

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

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:

APPLICATION OF MARATHON OIL PERMIAN, CASE NOS. 16415,  
LLC FOR COMPULSORY POOLING, EDDY COUNTY, 16416,  
NEW MEXICO. 16417

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

January 10, 2019

Santa Fe, New Mexico

BEFORE: WILLIAM V. JONES, CHIEF EXAMINER  
KATHLEEN MURPHY, TECHNICAL EXAMINER  
LEONARD LOWE, TECHNICAL EXAMINER  
DAVID K. BROOKS, LEGAL EXAMINER

This matter came on for hearing before the New Mexico Oil Conservation Division, William V. Jones, Chief Examiner; Kathleen Murphy and Leonard Lowe, Technical Examiners; and David K. Brooks, Legal Examiner, on Thursday, January 10, 2019, at the New Mexico Energy, Minerals and Natural Resources Department, Wendell Chino Building, 1220 South St. Francis Drive, Porter Hall, Room 102, Santa Fe, New Mexico.

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## 1 APPEARANCES

2 FOR APPLICANT MARATHON OIL PERMIAN, LLC:

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## 8 INDEX

9		PAGE
10	Case Numbers 16415, 16416 and 16417 Called	3
11	Marathon Oil Permian, LLC Case-in-Chief:	
12	Witnesses:	
13	Travis H. Prewett:	
14	Direct Examination by Ms. Bennett	4
15	Cross-Examination by Examiner Jones	15
16	Redirect Examination by Ms. Bennett	16
17	Matt Baker:	
18	Direct Examination by Ms. Bennett	17
19	Cross-Examination by Examiner Jones	25
20	Proceedings Conclude	26
21	Certificate of Court Reporter	27
22	EXHIBITS OFFERED AND ADMITTED	
23	Marathon Oil Permian, LLC Exhibit	
24	Numbers 1 through 12	15
25	Marathon Oil Permian, LLC Exhibit	
	Numbers 13 through 18	24

1 (10:37 a.m.)

2 EXAMINER JONES: Let's go back on the  
3 record this morning and call Case Numbers 16415, 16416  
4 and 16417.

5 Call for appearances.

6 MS. BENNETT: Thank you. Deana Bennett for  
7 the Applicant, and with me today is Zoe Lees.

8 EXAMINER JONES: And the Applicant is  
9 Marathon?

10 MS. BENNETT: Marathon Oil Permian, LLC,  
11 and these cases are for the Fremmen WD Fed Com 1H; Fremmen  
12 WXY Fed Com 2H; Fremmen 7 WA Fed Com 3H; Fremmen 7 WXY Fed  
13 Com 5H; and the Fremmen 7 WA Fed Com 9H.

14 EXAMINER JONES: Any other appearances in  
15 these three cases?

16 There being none, please proceed.

17 MS. BENNETT: Thank you. We have two  
18 witnesses with us today.

19 EXAMINER JONES: Will the witnesses please  
20 stand to be sworn by the court reporter?

21 (Mr. Prewett and Mr. Baker sworn.)

22 MS. BENNETT: Thank you.

23 At this time I'd like to call Mr. Prewett.

24 TRAVIS H. PREWETT,  
25 after having been first duly sworn under oath, was

1           questioned and testified as follows:

2                               DIRECT EXAMINATION

3       BY MS. BENNETT:

4           **Q.    Mr. Prewett, will you please state your name**  
5 **for the record?**

6           A.    Travis Prewett.

7           **Q.    And who do you work for and in what capacity?**

8           A.    Marathon Oil, and I'm a land professional.

9           **Q.    And what are your responsibilities as a landman**  
10 **or land professional for Marathon?**

11          A.    I'm responsible for ensuring the well proposals  
12 are sent out to our interest owners. I work with other  
13 companies to ensure that they have their elections. I  
14 negotiate JOAs with other partners and other companies,  
15 and I come to these hearings.

16          **Q.    Thank you.**

17                       And you've previously testified before the  
18 Division just earlier today? That's correct, right?

