



MODRALL SPERLING

L A W Y E R S

September 17, 2020

Via E-mail

Deana M. Bennett
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Oil Conservation Division
Energy, Minerals and Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505
Ocd.engineer.nm.us

Re: Completion Extension Request for:

**APPLICATION OF MARATHON OIL PERMIAN LLC
FOR APPROVAL OF A SPACING UNIT AND
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NOS. 20058
20059
20060**

**ORDER NOS. R-20329
R-20330
R-20331**

Dear OCD:

Marathon Oil Permian, LLC ("Marathon") respectfully requests a one (1) year extension to complete the wells under the above-referenced orders. This extension is being requested because there have been changes in Marathon's drilling schedule due to COVID-19 and current market conditions. The wells and lands impacted by this extension are the following:

**CASE NO. 20058
ORDER NO. R-20329**

WELLS: Mammoth Federal Com 26 34 1 TB Well No. 1H; API No. 30-025-46127

LANDS: 320-acre (more or less) spacing unit underlying the W/2W/2 of Section 1, Township 26 South, Range 34 East, and the W/2W/2 of Section 36, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico.

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CASE NO. 20059
ORDER NO. R-20330

WELLS: Mammoth Federal Com 26 34 1 TB Well No. 10H; API No. 30-025-46128

LANDS: 320-acre (more or less) spacing unit underlying the E/2W/2 of Section 1, Township 26 South, Range 34 East, and the E/2W/2 of Section 36, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico.

CASE NO. 20060
ORDER NO. R-20331

WELLS: Mammoth Federal Com 26 34 1 WXY Well No. 7H; API No. 30-025-46133
Mammoth Federal Com 26 34 1 WA Well No. 2H; API No. 30-025-46130
Mammoth Federal Com 26 34 1 WA Well No. 11H; API No. 30-025-46131

LANDS: 640-acre (more or less) spacing unit underlying the W/2 of Section 1, Township 26 South, Range 34 East, and the W/2 of Section 36, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico.

All three orders were issued on January 29, 2019, and require Marathon to commence completion operations within one year after commencement of drilling operations. Orders, p. 5, ¶ 9. Marathon timely commenced drilling operations but requires additional time to commence completion operations. As reflected on the Division's website, Marathon spud these wells on various dates between October 10 and October 18, 2019. Marathon asks that the deadline to complete each of these wells be extended to October 10, 2021, which is one year from the date Marathon spud the first well in this well group. Each of the orders states Marathon may request a written extension of time from the Division Director "pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence." See Orders, p. 5-6, ¶ 9. Each order also states that Marathon "shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request." See Orders, p. 5 & 6, ¶ 10. Marathon attaches an affidavit of a Land Professional confirming that that only EOG Resources Inc. is entitled to notice under this requirement, under all three orders, and that Marathon's extension request is made in good faith and warranted. See Gyllenband Affidavit, attached as Exhibit A to this request.

Sincerely,



Deana M. Bennett

Attorney for Marathon Oil Permian LLC

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

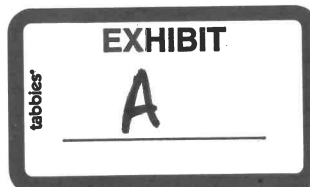
**APPLICATION OF MARATHON OIL PERMIAN LLC
FOR APPROVAL OF A SPACING UNIT AND
COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NOS. 20058
 20059
 20060**

**ORDER NOS. R-20329
 R-20230
 R-20331**

SELF AFFIRMED STATEMENT OF RYAN GYLLENBAND

1. I am over the age of 18, I am a landman for Marathon Oil Permian LLC and have personal knowledge of the matters stated herein. I have been qualified by the Oil Conservation Division ("Division") as an expert petroleum landman.
2. I submit the following information in support receiving extensions for the above referenced compulsory pooling orders.
3. My area of responsibility at Marathon includes the area of Lea County in New Mexico.
4. I am familiar with the orders the Division issued in the above captioned cases.
5. I am familiar with the status of the lands that are subject to these compulsory pooling orders and with the status of Marathon's operations on the spacing units approved by each order.
6. Due to the recent COVID-19 pandemic and downturn in the oil and gas market, Marathon is not able to complete the wells within the timeline outlined in the orders.
7. I have reviewed each compulsory pooling order in the above captioned cases.



8. EOG Resources Inc. is the only pooled working interest owner that has elected into the wells that are the subject of these extension requests. Marathon, through its counsel, is sending notice of these extension requests to EOG Resources Inc.

9. It is my opinion that the granting of these extensions is reasonable and in the interests of conservation and the prevention of waste.

10. I affirm that the testimony in paragraphs 1-9 above is true and correct to the best of my knowledge and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.


Ryan Gyllenband

9/15/20
Date

Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
09/17/2020

Firm Mailing Book ID: 195720

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0075 1856 37	EOG Resources, Inc. 5509 Champions Drive Midland TX 79706	\$1.00	\$3.55	\$1.70	\$0.00	81363.0178 Mammoth
Totals:			\$1.00	\$3.55	\$1.70	\$0.00	
			Grand Total:				\$6.25

List Number of Pieces Listed by Sender Total Number of Pieces Received at Post Office Postmaster: Name of receiving employee Dated: