

**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. 23923**

**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**

James Parrot  
Miguel Suazo  
Sophia Graham  
Beatty & Wozniak, P.C.  
500 Don Gaspar Ave.,  
Santa Fe, NM 87505  
(303) 407-4458  
Fax: 800-886-6566  
jparrot@bwenergylaw.com  
msuazo@bwenergylaw.com  
sgraham@bwenergylaw.com

**INTERESTED PARTIES**

None

**ATTORNEYS**

**APPLICANT'S STATEMENT OF CASE**

In Case No. 23923, Riley seeks orders extending for an additional year the obligation to commence drilling under Division Order No. R-22592, entered on March 31, 2023, in Case No. 23186. This Order pooled all uncommitted mineral interests in the Yeso formation underlying standard 160-acre, more or less, horizontal spacing unit comprised of the N½N½ 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.

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.”

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. Therefore, Applicant requests that the Division amend the existing orders to extend the time to commence drilling the proposed wells to March 31, 2025.

**APPLICANT’S PROPOSED EVIDENCE**

The witnesses are as follows:

<b>WITNESS Name and Expertise</b>	<b>ESTIMATED TIME</b>	<b>EXHIBITS</b>
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: 

James Parrot  
Miguel Suazo  
Sophia Graham  
Beatty & Wozniak, P.C.  
500 Don Gaspar Ave.,  
Santa Fe, NM 87505  
(303) 407-4458  
Fax: 800-886-6566  
[jparrot@bwenergylaw.com](mailto:jparrot@bwenergylaw.com)  
[msuazo@bwenergylaw.com](mailto:msuazo@bwenergylaw.com)  
[sgraham@bwenergylaw.com](mailto:sgraham@bwenergylaw.com)

*Attorneys for*  
Riley Permian Operating Company,  
LLC

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**  
 811 S. First St., Artesia, NM 88210  
 Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

QUESTIONS

Action 279824

**QUESTIONS**

Operator: RILEY PERMIAN OPERATING COMPANY, LLC 29 E Reno Avenue, Suite 500 Oklahoma City, OK 73104	OGRID: 372290
	Action Number: 279824
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

**QUESTIONS**

<b>Testimony</b>	
<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>