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

APPLICATION OF MARATHON OIL PERMIAN LLC FOR A HORIZONTAL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16381

APPLICATION OF TAP ROCK OPERATING, LLC FOR A STANDARD HORIZONTAL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16430

APPLICATION OF TAP ROCK
OPERATING, LLC FOR A STANDARD
HORIZONTAL SPACING AND PRORATION
UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. 16431

APPLICATION OF TAP ROCK OPERATING, LLC FOR A STANDARD HORIZONTAL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 16467

MOTION FOR CONTINUANCE

Marathon Oil Permian LLC ("Marathon") moves the Division to continue Case Nos. 16381, 16430, 16431 and 16467, which are currently scheduled for the November 1, 2018 to a special docket date. In support of this motion, Marathon states as follows:

- On or around August 7, 2018, Marathon filed compulsory pooling cases within Sections 7 and 8, Township 23 South, Range 27 East, Eddy County, New Mexico for the development of two-mile laterals in the Wolfcamp formation, in Case No. 16381.
- 2. Following the filing of Marathon's application, Tap Rock filed competing pooling applications in the Wolfcamp formation, in Case Nos. 16430 and 16431.
- 3. More recently, Tap Rock filed an application to pool the N/2 N/2 of Sections 7 and 8 for the development of a horizontal Bone Spring well, in Case No. 16467.
- 4. There is currently a title dispute between the parties related to both the Bone Spring and Wolfcamp formations.
- 5. The parties have exchanged communications related to their development plans and the related title issue but have not been able to reach a resolution.
- 6. All of the above-mentioned cases are contested and require a special docket hearing.
- 7. Marathon believes that additional time is needed to (1) research issues related to the parties' rights to propose and drill wells within the proposed spacing units; and (2) identify a special docket date.
- 8. Marathon, therefore, requests that the Division continues these matters to November 15, 2018 and set a special docket hearing be set in November or December to hear cases 16381, 16430, 16431 and 16467. It is expected that each operator will have at least three witnesses and that hearing will take an entire day.
- 9. Tap Rock concurs in this motion

WHEREFORE, Marathon Oil Permian LLC respectfully requests that the Division continue the hearing in 16381, 16430, 16431 and 16467 to the November 15, 2018 docket and that the parties be asked to identify dates for a special docket hearing.

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 October 25, 2018:

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