



MODRALL SPERLING

L A W Y E R S

June 7, 2018

Florene Davidson  
NM Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

Jennifer L. Bradfute  
505.848.1845  
Fax: 505.848.1882  
jlb@modrall.com

**Re: No. 16147**  
**APPLICATION OF MARATHON OIL PERMIAN LLC**  
**FOR NON-STANDARD SPACING, AND PRORATION**  
**UNIT, AND COMPULSORY POOLING, LEA COUNTY,**  
**NEW MEXICO**

**No. 16148**  
**APPLICATION OF MARATHON OIL PERMIAN LLC**  
**FOR NON-STANDARD SPACING, AND PRORATION**  
**UNIT, APPROVING NON-STANDARD LOCATIONS**  
**AND COMPULSORY POOLING, LEA COUNTY, NEW**  
**MEXICO**

**No. 16149**  
**APPLICATION OF MARATHON OIL PERMIAN LLC**  
**FOR NON-STANDARD SPACING, AND PRORATION**  
**UNIT, AND COMPULSORY POOLING, LEA COUNTY,**  
**NEW MEXICO**

Dear Ms. Davidson:

Enclosed please find three copies of the following:

1. Marathon's Pre-Hearing Statement – Ender Wiggins

Thank you for your assistance. Please contact me if you have any questions.

Sincerely,

Zina Crum, Legal Assistant to  
Jennifer L. Bradfute

JLB/zc  
Enclosure

Modrall Sperring  
Roehl Harris & Sisk  
P.A.

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

APPLICATION OF MARATHON OIL  
PERMIAN LLC FOR A NON-STANDARD  
SPACING AND PRORATION UNIT  
AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

CASE NO. 16147

APPLICATION OF MARATHON OIL  
PERMIAN LLC FOR A NON-STANDARD  
SPACING AND PRORATION UNIT,  
APPROVING NON-STANDARD LOCATIONS,  
AND COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

CASE NO. 16148

APPLICATION OF MARATHON OIL  
PERMIAN LLC FOR A NON-STANDARD  
SPACING AND PRORATION UNIT AND  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

CASE NO. 16149

MARATHON'S PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Marathon Oil Permian LLC  
5555 San Felipe St.  
Houston, TX 77056

ATTORNEY

Earl E. DeBrine, Jr.  
Jennifer L. Bradfute  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK, P.A.  
P. O. Box 2168  
Albuquerque, New Mexico 87103-2168  
(505) 848-1800

**INTERESTED PARTY**

COG Operating LLC  
One Concho Center  
600 W. Illinois Ave  
Midland, TX 79701

**ATTORNEY**

Ocean Munds-Dry  
Elizabeth Ryan  
1048 Paseo de Peralta  
Santa Fe, New Mexico 87501  
(505)780-8000

**STATEMENT OF CASE**

In Case No. 16147, Marathon seeks an order from the Division: (1) creating a non-standard 240-acre, more or less, spacing and proration unit in the Wolfcamp formation, comprised of the W/2 W/2 of Section 11 and the W/2 NW/4 of Section 14, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico; and, (2) pooling all mineral interests in the Wolfcamp formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Ender Wiggins Federal 25- 34-14 WA 1H** well, to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well.

In Case No. 16148, Marathon seeks Applicant seeks an order from the Division: (1) creating a non-standard 480-acre, more or less, spacing and proration unit in the Wolfcamp formation, comprised of the W/2 Section 11 and the NW/4 of Section 14, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico; (2) approving non-standard locations; and (3) pooling all mineral interests in the Wolfcamp formation underlying the proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Ender Wiggins Federal 25-34-14 WD 2H** well, to be horizontally drilled. The producing area for the well will have unorthodox locations. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well.

In Case No. 16149, seeks an order from the Division: (1) creating a non-standard 240-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the W/2 W/2 of Section 11 and the W/2 NW/4 of Section 14, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico; and, (2) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the **Ender Wiggins Federal 25-34-14 TB 3H** well, to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be

the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Marathon as operator of the well, and a 200% charge for risk involved in drilling said well.

**PROPOSED EVIDENCE**

**APPLICANT:**

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Ryan Gyllenband – Landman	Approx. 30	Approx. 12
TBD – Geologist	Approx. 30	Approx. 6

**PROCEDURAL ISSUES**

Marathon requests that Case Nos. 16147, 16148 and 16149 be consolidated at hearing.

Respectfully submitted,

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

By: \_\_\_\_\_

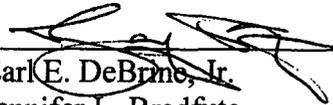
  
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Telephone: 505.848.1800

**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 June 7, 2018:

Ocean Munds-Dry  
Elizabeth Ryan  
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(505)780-8000  
OMundsDry@concho.com  
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By: \_\_\_\_\_

  
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