19          A.    Yes.

20          **Q.    And your credentials as a landman were accepted**  
21 **as a matter of record?**

22          A.    That is correct.

23          **Q.    And does your area of responsibility at**  
24 **Marathon include the area of Eddy County in New Mexico?**

25          A.    It does.

1           Q.    And are you familiar with the applications  
2   filed by Marathon in these cases?

3           A.    I am.

4           Q.    Are you familiar with the amended applications  
5   that Marathon filed in these cases?

6           A.    Yes.

7           Q.    And are you familiar with the status of the  
8   lands that are the subject of these applications?

9           A.    Yes.

10                   MS. BENNETT:  I would like to tender  
11   Mr. Prewett as an expert in land matters.

12                   EXAMINER JONES:  Mr. Prewett is qualified  
13   as an expert in land matters.

14                   MS. BENNETT:  Thank you.

15           Q.    (BY MS. BENNETT) Let's turn first to Exhibit 1.

16                   MS. BENNETT:  And for the record, we have  
17   consolidated all three cases together, so the hearing  
18   outline that we're going through will address all three  
19   cases ad seriatim.  So we'll go through each case, but  
20   Mr. Prewett's testimony will address all three at the  
21   same time.

22           Q.    (BY MS. BENNETT) But the first exhibit, Exhibit  
23   1, is the amended application for Case Number 16415.  
24   And, Mr. Prewett, can you explain to the examiners what  
25   Marathon seeks under this application?

1           A.    Yes.  We are seeking to pool all uncommitted  
2 mineral interests within the Wolfcamp horizontal spacing  
3 unit underlying the south half of Sections 7 and 8,  
4 Township 24 South, Range 27 East in Eddy County, New  
5 Mexico.

6           Q.    Thank you.

7                       And can you explain the change from the  
8 prior application, which was a 3rd Bone 8H well to the  
9 current application, which is the WD 1H well?

10          A.    Yes.  We moved that well from the 3rd Bone  
11 Spring to the Wolfcamp, and we changed the name.

12          Q.    And that new naming protocol is based on a  
13 request from the BLM; is that accurate?

14          A.    Yes.

15          Q.    Could you please turn to Exhibit 2?  Exhibit 2  
16 is the amended application in Case Number 16416, and  
17 could you please explain to the examiners what Marathon  
18 seeks in Case Number 16416?

19          A.    We are seeking to pool all uncommitted mineral  
20 interests within a Wolfcamp horizontal spacing unit  
21 underlying the south half of Sections 7 and 8, Township  
22 24 South, Range 27 East in Eddy County, New Mexico.

23          Q.    And can you explain the change from the prior  
24 application, which was the TB 2H, to the current  
25 application, which is the WXY --

1           A.    Yes.  It was originally to be completed as a  
2   3rd Bone Spring, and now it's going to be a Wolfcamp.

3           Q.    Thank you.

4                   And the name was also changed due to BLM's  
5   request?

6           A.    That is correct.

7           Q.    Can you please turn to Exhibit 3?  Exhibit 3 is  
8   the application for Case Number 16417, and can you  
9   explain to the examiners what Marathon seeks under this  
10  application?

11          A.    Yes.  We are seeking to pool all uncommitted  
12  mineral interests within a Wolfcamp horizontal spacing  
13  unit underlying the south half of Sections 7 and 8,  
14  Township 24 South, Range 27 East, Eddy County, New  
15  Mexico.

16          Q.    And this application was amended only because  
17  of a new -- of the BLM's naming protocol; is that  
18  correct?

19          A.    That is correct.

20          Q.    Did you send out revised proposal letters and  
21  AFEs for all the wells given the change from Bone Spring  
22  to Wolfcamp and given the change in the naming protocol?

23          A.    Yes.

24          Q.    And was that around November 29th, 2018?

25          A.    That's correct.

1           Q.    Thanks.  We'll discuss the proposal letters and  
2   AFEs in a moment.

3                       First I'd like to ask you if there are any  
4   depth severances in this proposed spacing unit?

5           A.    No, there is not.

6           Q.    Thank goodness, right?

7           A.    Yeah.

8           Q.    So now turning to Exhibit 4, could you please  
9   explain to the examiners what is contained within  
10   Exhibit 4?

