

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

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

CASE NO. 20166

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

CASE NO. 20167

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

CASE NO. 20201

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

CASE NO. 20168

MARATHON'S PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Marathon Oil Permian LLC

ATTORNEY

Deana M. Bennett
Zoë E. Lees
MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.
P. O. Box 2168
Albuquerque, New Mexico 87103-2168
(505) 848-1800

STATEMENT OF CASE

APPLICANT:

In Case No. 20166, Marathon seeks an order from the Division (1) creating a 640-acre, more or less, spacing unit in the Bone Spring formation, comprised of the W/2 W/2 of Sections 17 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing unit. This proposed spacing unit will be the unit for the **Homework Larry Federal 22-28-20 TBC 1H** well, to be horizontally drilled. The producing area for this 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, and allowing a one year period between when the well is drilled and when the well is completed.

In Case No. 20167, Marathon seeks an order from the Division (1) creating a 640-acre, more or less, spacing unit in the Bone Spring formation, comprised of the E/2 W/2 of Sections 17 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing unit. This proposed spacing unit will be the unit for the **Homework Larry Federal 22-28-20 TBC 2H** well, to be horizontally drilled. The producing area for this 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, and allowing a one year period between when the well is drilled and when the well is completed.

In Case No. 20201, Marathon seeks an order from the Division (1) creating a 640-acre, more or less, spacing unit in the Bone Spring formation, comprised of the W/2 E/2 of Sections 17 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing unit. This proposed spacing unit will be the unit for the **Homework Larry Federal 22-28-20 TBC 3H** well, to be horizontally drilled. The producing area for this 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, and allowing a one year period between when the well is drilled and when the well is completed.

In Case No. 20168, Marathon seeks an order from the Division (1) creating a 640-acre, more or less, spacing unit in the Bone Spring formation, comprised of the E/2 E/2 of Sections 17 and 20, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this proposed spacing unit. This proposed spacing unit will be the unit for the **Homework Larry Federal 22-28-20 TBC 4H** well, to be horizontally drilled. The producing area for this 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, and allowing a one year period between when the well is drilled and when the well is completed.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Chase Rice	Approx. 30 minutes	Approx. 8
Geologist: Matt Baker	Approx. 30 minutes	Approx. 6

PROCEDURAL ISSUES

Marathon asks that these matters be consolidated at hearing.

Respectfully submitted,

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

By: Deana M. Bennett

Deana M. Bennett
Zoë E. Lees
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
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 January 3, 2019:

James Bruce
P.O. Box 1056
Santa Fe, NM 87504
(505) 982-2043
jamesbruc@aol.com

By: Deana M. Bennett
Deana M. Bennett
Zoë E. Lees
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800