 behind Tab 1 the application of Clayton Rule. And Mr.
- 16 Rule is a landman with Marathon who has previously been
- 17 qualified to testify before the Division. In his
- 18 affidavit he sets forth the reasons for the request for an
- 19 extension of time.
- 20 Exhibit 1 to his affidavit is the OCD
- 21 April 9, 2020 letter that discusses the need for changing
- or conforming the Interim Order template to the new Order
- 23 template.
- 24 And Exhibit 2 is the Notice Affidavit. And
- 25 again my Notice affidavit includes the letter that was

Page 4

1 sent out, which was sent out 20 days before the hearing

- 2 date. And it also includes the status of the mailings,
- 3 whether they were received or not, and it includes an
- 4 Affidavit of Publication.
- 5 And in this case there was also an
- 6 undelivered letter, but we did publish, out of an
- 7 abundance of caution, and the Affidavit of Publication is
- 8 included.
- 9 And publication was done timely, as well.
- 10 Then behind Tab 2 are the applications that
- 11 we filed in these two matters -- or, I'm sorry, the
- 12 application that I filed in this matter seeking to reopen
- 13 this Order for these limited purpose of extending the time
- 14 to drill and conforming the form of Order to the new Order
- 15 template.
- 16 With that I would ask the admission of
- 17 Exhibit Tab 1 and Tab 2 in case No. 21599 and ask that
- 18 Case No. 21599 be taken under advisement.
- 19 EXAMINER ROSE-COSS: are you with us, Bill?
- 20 HEARING EXAMINER BRANCARD: Ah, technology.
- 21 Do we have any other interested persons
- 22 wishing to comment on Application -- Case 21599?
- Hearing none, we will proceed to the
- 24 examiners.
- 25 EXAMINER McCLURE: You're muted Dylan.

Page 5 1 Examiner McClure here. I have no question. 2 EXAMINER ROSE-COSS: Thanks Dean. Examiner Coss 3 here. 4 It just jogged my memory, Ms. Bennett -this is an aside more than a comment. 5 It was this time last year that we had an 6 issue over timely publication, which is why we need to ask 8 that question 9 My how time time flies But no questions on this case. Thank you. 10 11 HEARING EXAMINER BRANCARD: Okay. At this point we will admit the exhibits in Case 21599 and take the case 12 13 under advisement. (Time noted 9:12 a.m.) 14 15 16 17 18 19 20 21 22 23 24 25

	Page 6	
1	STATE OF NEW MEXICO )	
2	) SS	
3	COUNTY OF TAOS )	
4		
5	REPORTER'S CERTIFICATE	
6	I, MARY THERESE MACFARLANE, New Mexico Reporter	
7	CCR No. 122, DO HEREBY CERTIFY that on Thursday,	
8	January 7, 2021, the proceedings in the above-captioned	
9	matter were taken before me; that I did report in	
10	stenographic shorthand the proceedings set forth herein,	
11	and the foregoing pages are a true and correct	
12	transcription to the best of my ability and control.	
13	I FURTHER CERTIFY that I am neither employed by	
14	nor related to nor contracted with (unless excepted by the	
15	rules) any of the parties or attorneys in this case, and	
16	that I have no interest whatsoever in the final	
17	disposition of this case in any court.	
18	/s/ Mary Macfarlane	
19		
20	Mary Therese Macfarlane, CCR NM Certified Court Reporter No. 122	
21	License Expires: 12/31/2021	
22		
23		
24		
25		