11          A.    Yes.  This is the C-102 plat for the Fremen 7  
12   WD Fed Com 1H well.

13          Q.    And the subsequent pages are for the other  
14   wells?

15          A.    Yes.  Yes.

16          Q.    So there are five C-102s here, one for each  
17   well?

18          A.    That's correct.  There are five C-102s.

19          Q.    And what is the pool name for these wells?

20          A.    This is the Purple Sage; Wolfcamp Gas, with a  
21   pool code of 98220.

22          Q.    And this pool is governed by a specific order.  
23   Is that your understanding?

24          A.    Yes.

25          Q.    And will the completed intervals for the wells



1     comply with the setback requirements for the Purple  
2     Sage; Wolfcamp Gas Pool?

3             A.     Yes.

4             Q.     Can you explain what Exhibit 5 is to the  
5     examiners?

6             A.     Yes. This is a lease tract map depicting the  
7     ownership of the south half of Sections 7 and 8.

8             Q.     And you have three tracts on here; is that  
9     correct?

10            A.     That is correct.

11            Q.     And those three tracts are -- there are two  
12     different federal leases and then a fee lease?

13            A.     That is correct.

14            Q.     And if you turn to the next page of Exhibit 5,  
15     does that show the interests that Marathon seeks to  
16     pool?

17            A.     Yes, it does.

18            Q.     And the next page of Exhibit 5 is the list of  
19     offset owners and working interest owners to whom  
20     Marathon sent notice?

21            A.     That is correct.

22                    MS. BENNETT: And as with the Battle Fee  
23     applications, we realized yesterday that we had not sent  
24     notice to the overriding interest owners. And so we  
25     would ask that these cases also be continued for notice

1 purposes only to the February 21st docket.

2 Q. (BY MS. BENNETT) And if you could please, could  
3 you kind of go over the steps that you undertake to  
4 contact the working interest owners and your with  
5 efforts to communicate with them?

6 A. Yes. Right. We used the last known addresses  
7 that we found through title research to mail out well  
8 proposals. And then if we have any mailings that come  
9 back to us, we use online searches such as LexisNexis  
10 and Accurint to update those addresses and send them  
11 back out. We also continuously keep up communication  
12 with those that have reached out to us via email and  
13 phone calls.

14 Q. Thank you.

15 And so just to confirm, there are  
16 overriding royalty interest owners within this unit?

17 A. That is correct.

18 Q. And Marathon does seek to pool those overriding  
19 royalty interest owners?

20 A. Yes.

21 Q. And we will send out notice on that?

22 A. That's correct.

23 Q. Thank you.

24 In your opinion, has Marathon made a  
25 good-faith effort to obtain the voluntary joinder in

1     these wells?

2           A.     Yes.

3           Q.     Let's turn to Exhibit 6, please.  Is Exhibit 6  
4     the proposal letter that you sent out for the Fremem  
5     wells?

6           A.     It is.

7           Q.     And it covers all of the wells; is that  
8     correct?

9           A.     That is correct.

10          Q.     And did you send the working interest owners a  
11     well proposal for the wells?  This is it?

12          A.     Yes.  This is it.  Yeah.

13          Q.     And does the well-proposal letter identify the  
14     first and last take point and the approximate TVD for  
15     each well?

16          A.     It does.

17          Q.     Did Marathon provide costs for drilling the  
18     wells and completion costs to the parties it seeks to  
19     pool?

20          A.     Yes.

21          Q.     Let's turn to Exhibit 7.  Exhibit 7 is the AFE  
22     for the 1H well.  Could you tell the hearing examiners  
23     what the estimated cost is?

24          A.     Grand total cost was estimated to be  
25     approximately \$10,626,990.

1 Q. Great.

2 And if you could turn to Exhibit 8, is  
3 Exhibit 8 the AFE for the 2H well?

4 A. It is.

5 Q. And would you tell the examiners what the  
6 estimated total cost is for the 10H well?

7 A. \$10,089,286.

8 Q. And if you could turn to Exhibit 9, please. Is  
9 Exhibit 9 the costs -- or AFE -- I'm sorry -- for the 3H  
10 well?

