

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

**APPLICATION OF RILEY PERMIAN
OPERATING CO., LLC FOR COMPULSORY POOLING,
LEA AND ROOSEVELT COUNTIES, NEW MEXICO**

Case No. 21332

**RILEY PERMIAN OPERATING CO., LLC'S
PRE-HEARING STATEMENT**

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

APPEARANCES

Riley is the applicant in this case. Its business address is 29 East Reno Ave, Suite 500, Oklahoma City, OK 73104. Riley is represented by the undersigned counsel.

STATEMENT OF THE CASE

Riley seeks an order pooling all uncommitted mineral interests in the San Andres formation in a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Section 4, Township 9 South, Range 34 East in Lea County and the W/2 SW/4 of Section 33, Township 8 South, Range 34 East in Roosevelt County, New Mexico. The horizontal spacing unit will be dedicated to the Torino 4-33 #3H well, which will be horizontally drilled from a surface location in Unit D in Section 9, Township 9 South, Range 34 East in Lea County to a bottom hole location in Unit L in Section 33, Township 8 South, Range 34 East in Roosevelt County. The completed interval for the well will be orthodox. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs, the designation of Riley as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well.

PROPOSED EVIDENCE

<u>WITNESS</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Ty Edelen (Landman)	15 minutes	Approx. 10
Daniel Osborne (Geologist)	15 minutes	Approx. 5

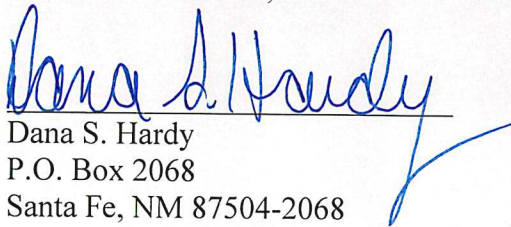
Riley reserves the right to call a rebuttal witness(es) if appropriate.

PROCEDURAL MATTERS

Riley is not aware of any procedural matters to be resolved prior to the hearing. If there is no opposition to its application, Riley will present its case by affidavit.

Respectfully submitted,

HINKLE SHANOR, LLP



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