

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

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

Application of Marathon Oil  
Permian, LLC, to Amend Order  
R-21222-A, Eddy County, New Mexico Case No. 22199

Application of Marathon Oil  
Permian, LLC to Amend Order  
R-21223-A, Eddy County, New Mexico Case No. 22200

Application of Marathon Oil  
Permian, LLC to Amend Order  
R-21224-A, Eddy County, New Mexico Case No. 22201

REPORTER'S TRANSCRIPT OF PROCEEDINGS

THURSDAY, OCTOBER 7, 2021

EXAMINER HEARING

This matter came on for hearing before the  
New Mexico Oil Conservation Division, William  
Brancard, Esq. Hearing Examiner, Dylan Rose-Coss,  
Technical Examiner, on Thursday, October 7, 2021,  
via Webex Virtual Conferencing Platform hosted  
by the New Mexico Department of Energy, Minerals and  
Natural Resources

Reported by: Mary Therese Macfarlane  
New Mexico CCR #122  
PAUL BACA COURT REPORTERS  
500 Fourth Street NW, Suite 105  
Albuquerque, New Mexico 87102  
(505) 843-9241

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A P P E A R A N C E S

FOR MARATHON OIL PERMIAN:

Deana M. Bennett, Esq.  
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Harris & Sisk  
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C O N T E N T S

CASE NO. 22199	PAGE
CASE CALLED:	
TAKEN UNDER ADVISEMENT:	

I N D E X O F E X H I B I T S

MARATHON OIL PERMIAN, LLC EXHIBITS	PAGE
CASE NO. 22199	
A Affidavit of Clayton W. Rule (Landman)	5
A-1 Application	5
A-2 Order No. R-21222-A	5
A-3 Order No. R-21222	5
A-4 Notice Affidavit	5
CASE NO. 22200	
A Affidavit of Clayton W. Rule (Landman)	5
A-1 Application	5
A-2 Order No. R-21223-A	5
A-3 Order No. R-21223	5
A-4 Notice Affidavit	5
CASE NO. 22201	
A Affidavit of Clayton W. Rule (Landman)	5
A-1 Application	5
A-2 Order No. R-21224-A	5
A-3 Order No. R-21224	5
A-4 Notice Affidavit	5

1 (Time noted 9:07 a.m.)

2 EXAMINER BRANCARD: With that I call Cases  
3 22199, 22200, 22201, Marathon Oil Permian.

4 MS. BENNETT: Good morning again, Mr. Examiner.  
5 Deana Bennett on behalf of Marathon Oil Permian, LLC.

6 EXAMINER BRANCARD: Are there any other persons  
7 for Cases 22199, 22200, and 22201? (Note: Pause.)

8 Hearing none, you may proceed, Ms. Bennett.

9 MS. BENNETT: Thank you very much.

10 Case No. -- Cases 22199, 22200, 22201  
11 involve Marathon's Ripley wells, and in these cases  
12 Marathon is seeking a second extension of time to commence  
13 drilling the initial well under the Order.

14 I submitted packets for each of these cases  
15 individually to the portal on Tuesday and am presenting  
16 them in a consolidated fashion for the hearing today,  
17 because they have very similar exhibit packets and similar  
18 information.

19 In each of the three exhibit packets I have  
20 included the Self-Affirmed Declaration of Clayton R. Rule.  
21 Mr. Rule is a landman for Marathon Oil Permian, and he has  
22 previously testified before the Division and his  
23 credentials have been accepted as a matter of record.

24 I have also included with his affidavit the  
25 Order where the Division grants Marathon's first request

1 for an extension of time, and also the Orders where  
2 Marathon was -- the original compulsory pooling Orders for  
3 the Division's convenience.

4 In these cases, as with the prior cases,  
5 Marathon is seeking a second extension of time to commence  
6 drilling the initial wells under the Orders, and that's  
7 due to the delays occasioned by Covid and the downturn in  
8 market conditions, which are improving but which have  
9 continued to create delays in Marathon's development  
10 plans.

11 In this case, like in certain other cases I  
12 have mentioned this morning, Marathon also requires APDs  
13 from the BLM which have not yet been received.

14 Marathon's deadline for drilling these  
15 wells, or commencing drilling the initial wells, is April  
16 2nd, 2022, and Marathon is asking that the deadline to  
17 commence drilling the initial wells in these Orders be  
18 extended for a year to April 2nd, 2023.

19 Also included with each exhibit packet is a  
20 copy of my Notice Declaration showing that Notice of these  
21 hearings were timely made and publication was timely done,  
22 as well.

23 With that I would ask that the exhibits in  
24 Cases 22199, 22200, 22201 be admitted into the record and  
25 that these cases be taken under advisement. Thank you.

1                   EXAMINER BRANCARD: Thank you. Mr. Rose-Coss,  
2 any questions?

3                   EXAMINER ROSE-COSS: Not at this time. Thank  
4 you, Mr. Brancard.

5                   EXAMINER BRANCARD: All right. Are there any  
6 other interested persons for Cases 22199, 22200, 22201  
7 (Note: Pause.) Hearing none, these three cases will be  
8 taken under advisement and the exhibits will be admitted  
9 into the record. Thank you.

10                   MS. BENNETT: Thank you very much.

11                   EXAMINER BRANCARD: Hopefully you can get a  
12 better Internet connection next time.

13                   MS. BENNETT: Yes. Thank you.

14                   (Time noted 9:11 a.m.)

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1 STATE OF NEW MEXICO ) .

2 : ss

3 COUNTY OF TAOS )

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5 REPORTER'S CERTIFICATE

6 I, MARY THERESE MACFARLANE, New Mexico Reporter  
7 CCR No. 122, DO HEREBY CERTIFY that on Thursday,  
8 October 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

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\_\_\_\_\_  
MARY THERESE MACFARLANE, CCR  
NM Certified Court Reporter No. 122  
License Expires: 12/31/2021

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