11 A. Yes.

12 Q. And would you please let the examiners know  
13 what the total cost is for the 3H well?

14 A. \$10,089,286.

15 Q. And if you would turn to Exhibit 10, is Exhibit  
16 10 the AFE for the 5H well?

17 A. Yes.

18 Q. And what are the total costs?

19 A. \$10,089,296.

20 Q. And then Exhibit 11, turning to that, is that  
21 the AFE for the -- I'm sorry -- for the 9H well?

22 A. Yes.

23 Q. What is the estimate of costs for drilling and  
24 completing the well?

25 A. \$10,089,286.

1           Q.    Thank you.

2                       Are these costs in line with the cost of  
3 other horizontal wells drilled to this length and depth  
4 in this area of New Mexico?

5           A.    Yes.

6           Q.    Do you have an opinion as to who should be  
7 appointed operator of the well?

8           A.    Marathon Oil Permian, LLC.

9           Q.    And is it your recommendation that Marathon be  
10 paid 8,000 per month for a drilling well and 800 per  
11 month for a producing well?

12          A.    Yes.

13          Q.    Are these amounts equivalent to those normally  
14 charged by Marathon and other operators in the area for  
15 horizontal wells of this length and depth?

16          A.    Yes.

17          Q.    Do you request that these rates be adjusted  
18 periodically as provided by the COPAS accounting  
19 procedure?

20          A.    Yes.

21          Q.    Do you -- or does Marathon request the maximum  
22 cost plus 200 percent risk charge if any pooled working  
23 interest owner fails to pay its share of costs for  
24 drilling, completing and equipping the wells?

25          A.    Yes.

1           Q.    Were the parties you are seeking to pool  
2 notified of this hearing?

3           A.    Yes.

4           Q.    And is Exhibit 12 an Affidavit of Notice  
5 prepared by me that shows the parties to whom notice was  
6 sent?

7           A.    It is.

8           Q.    Except for the overriding royalty interest  
9 owners; is that accurate?

10          A.    That is correct.

11          Q.    And then are the last couple of pages of  
12 Exhibit 12 an Affidavit of Publication in the "Carlsbad  
13 Current-Argus"?

14          A.    Yes.

15          Q.    And that was published on December 26, 2018?

16          A.    Right.

17          Q.    Does Marathon request that it be allowed a  
18 period of one year between when the wells are drilled  
19 and when the first well is completed under the order?

20          A.    Yes.

21          Q.    Were Exhibits 1 through 12 prepared by you or  
22 under your supervision or compiled from company business  
23 records?

24          A.    Yes.

25          Q.    In your opinion, is the granting of these

1     **applications in the interest of conservation and the**  
2     **prevention of waste?**

3             A.     Yes.

4             **Q.     Thank you.**

5                     MS. BENNETT:   I would ask that Exhibits 1  
6     through 12 be admitted into the record.

7                     EXAMINER JONES:   Exhibits 1 through 12 are  
8     admitted in all three cases.

9                     (Marathon Oil Permian, LLC Exhibit Numbers  
10     1 through 12 are offered and admitted into  
11     evidence.)

12                    MS. BENNETT:   Thank you.

13                    I have no further questions for  
14     Mr. Prewett.

15                    EXAMINER JONES:   Mr. Brooks?

16                    EXAMINER BROOKS:   No questions.

17                                       CROSS-EXAMINATION

18     BY EXAMINER JONES:

19             **Q.     The C-102s for the Purple Sage wells, I saw had**  
20     **a kickoff point within 100 feet of the line, but the**  
21     **proposal letter says 330.  So can you please check with**  
22     **your regulatory people about that and, if need be,**  
23     **second a new C-102?**

24                    MS. BENNETT:   Uh-huh.

25                    EXAMINER JONES:   These are not permitted

1     yet, correct?  There are no API numbers?

2                   MS. BENNETT:  No.  I don't think we have  
3     APIs for these yet.

4                   EXAMINER JONES:  So that means you haven't  
5     even sent in the C-102s either.

6                   REDIRECT EXAMINATION

7     BY MS. BENNETT:

8           **Q.    Do you know, Mr. Prewett, if we've sent in the**  
9     **C-102s yet, or are these preliminary C-102s?**

10          A.    I don't know if these are -- the last -- the  
11     last C-102s I looked at were preliminary, but unless the  
12     new ones were sent in.

