

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



December 21, 2020

Marathon Oil Permian, LLC
c/o Deana M. Bennett, Agent
deana.bennett@modrall.com
P.O. Box 2208
Santa Fe, New Mexico 87504

RE: Request for Time Extension to Commence drilling

Case No. 16381, R-20996 approved date January 9, 2020

Deadline to commence drilling January 31, 2021

Applicant/Operator: Marathon Oil Permian, LLC

Proposed Well:

Crossbow Federal Com 23-27-8 WXY Well No. 2H, API No. Pending

Crossbow Federal Com 23-27-8 WA Well No. 4H, API No. Pending

Crossbow Federal Com 23-27-8 WXY Well No. 8H, API No. Pending

Crossbow Federal Com 23-27-8 WXY Well No. 9H, API No. Pending

Crossbow Federal Com 23-27-8 WA Well No. 10H, API No. Pending

Crossbow Federal Com 23-27-8 WXY Well No. 14H, API No. Pending

Crossbow Federal Com 23-27-8 WA Well No. 15H, API No. Pending

Crossbow Federal Com 23-27-8 WA Well No. 16H, API No. Pending

Dear Sir or Madam:

The following pertains to your request received by the Division on December 15th, 2020 and to the requirements in the captioned hearing order.

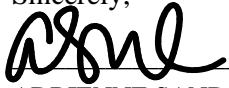
You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud this well due to “changes in Marathon’s drilling schedule due to COVID-19 and current market conditions”.. There was no opposition in the captioned case. You are requesting an additional year in which to spud this well. The spud date is now extended to, **January 31, 2022**.

The requested additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely,

A handwritten signature in black ink, appearing to read 'AS', written over a horizontal line.

ADRIENNE SANDOVAL

Director

AS/jag



December 15, 2020

Via E-mail

Deana M. Bennett
Deana.bennett@modrall.com
505-848-1834 (direct)
505.848.1800 (office)

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

Re: Drilling Extension Request for:

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

**CASE NO. 16381
ORDERS NOS. R-20996
AND R-20996-A**

Dear OCD:

Marathon Oil Permian, LLC ("Marathon") respectfully requests a one (1) year extension to drilling the well under Orders Nos. R-20996 and R-20996-A.¹ 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:

WELLS: Crossbow Fed Com 23-27-8 WXY 2H, API No. Pending
Crossbow Fed Com 23-27-8 WA 4H, API No. Pending
Crossbow Fed Com 23-27-8 WXY 8H, API No. Pending
Crossbow Fed Com 23-27-8 WXY 9H, API No. Pending
Crossbow Fed Com 23-27-8 WA 10H, API No. Pending
Crossbow Fed Com 23-27-8 WXY 14H, API No. Pending
Crossbow Fed Com 23-27-8 WA 15H, API No. Pending
Crossbow Red Com 23-27-8 WA 16H, API No. Pending

¹ Order R-20996-A was entered on May 7, 2020. That order pooled previously unidentified interest owners and provides that Order R-20996 remains in effect.

Modrall Sperling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103

LANDS: 1280-acre (more or less) spacing unit underlying Sections 7 and 8, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico.

Order R-20996 was issued on January 9, 2020, and requires Marathon to commence drilling on or before January 31, 2021. Order R-20996, p. 3, ¶ 4. Marathon requests an additional one-year period in which to commence drilling the listed wells, the extended period to expire January 31, 2022. Order R-20996 states that 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 Order R-20996, p. 3, ¶ 5.

The 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 Order R-20996, p. 3, ¶ 7. According to Marathon’s records three parties elected to participate in the drilling of the wells, but have not since executed a Joint Operating Agreement. Those three parties are:

- Texas Independent Exploration Limited
- Island Resources
- Grinch, LLC

Proof of notice is included with this letter.

Sincerely,

A handwritten signature in blue ink that reads "Deana M. Bennett".

Deana M. Bennett

Attorney for Marathon Oil Permian LLC



MODRALL SPERLING

L A W Y E R S

December 15, 2020

Via Certified Mail

Deana M. Bennett
Deana.bennett@modrall.com
505-848-1834 (direct)
505-848-1800 (office)

Re: Extension Request for:

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

**CASE NO. 16381
ORDERS NOS. R-20996
AND R-20996-A**

Enclosed please find a request submitted by Marathon Oil Permian, LLC to the New Mexico Oil Conservation Division seeking a one (1) year extension to complete the wells under the above-referenced order.

Sincerely,

Deana M. Bennett

Attorney for Marathon Oil Permian LLC

Modrall Sperling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com

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
12/15/2020

Firm Mailing Book ID: 200280

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0077 6777 89	Texas Independent Exploration Limited 6760 Portwest Drive Houston TX 77024	\$1.20	\$3.55	\$1.70	\$0.00	81363.0154. Notice
2	9314 8699 0430 0077 6777 96	Island Resources 6760 Portwest Houston TX 77024	\$1.20	\$3.55	\$1.70	\$0.00	81363.0154. Notice
3	9314 8699 0430 0077 6778 02	Grinch, LLC 6760 Portwest Houston TX 77024	\$1.20	\$3.55	\$1.70	\$0.00	81363.0154. Notice
Totals:			\$3.60	\$10.65	\$5.10	\$0.00	
			Grand Total:				\$19.35

List Number of Pieces
Listed by Sender

Total Number of Pieces
Received at Post Office

Postmaster:
Name of receiving employee

Dated: