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

APPLICATION OF RILEY PERMIAN OPERATING COMPANY, LLC FOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case No. 24077

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 ATTORNEY

Riley Permian Operating Company, LLC Miguel Suazo

James Parrot Sophia Graham

Beatty & Wozniak, P.C. 500 Don Gaspar Ave., Santa Fe, NM 87505 (505) 946-2090 Fax: 800-886-6566

msuazo@bwenergylaw.com jparrot@bwenergylaw.com sgraham@bwenergylaw.com

INTERESTED PARTY ATTORNEY

None N/A

APPLICANT'S STATEMENT OF CASE

In this Case No. 24077, Riley seeks an order to create a standard 320-acre horizontal spacing unit ("HSU") comprised of the S/2N/2 and N/2S/2 of Section 9, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and to pool all uncommitted mineral interest owners within the Yeso Formation, underlying said HSU. Riley seeks to dedicate the above-referenced Yeso Formation horizontal spacing unit to the following proposed wells:

• Hawk 9 Federal Com 3H Well and Hawk 9 Federal Com 4H Well, which is an oil well that will be horizontally drilled from a surface location in the SW¼NW¼ of Section 10 to a bottom hole location in the Yeso Formation in the NW¼SW¼ of Section 9; and

• Hawk 9 Federal Com 5H Well, Hawk 9 Federal Com 7H Well, and Hawk 9 Federal Com 8H Well, which are oil wells that will be horizontally drilled from a surface location in the SW¹/₄NW¹/₄ of Section 10 to a bottom hole location in the Yeso Formation in the SW¹/₄NW¹/₄ of Section 9.

The wells are orthodox in location and the take points and laterals comply with Statewide Rules for setbacks. The completed interval for the Hawk 9 Federal Com 5H Well will be located within 330' of the quarter-quarter section line between the S/2N/2 and the N/2S/2 of Section 9, to allow for the creation of a 320-acre standard horizontal spacing unit. The wells and lands are located approximately 10 miles from Artesia, New Mexico.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Mark Smith, Senior Landman	Affidavit	Approx. 5
Joe Stone, Operations Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

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

Dated this 28th day of December, 2023.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By:

Miguel Suazo James Parrot Sophia Graham

Beatty & Wozniak, P.C. 500 Don Gaspar Ave.,

Santa Fe, NM 87505

(505) 946-2090

Fax: 800-886-6566

msuazo@bwenergylaw.com jparrot@bwenergylaw.com

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

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 298174

QUESTIONS

Operator:	OGRID:
RILEY PERMIAN OPERATING COMPANY, LLC	372290
29 E Reno Avenue, Suite 500	Action Number:
Oklahoma City, OK 73104	298174
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	2	
Testimony time (in minutes)	Not answered.	