13                   Matt, are you aware?

14                   MR. BAKER:  They haven't been.

15                   THE WITNESS:  Yeah.  I haven't seen them.

16                   MS. BENNETT:  Okay.  Yes.  We'll check on  
17     that.

18                   EXAMINER JONES:  That's good.  Thank you  
19     very much.

20                   So in these three cases, you did include  
21     proposal letters in your -- in your packet, but the last  
22     three, I didn't see them.  It could be just because  
23     you're just doing overrides or something.

24                   MS. BENNETT:  Uh-huh.

25                   EXAMINER JONES:  We're going to try to come



1 out with some guidelines on what we want to see, you  
2 know, and things, but, obviously, it's going to depend  
3 on the legalities of what you're trying to pool.

4 MS. BENNETT: Uh-huh.

5 EXAMINER JONES: And I don't have any more  
6 questions. Thank you.

7 MS. BENNETT: Thank you.

8 Any other questions?

9 Then I'd like to call Mr. Baker.

10 EXAMINER JONES: We can have the record  
11 show that Mr. Baker has already been sworn and qualified  
12 in previous cases.

13 MATT BAKER,  
14 after having been previously sworn under oath, was  
15 questioned and testified as follows:

16 DIRECT EXAMINATION

17 BY MS. BENNETT:

18 Q. Mr. Baker, you've already been sworn and  
19 qualified in previous cases.

20 MS. BENNETT: And so I'd like to ask that  
21 he be accepted as an expert witness this -- these three  
22 cases.

23 EXAMINER JONES: He is accepted as an  
24 expert in petroleum geology -- developmental petroleum  
25 geology.

1 MS. BENNETT: Thank you.

2 Q. (BY MS. BENNETT) Mr. Baker, are you familiar  
3 with the amended applications that Marathon filed in  
4 this matter?

5 A. Yes.

6 Q. And are you familiar with the status of the  
7 lands that are the subject of these applications?

8 A. Yes.

9 Q. And are you familiar with the drilling plans  
10 for the wells?

11 A. Yes.

12 Q. And have you conducted a geologic study of the  
13 area embracing the proposed spacing unit for the wells?

14 A. Yes.

15 Q. What is the targeted interval for the wells?

16 A. The WXY 5H and the WXY 2H will target the  
17 Wolfcamp Y Sand. The WA 9H and WA 3H will be targeting  
18 the Wolfcamp A, and the WD 1H will be targeting the  
19 Wolfcamp D.

20 Q. Thank you.

21 Let's turn to Exhibit 13, please, and  
22 Exhibit 13 is the structure map of the top of the  
23 Wolfcamp. Could you please describe to the hearing  
24 examiners what that diagram shows?

25 A. Yes. Like I said, this is a structure map of

1 the top of the Wolfcamp for the area. It shows that  
2 formation dips are dipping to the east. Our proposed  
3 horizontal locations are shown by the blue lines on  
4 here. One thing to note is that the WXY 2H and the  
5 WD 1H are stacked in this instance.

6 EXAMINER MURPHY: Which ones are those, are  
7 stacked?

8 THE WITNESS: Numbers four and five are  
9 stacked, so it would be the 2H and 1H.

10 And then our acreage is shown in yellow as  
11 well.

12 And the wells I used for my study, vertical  
13 wells, are indicated by the red circles, as well as the  
14 labels.

15 EXAMINER MURPHY: Can you say the  
16 formations they're targeting? You just said it a minute  
17 ago.

18 THE WITNESS: Yes, absolutely. Just in  
19 general?

20 EXAMINER MURPHY: Go through them like you  
21 just did.

22 THE WITNESS: Yes. The WXY 5H and WXY 2H  
23 will be targeting the Wolfcamp Y Sand. The WA 9H and  
24 the WA 3H will be targeting the Wolfcamp A, and then the  
25 WD 1H will be targeting the Wolfcamp D.

