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

APPLICATION OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16281

APPLICATION OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16282

APPLICATION OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16283

APPLICATION OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16284

APPLICATION OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16285

APPLICATION OF NOVO OIL & GAS, LLC FOR A NON-STANDARD SPACING AND PRORATION UNIT, AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16286

MARATHON OIL PERMIAN LLC'S RESPONSE IN OPPOSITION TO BTA OIL PRODUCERS LLC'S MOTION FOR CONTINUANCE

Marathon Oil Permian LLC ("Marathon") submits this Response in Opposition to BTA Oil Producers, LLC's ("BTA") Motion for Continuance. In support of this response, Marathon states:

- 1. Marathon opposes BTA's continuance because, upon Marathon's belief, BTA seeks to create unnecessary delay or preclude development of the horizontal spacing unit because of an ongoing title dispute regarding BTA's leasehold and/or mineral interest and TDY Industries, LLC.
- 2. BTA's potential interest is involved in a lawsuit and there is no definitive time that it will be resolved.
- 3. BTA's proposed development will leave a portion of Marathon's leasehold stranded due to the nature of Potash Development (Drill Islands).
- 4. It is Marathon's understanding that BTA has not done any of the pre-work necessary to obtain drill island approval. It is Marathon's understanding that BTA has not sent out development notifications.
- 5. BTA has the ability to develop its leasehold interest on a 1-mile spacing unit without interfering with the NOVO drill plan.
- 6. It is important to Marathon that horizontal spacing units in general be timely developed given the current economic climate because timely development will benefit both the State and the interest owners.
- 7. It is important to Marathon that these horizontal spacing units be timely developed because Marathon has a 240-acre leasehold interest at issue that is currently set to expire February

2, 2020.

8. For these reasons, Marathon states that these cases should not be continued. If these cases are continued, Marathon respectfully requests that they be continued through no later than August 23, 2018.

Respectfully submitted,

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

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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 9, 2018:

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