

**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. 20563

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

CASE NO. 20470

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

ATTORNEY

Jennifer Bradfute
Marathon Oil Company
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OPPONENT

MRC Delaware
Resources LLC. MRC Explorers Resources
LLC. MRC Spiral Resources LLC

ATTORNEY

Holland & Hart, LLP

Sandra M. Sawyer and/or the Estate of
Edward A. Sawyer, Deceased

Padilla Law Firm

STATEMENT OF CASE

These cases are currently set for hearing on June 27, 2019. In Case No. 20563,


Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 7 and 18, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Nemesis 7 SB Fee 6H 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. Said area is located approximately 2.5 miles Northwest of Loving, New Mexico.

In Case No. 20470, Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 7 and 18, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Nemesis 7 WXY Fee 1H; Nemesis 7 WA Fee 3H; Nemesis 7 WXY Fee 5H; Nemesis 7 WA Fee 7H; Nemesis 7 WD Fee 2H; Nemesis 7 WD Fee 4H; Nemesis 7 WD Fee 8H** 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 wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and when the first well is completed. Said area is located approximately 2.5 miles Northwest of Loving, New Mexico.

PROPOSED EVIDENCE

Witness	Estimated Time	No. of Exhibits
<i>Jeff Broussard or Chase Rice - Landman</i>	Approx. 20 min.	Approx. 5
<i>Rebecca Horne - Geologist</i>	Approx. 20 min.	Approx. 3

Respectfully submitted

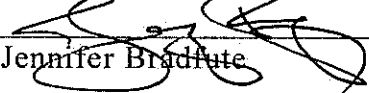
By: 
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on June 20, 2019:

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By:  _____
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