1                   EXAMINER JONES:  And your wells are named  
2   accordingly, it sounds like?

3                   THE WITNESS:  Correct.

4           Q.    (BY MS. BENNETT) And so on this structure map,  
5   you have noted the -- you've identified each well and  
6   put a number by the well so numbers one through five.  
7   And if we look on the structure map, we see one, two,  
8   three, four and five, and two and five are the two that  
9   you noted are stacked, and that's why there are only  
10  four --

11          A.    Four blue lines.

12          Q.    Four blue lines.

13          A.    That is correct.

14          Q.    Based on this structure map, is there anything  
15  shown structurally that would interfere with the  
16  contribution of the acreage to the proposed wells?

17          A.    No.

18          Q.    Did you prepare a cross section of logs to  
19  determine the relative thickness and porosity of the  
20  Wolfcamp Formation in this area?

21          A.    Yes.

22          Q.    And is that cross section contained in Exhibit  
23  14?

24          A.    Yes, it is.

25          Q.    Let's turn to that exhibit, and if you wouldn't

1     **mind explaining or walking through Exhibit 14 for the**  
2     **examiners.**

3           A.     Sure.  Again, this is a cross section from A to  
4     A prime, three vertical wells from the previous map.  
5     The producing zone here, which includes the Wolfcamp Y  
6     Sand and Wolfcamp A targets, is indicated in green.  We  
7     see that there's fairly uniform consistent thicknesses  
8     across this interval, across our unit.

9           Q.     And we'll be looking at another cross section  
10    for the one D well; is that correct?

11          A.     Correct.  Yes.  For the WD 1H, I set up a  
12    separate cross section.

13          Q.     Okay.  Great.

14                        So let's now turn to Exhibit 15, and can  
15    you explain to the examiners what Exhibit 15 is and what  
16    it shows you from your perspective?

17          A.     Yeah.  This is our gross interval isochore of  
18    the Wolfcamp to the Wolfcamp B or gross thickness map.  
19    That interval encompasses the total thickness of the  
20    Wolfcamp.  That contains the targets for the Wolfcamp Y  
21    Sand and the Wolfcamp A, and you can see here that it  
22    shows relatively constant thickness of the target  
23    formation along our proposed well path.

24          Q.     Thank you.

25                        Let's now turn to Exhibit 16.  Can you tell

1     **the examiners what Exhibit 16 is?**

2           A.     This is a structure map of the top of the  
3     Wolfcamp B. You can see here that formation dips, once  
4     again, dip to the east. Just like the previous map, our  
5     acreage is in yellow. The blue lines represent our post  
6     wells. The WD 1H corresponds to number five, so it is  
7     the well on -- the southernmost well within that unit.

8           **Q.     And you've included this structure map to give**  
9     **some perspective for the WD 1H well; is that correct?**

10          A.     Correct. Yes.

11          **Q.     Does this show that there are any structural**  
12     **impediments that would interfere with the contribution**  
13     **of acreage to the proposed well?**

14          A.     There are no impediments. No.

15          **Q.     Let's then turn to Exhibit 17. Exhibit 17 is**  
16     **cross section again showing the WD 1H producing zone; is**  
17     **that correct?**

18          A.     Correct.

19          **Q.     What can you tell us about this exhibit?**

20          A.     Once again, it's from A to A prime. The WD 1H  
21     producing zone is highlighted in green there basically  
22     from the Wolfcamp C down to the Wolfcamp D2. Our  
23     drilling target is indicated by the red arrow, and  
24     you'll notice that the producing zone has a relatively  
25     constant thickness throughout the entire area.

1           Q.    Thank you.

2                       Let's turn then to Exhibit 18, please, and  
3   can you describe for the examiners Exhibit 18 and its  
4   relevance?

5           A.    Yes.  This is the gross interval isochore from  
6   the Wolfcamp C to the Wolfcamp D2, which was identified  
7   as the producing zone on the previous exhibit.  Once  
8   again, this is showing almost constant thickness along  
9   the proposed wellbore paths for the unit.

10          Q.    And this, again, is for the WD 1H,  
11   specifically?

12          A.    Correct.  Yes, specifically the WD 1H.

13          Q.    Based on your geologic study of this area, are  
14   there any impediments to a horizontal well, in your  
15   opinion?

