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

APPLICATION OF MARATHON OIL PERMIAN LLC TO AMEND ORDER R-14577 AND R-14578 TO ALLOW ADDITIONAL TIME FOR COMPLETION OPERATIONS, LEA COUNTY, NEW MEXICO.

CASE NO. 15906 (RE-OPENED)

CASE NO. 15907 (RE-OPENED)

APPLICATION

Marathon Oil Permian LLC ("Marathon"), OGRID Number 372098, through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M. Stat. Ann. § 70-2-17, for an order: (1) amending Order R-14577 to allow for additional time to complete wells; and (2) amending Order R-14578 to allow for additional time to complete wells. In support of this application, Marathon states:

- 1. Marathon is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Order No. R-14577 approved the creation of a non-standard proration unit covering the Wolfcamp formation underlying the E/2 of Section 26, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico, and pooled all uncommitted interests underling this unit. Marathon plans to complete the Dee Boot Fee 24 34 26 WXY Well No. 3H (API NO. 30-025-44162), Dee Boot Fee 24 34 26 WA Well No. 6H (API NO. 30-025-44212) and the Dee Boot Fee 24 34 26 WXY Well No. 19H (API No. 30-025-44163) wells within the proration unit.
- 3. Order No. R-14578 approved the creation of a non-standard proration unit and pooled all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 26,

Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. Marathon plans to drill and complete the Dee Boot Fee 24 34 26 TB Well No. 7H (API No. 30-025-44165) within the proration unit.

4. Under both orders, the Division requires Marathon to complete specified wells within 120 days after the wells are drilled. Due to the rising demand for completion crews in this area, Marathon requests an extension of one (1) year between the time when the wells are drilled and the completion of the first well.

5. Notice of this application is being given in accordance with Division rules.

WHEREFORE, Marathon requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 20, 2018, and, after notice and hearing as required by law, the Division enter an order:

A. Amend Order No. 14577 to allow for a one year period between when the well(s) are drilled under that order and required to be completed;

B. Amend Order No. 14578 to allow for a one year period between when the well(s) are drilled under that order and required to be completed;

Respectfully submitted,

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

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: Application of Marathon Oil Permian LLC to Amend Order R-14577 and R-14578 to Allow Additional Time for Completion Operations, Lea County, New Mexico. Applicant seeks an order (1) amending Order R-14577 to allow additional time to complete wells; and (2) amending Order R-14578 to allow additional time to complete wells. These orders allow for the drilling and completion of the Dee Boot Fee 24 34 26 WXY Well No. 3H (API NO. 30-025-44162), Dee Boot Fee 24 34 26 WA Well No. 6H (API NO. 30-025-44212) and the Dee Boot Fee 24 34 26 WXY Well No. 19H (API No. 30-025-44163) wells within the Wolfcmap formation in the E/2 of Section 26, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico and the Dee Boot Fee 24 34 26 TB Well No. 7H (API No. 30-025-44165) within the Bone Spring formation in the E/2 E/2 of Section 26, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico. Said area is located approximately 15 miles northwest of Jal, New Mexico.