

**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-22632,
EDDY COUNTY, NEW MEXICO**

CASE NO. 23922

RILEY PERMIAN OPERATING COMPANY, LLC'S PRE-HEARING STATEMENT

Riley Permian Operating Company, LLC ("Riley") submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Legacy Reserves Operating LP

ATTORNEY

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INTERESTED PARTIES

None

ATTORNEYS

APPLICANT'S STATEMENT OF CASE

In Case No. 23922, Riley seeks orders extending for an additional year the obligation to commence drilling under Division Order No. R-22632, entered on April 16, 2023, in Case No. 23346. This Order pooled all uncommitted mineral interests in the Yeso formation underlying standard 160-acre, more or less, horizontal spacing unit comprised of the S½N½ of Section 15,

Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, and dedicated the unit to the proposed Elm Fee #1H, Elm Fee #2H, Elm Fee #3H, and Elm Fee #4 wells.

Order No. R-22632 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-22632 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.”

Good cause exists to extend the drilling deadline and Applicant requests that Order R-22632 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. Therefore, Applicant requests that the Division amend the existing orders to extend the time to commence drilling the proposed wells to April 16, 2025.

APPLICANT’S PROPOSED EVIDENCE

The witnesses are as follows:

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Mark Smith, Landman	Affidavit	Approx. 5

PROCEDURAL MATTERS

If uncontested at the hearing, Riley intends to present this case by affidavit.

Dated this 26th day of October, 2023.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: 

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 279813

QUESTIONS

Operator: RILEY PERMIAN OPERATING COMPANY, LLC 29 E Reno Avenue, Suite 500 Oklahoma City, OK 73104	OGRID: 372290
	Action Number: 279813
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	1
Testimony time (in minutes)	<i>Not answered.</i>