16          A.    No.

17          Q.    Do you predict that each quarter-quarter  
18   section will be productive in the Wolfcamp Formation?

19          A.    Yes.

20          Q.    Do you anticipate that each tract  
21   quarter-quarter section will contribute approximately  
22   equally to production from the wells?

23          A.    Yes.

24          Q.    What is the preferred well orientation in this  
25   area?

1           A.     In this area, from regional studies, the SHmax  
2     is actually approximately 45 degrees for  
3     southwest-northeast, so in this particular area,  
4     north-south or east-west orientations should produce  
5     similar results.

6           Q.     In your opinion, would the granting of  
7     Marathon's applications be in the best interest of  
8     conservation, the prevention of waste and the protection  
9     of correlative rights?

10          A.     Yes.

11          Q.     Just a moment ago, we had a question about  
12     whether the C-102s had been submitted, and I believe you  
13     know the answer to that question.

14          A.     No, they have not been submitted.

15          Q.     They have not been submitted.

16                     Were Exhibits 13 through 18 prepared by you  
17     or compiled under your direction and supervision?

18          A.     Yes.

19                     MS. BENNETT: At this point I would like to  
20     move admission of Exhibits 13 through 18 for all three  
21     cases.

22                     EXAMINER JONES: Exhibits 13 through 18 are  
23     admitted in all three cases.

24                     (Marathon Oil Permian, LLC Numbers 13  
25     through 18 are offered and admitted into



1 evidence.)

2 MS. BENNETT: Thank you.

3 I have no further questions for this  
4 witness.

5 EXAMINER JONES: Leonard?

6 EXAMINER LOWE: No questions.

7 EXAMINER JONES: Kathleen?

8 EXAMINER MURPHY: No questions.

9 CROSS-EXAMINATION

10 BY EXAMINER JONES:

11 Q. Okay. Is it looking promising as far as going  
12 deeper into the Purple Sage for the Wolfcamp?

13 A. In some areas. This is --

14 Q. Is it more gassy as you go deeper?

15 A. In some parts, yes. This is kind of -- we  
16 don't really have much Wolfcamp D data around this unit,  
17 so for us, this one well is kind of a test well for the  
18 area.

19 Q. Oh, okay.

20 So which of these zones do you like the  
21 most?

22 A. They all pretty good. The Y Sand and the A  
23 look good. I feel like the B should be good as well,  
24 hopefully.

25 Q. Well, good luck with your wells.

1           A.     Thank you.

2           **Q.     Thank you for coming.**

3                     MS. BENNETT:   Thank you.

4                     And with that, we'd ask that these cases be  
5     continued through the November 21st -- I'm sorry --  
6     February.   November would be a long time.   February 21st  
7     docket.

8                     EXAMINER JONES:   Be careful what you ask  
9     for.

10                    (Laughter.)

11                    MS. BENNETT:   Yeah, I know.   I did not mean  
12     that.   February 21st, please, 2019.

13                    Thank you.

14                    (Case Numbers 16415, 16416 and 16417  
15     conclude, 11:00 a.m.)

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1 STATE OF NEW MEXICO  
2 COUNTY OF BERNALILLO

3

4 CERTIFICATE OF COURT REPORTER

5 I, MARY C. HANKINS, Certified Court  
6 Reporter, New Mexico Certified Court Reporter No. 20,  
7 and Registered Professional Reporter, do hereby certify  
8 that I reported the foregoing proceedings in  
9 stenographic shorthand and that the foregoing pages are  
10 a true and correct transcript of those proceedings that  
11 were reduced to printed form by me to the best of my  
12 ability.

13 I FURTHER CERTIFY that the Reporter's  
14 Record of the proceedings truly and accurately reflects  
15 the exhibits, if any, offered by the respective parties.

16 I FURTHER CERTIFY that I am neither  
17 employed by nor related to any of the parties or  
18 attorneys in this case and that I have no interest in  
19 the final disposition of this case.

20 DATED 31st day of January 2019.

21

22

23 MARY C. HANKINS, CCR, RPR  
24 Certified Court Reporter  
New Mexico CCR No. 20  
Date of CCR Expiration: 12/31/2019  
Paul Baca Professional Court Reporters

25