

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

**APPLICATION OF MARATHON OIL PERMIAN LLC
FOR COMPUSLORY POOLING, LEA COUNTY, NEW MEXICO.**

CASE NOS. 20820, 20821

MARATHON OIL PERMIAN LLC'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
Lance D. Hough
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. 20820, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 NW/4 of Section 14 and the E/2 W/2 of Section 11, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Ender Wiggins 14 TB FC 11H** well, to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling and completing the 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. 20821, Marathon seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the NE/4 of Section 14 and the E/2 of Section 11, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico, New Mexico. This spacing unit will be dedicated to the **Ender Wiggins 14 WD FC 13H** well, to be horizontally drilled. The producing area for the well will be unorthodox. Also to be considered

will be the cost of drilling and completing the 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: Ryan Gyllenband	Approx. 30 minutes	Approx. 8
Geologist: Tom Lockwood	Approx. 30 minutes	Approx. 6

PROCEDURAL ISSUES

If there are no objections to these matters, Marathon intends to present them by affidavit and to consolidate them for hearing purposes.

Respectfully submitted,

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

By: Deana M. Bennett

Deana M. Bennett
Lance D. Hough
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
Deana.bennett@modrall.com
Lance.Hough@modrall.com