

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

**APPLICATION OF RILEY PERMIAN  
OPERATING COMPANY, LLC FOR  
APPROVAL OF NON-STANDARD  
HORIZONTAL SPACING UNIT AND  
COMPULSORY POOLING, EDDY  
COUNTY, NEW MEXICO**

**CASE NO. 25047**

**RILEY PERMIAN OPERATING, 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**

Riley Permian Operating Company, LLC

**ATTORNEY**

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**INTERESTED PARTY**

Spur Energy Partners LLC

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**APPLICANT’S STATEMENT OF CASE**

In this case, Riley seeks orders to approve non-standard 160-acre, more or less, horizontal spacing unit (“HSU”) composed of the N/2 S/2 of Section 33, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico (the “Application Lands”), and to pool all uncommitted mineral interests in the Yeso formation, designated as oil pools, underlying said HSU.

Under **Case 25047**, Riley seeks to pool the Yeso formation underlying the Application Lands and seeks dedicate the HSU to the following proposed wells:

A. **Eagle 33 Fed Com #004H** (API No. 30-015-49329), which is an oil well that will be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 34, Township 17 South, Range 27 East, to a bottom hole location in the Yeso Formation in Lot 12 (Unit L) of Section 33, Township 17 South, Range 27 East;

B. **Eagle 33 Fed Com #005H** (API No. 30-015-49711), which is an oil well that will be horizontally drilled from a surface location in the NW/4SW/4 (Unit L) of Section 34, Township 17 South, Range 27 East, to a bottom hole location in the Yeso Formation in Lot 12 (Unit L) of Section 33, Township 17 South, Range 27 East;

The wells are orthodox in their location as defined by 19.15.16.15.(C) NMAC, and the take points and laterals comply with Statewide Rules for setbacks under 19.15.16.15.(C) NMAC. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The wells and lands are located approximately 7.5 miles southeast from Artesia, New Mexico.

**APPLICANT’S PROPOSED EVIDENCE**

**WITNESS**

**ESTIMATED TIME**

**EXHIBITS**

**Name and Expertise**

Mark Smith, Senior Landman	Affidavit	Approx. 9
Doug Standart, Geologist	Affidavit	Approx. 5

**PROCEDURAL MATTERS**

If uncontested at the hearing, Riley intends to present these cases by affidavit.

Dated this 6th day of February, 2025.

Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: 

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*Attorneys for Riley Permian Operating  
Company, LLC*

### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the forgoing was served to counsel of record by electronic mail this 6th day of February 2025, as follows:

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

Action 429357

**QUESTIONS**

Operator: RILEY PERMIAN OPERATING COMPANY, LLC 29 E Reno Avenue, Suite 500 Oklahoma City, OK 73104	OGRID: 372290
	Action Number: 429357
	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	2
Testimony time (in minutes)	15