

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

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

**CASE NO. 20165**

**APPLICATIONS WPX ENERGY PERMIAN,  
LLC FOR COMPULSORY POOLING, EDDY  
COUNTY, NEW MEXICO.**

**CASE NOS. 20374 AND 20375**

**MARATHON OIL PERMIAN, LLC'S CONSOLIDATED PRE-HEARING  
STATEMENT**

Marathon Oil Permian LLC ("Marathon") submits this Consolidated Prehearing Statement in the above-referenced matters pursuant to the rules of the Oil Conservation Division.

**APPEARANCES**

**APPLICANTS**

Marathon Oil Permian LLC

WPX Energy Permian, LLC

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### **STATEMENT OF CASE**

These cases have been consolidated for hearing purposes because they involve competing applications. The Marathon and WPX competing pooling applications involve the E/2 of Section 35 Township 22 South, Range 28 East. In Case No. 20165, Marathon seeks to pool a horizontal spacing unit underlying Sections 34 and 35, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the Cerberus 34 WXY Fed Com 1H, Cerberus 34 WD Fed Com 2H, Cerberus 34 WA Fed Com 3H, Cerberus 34 WXY Fed Com 5H, Cerberus 34 WA Fed Com 7H, Cerberus 34 WXY Fed Com 8H, Cerberus 34 WA Fed Com 10H, Cerberus 34 WXY Fed Com 12H, and Cerberus 34 WA Fed Com 13H wells, to be horizontally drilled.

WPX's proposed horizontal spacing units conflict with the horizontal spacing unit Marathon has proposed in case number 20165. Marathon and WPX have been in discussions and have been working towards a resolution but have not been able to reach a resolution as of now. Marathon opposes WPX's applications. Marathon believes that Marathon's development plan is the optimal plan, whereas WPX's development plan will result in waste and will not

protect correlative rights.

**PROPOSED EVIDENCE**

**MARATHON’S PROPOSED EVIDENCE:**

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Chase Rice– Landman	Approx. 30 minutes	Approx. 10
Geologist—TBD	Approx. 20 minutes	Approx. 10
Engineer—TBD	Approx. 20 minutes	Approx. 10

**PROCEDURAL ISSUES**

These cases have been consolidated for hearing purposes. These cases have also been consolidated with Ridge Runner cases numbers 20105, 20106, 20107, 20717, and 20718, and with Marathon case number 20170..

Respectfully submitted,

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

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**CERTIFICATE OF SERVICE**

I hereby certify that on August 20, 2019, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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