



May 10, 2018

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

**Re: No. 16088**  
**APPLICATION OF MARATHON OIL PERMIAN LLC**  
**FOR A NON-STANDARD SPACING AND PRORATION**  
**UNIT AND COMPULSORY POOLING, EDDY COUNTY,**  
**NEW MEXICO**

**No. 16089**  
**APPLICATION OF MARATHON OIL PERMIAN LLC**  
**FOR COMPULSORY POOLING, EDDY COUNTY, NEW**  
**MEXICO**

Dear Ms. Davidson:

Enclosed please find three copies of the following:

1. Marathon's Pre-Hearing Statement – Catapult

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 Sperling  
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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,  
EDDY COUNTY, NEW MEXICO**

CASE NO. 16088

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

CASE NO. 16089

**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  
Deana M. Bennett  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK, P.A.  
P. O. Box 2168  
Albuquerque, New Mexico 87103-2168  
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## STATEMENT OF CASE

### APPLICANT:

Applicant in Case No. 16088 seeks an order (1) creating a non-standard 160-acre, more or less, spacing and proration unit in the Bone Spring formation, comprised of the E/2 E/2 of Section 1, Township 23 South, Range 26 East, NMPM, Eddy 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 Catapult Fee 23-26-1 TB 6H 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 wells, 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. Said area is located approximately 6 miles south of Carlsbad, New Mexico.

In Case No. 16089, Applicant seeks an order: (1) pooling all mineral interests in the Wolfcamp formation underlying the standard 320-acre, more or less, spacing and proration unit comprised of the E/2 of Section 1, Township 23 South, Range 26 East, NMPM, Eddy County, New Mexico. This proposed standard spacing and proration unit will be the project area for the Catapult Fee Com 23 26 1 WA 5H, Catapult Fee Com 23 26 1 WXY 3H, and Catapult Fee Com 23 26 1 WXY 10H 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 well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles south of Carlsbad, New Mexico.

## PROPOSED EVIDENCE

### APPLICANT:

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Matt Tucker – Landman	Approx. 20	Approx. 8
Kate Zeigler – Geologist	Approx. 15	Approx. 6

## PROCEDURAL ISSUES

Marathon asks that these matters be consolidated at hearing.

Respectfully submitted,

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

By: 

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