

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

**APPLICATION OF RILEY PERMIAN OPERATING  
COMPANY, LLC TO AMEND ORDER NO. R-22592,  
EDDY COUNTY, NEW MEXICO**

Case No. \_\_\_\_\_  
(Formerly Case 23186)

**APPLICATION**

Riley Permian Operating Company, LLC, OGRID No. 372290 (“Riley” or “Applicant”), through its undersigned attorneys, hereby files this Application with the Oil Conservation Division (“Division”) to amend Order No. R-22592, issued by the Division on behalf Redwood Operating, LLC, whose interests have been acquired by Applicant, to allow an additional year to commence drilling the proposed initial wells.

In support of its Application, Applicant states the following:

1. Division Order No. R-22592, entered on March 31, 2023, in Case No. 23186, pooled all uncommitted mineral interests in the Yeso formation underlying standard 160-acre, more or less, horizontal spacing unit comprised of the N<sup>1</sup>/<sub>2</sub>N<sup>1</sup>/<sub>2</sub> of Section 17, Township 18 South, Range 27 East, N.M.P.M, Eddy County, New Mexico, and dedicated the unit to the proposed **Sparkplug 17 Federal Com #1H, Sparkplug 17 Federal Com #2H, and Sparkplug 17 Federal Com #3H** wells.

2. Paragraph 19 of Order No. R-22592 requires Applicant to commence drilling the wells “within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.” Paragraph 20 of Order No. R-22592 provides

that the Order shall terminate if the wells are not timely commenced, unless the operator “obtains an extension by an amendment of this Order for good cause shown.”

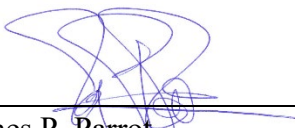
3. Good cause exists to extend the drilling deadline and Applicant requests that Order R-22592 be amended to allow an additional year to commence drilling the proposed initial wells under the Order. Applicant is currently engaged in negotiations on a new rig contract and is anticipating a delay in relocating the rig from its Texas field location. An extension will enable Applicant to finalize its negotiations and provide additional time for the rig to arrive at the location of the proposed initial wells.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 3, 2023, and after notice and hearing as required by law, the Division enter an order extending the time for Applicant to commence drilling the proposed initial wells under Order No. R-22592 to March 31, 2025.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: \_\_\_\_\_

  
James P. Parrot  
Beatty & Wozniak, P.C.  
1675 Broadway, Suite 600  
(303) 407-4499  
Fax: 800-886-6566  
[JParrot@bwenergylaw.com](mailto:JParrot@bwenergylaw.com)

*Attorneys for*  
Riley Permian Operating Company,  
LLC

***Application of Riley Permian Operating Company, LLC to Amend Order No. R-22592, Eddy County, New Mexico.*** Applicant in the above-styled cause seeks an order amending Order No. R-22592, issued on March 31, 2023, in Case No. 23186, to extend the wells commencement deadline one year, to March 31, 2025. Order No. R-22592 pooled all mineral interests in the Yeso formation in a 160-acre horizontal spacing unit comprised of the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 17, Township 18 South, Range 27 East, N.M.P.M, Eddy County, New Mexico, and requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The wells and lands are located approximately 5 miles east of Artesia, New Mexico.