

2017 JUL 13

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

**APPLICATION OF BLACK MOUNTAIN OPERATING LLC
FOR A NON-STANDARD OIL SPACING AND PRORATION
UNIT, COMPULSORY POOLING, AND AN UNORTHODOX
WELL LOCATION, LEA COUNTY, NEW MEXICO**

CASE NO. 15656

SECOND AMENDED PRE-HEARING STATEMENT

Marathon Oil Company provides this Second Amended Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT:

MARATHON OIL COMPANY

**MARATHON OIL COMPANY'S
ATTORNEY**

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OPPONENT/OTHER PARTIES

GMT EXPLORATION COMPANY LLC
DEVON ENERGY PRODUCTION CO, LP
BTA OIL PRODUCERS, LLC

OPPONENT'S ATTORNEY

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STATEMENT OF THE CASE

Marathon Oil Company ("Marathon") has acquired the interests of Black Mountain Operating LLC and is succeeding it as Operator. Marathon seeks an order (1) approving a non-standard oil spacing and proration unit in the Bone Spring formation comprised of the W/2SW/4

of Section 35, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, and the W/2W/2 of Section 2, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying the non-standard unit, and approving an unorthodox well location. The July 20, 2017 is being convened to follow-up on limited issues raised at the May 11, 2017 hearing. Marathon reserves the right to provide supplemental testimony and exhibits.

PROPOSED EVIDENCE

<u>APPLICANT'S WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Matt Brown, Land	10 min.	5
Roy Wilty, Geologist	10 min.	5
Ryan Gyllenband, Land	10 min.	5

PROCEDURAL MATTERS

Case Nos. 15655, 15656, 15659 and 15660 are related matters and have been consolidated for hearing.

Respectfully submitted,

MONTGOMERY & ANDREWS, P. A.

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Attorneys for Black Mountain Operating LLC

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 July 13, 2017:

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J. Scott Hall