## Exhibit "A"

Applicant: <u>Marathon Oil Permian LLC</u>

Operator: <u>Marathon Oil Permian LLC (OGRID 372098)</u>

Spacing Unit: <u>Horizontal Oil</u>

Building Blocks: <u>quarter-quarter sections</u>
Spacing Unit Size: <u>160 acres (more or less)</u>

Orientation of Unit: North/South

Spacing Unit Description:

E/2 W/2 of Section 32, Township 19 South, Range 35 East, NMPM, Lea County, New

Mexico

Pooling this Vertical Extent: Bone Spring Formation

Depth Severance? (Yes/No): No

Pool: Pearl; Bone Spring, East (Pool code 49690)

Pool Spacing Unit Size: <a href="quarter-quarter-sections">quarter-quarter sections</a>
Governing Well Setbacks: <a href="Horizontal Oil Well Rules">Horizontal Oil Well Rules</a>
Pool Rules: <a href="Latest Horizontal Rules Apply">Latest Horizontal Rules Apply</a>

Proximity Tracts: <u>None Included</u>

Monthly charge for supervision: While drilling: \$7,000; While producing: \$700 As the charge for risk, 200 percent of reasonable well costs

## **Proposed Well:**

## Mead West 32 SB State 2H, API No. Pending

SHL: 274 feet from the South line and 1,430 feet from the West line, (Unit N) of Section 32, Township 19 South, Range 35 East, NMPM. BHL: 100 feet from the North line and 1,980 feet from the West line, (Unit C) of Section 32, Township 19 South, Range 35 East, NMPM.

Completion Target: 2nd Bone Spring Sand at approx 10,590 feet TVD

Well Orientation: South to North

Completion Location expected to be: standard