

Revised March 23, 2017

ID NO. 300061

NSL - 8700

RECEIVED:

01/04/24

REVIEWER:

TYPE:

APP NO:

pLEL2400953575

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Silverback Operating II, LLC.OGRID Number: 330968Well Name: Krauss 22 C 102HAPI: 30-015-53330Pool: ATOKA; GLORIETA-YESOPool Code: 3250

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR2) **NOTIFICATION REQUIRED TO:** Check those which apply.A. ☒ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☐ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐

Notice Complete

☐Application
Content
Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

01/04/2024

Date

FATMA ABDALLAH

Print or Type Name

832-506-7262

Phone Number

Fatma Abdallah

Signature

FABDALLAH@SILVERBACKEXP.COM

e-mail Address



19707 IH 10 West
SUITE 201
SAN ANTONIO, TEXAS 78257

210-585-3316
WWW.SILVERBACKEXP.COM

January 4, 2024

Electronic Submission

New Mexico Oil Conservation Division
Attn: Mr. Leonard Lowe
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Silverback Operating II, LLC.

Request for Administrative Approval of a Non-Standard Location

Krauss 22 C 102H API# 30-015-53330
Atoka; Glorieta-Yeso [Pool Code 3250]
SHL: SESE P -Section 22-T18S-R26E
Eddy County, New Mexico

Dear Mr. Lowe:

Silverback Operating II, LLC ("Silverback") (OGRID No. 330968), pursuant to division rules 19.15.16.15(B)(5) and 19.15.15.11.B NMAC and applicable rules governing acreage and well spacing requirements for the Atoka; Glorieta-Yeso (Pool Code 3250), seeks administrative approval of a non-standard location for our Krauss 22 C 102H API# 30-015-53330.

The Krauss 22 C 102H well will be dedicated to a 160-acre horizontal spacing unit comprising of the S/2 of N/2 Section 22, Township 18 South, Range 26 East in Eddy County, NM. The acreage is governed by regulations providing for 330-foot setbacks. Accordingly, the completed interval is unorthodox because it is closer than 330 feet to the southern boundary of the spacing unit.

- Surface Hole – SESE 1125' FSL 178' FEL -P Sec 22 T18S R26E
- First Take Point – NESE 1513' FSL 100' FEL -I Sec 22 T18S R26E
- Last Take Point – NWSW 1513' FSL 100' FWL -L Sec 22 T18S R26E
- Bottom Hole – NWSW 1513' FSL 100' FWL- L Sec 22 T18S R26E

Approval of the NSL will allow Silverback to use its preferred spacing for the horizontal well, which will allow for efficient spacing to maximize recovery and prevent waste and will not violate correlative rights.

Please see attached documents:

- Application Checklist
- C-102 Plat
- Map in relation to the adjacent tracts
- Working Interest Notice Letter
- List of Affected Parties
- Certified mailing receipts for proof mailing

Should you have any questions regarding the application, please email me at fabdallah@silverbackexp.com or call 832-506-7262.

Sincerely,

Fatma Abdallah

Fatma Abdallah
Regulatory Manager

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-53330	² Pool Code 3250	³ Pool Name ATOKA, GLORIETA-YESO
⁴ Property Code 334817	⁵ Property Name KRAUSS 22 C	⁶ Well Number 102H
⁷ OGRID No. 330968	⁸ Operator Name SILVERBACK OPERATING II, LLC	⁹ Elevation 3,317'

¹⁰ Surface Location

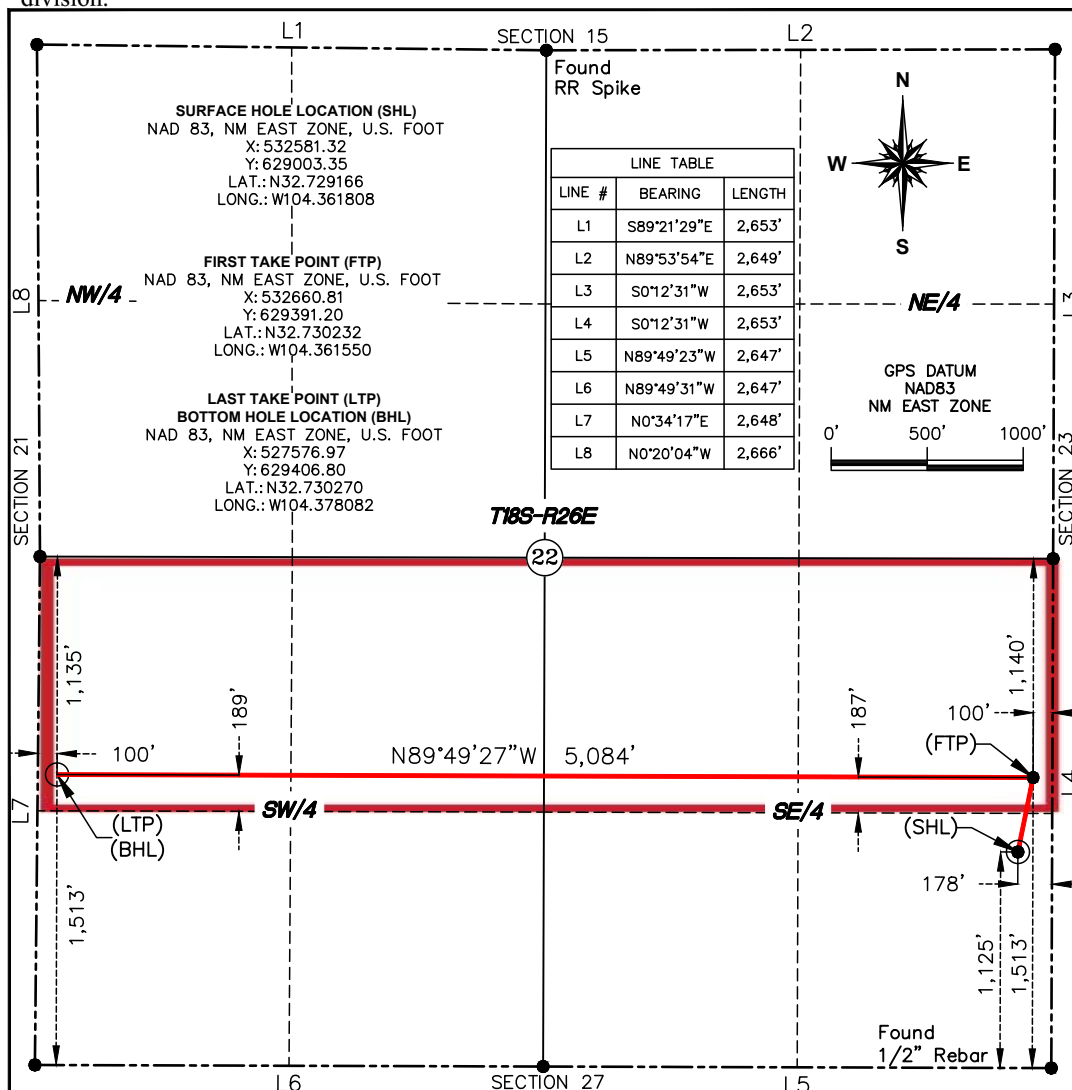
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	18-S	26-E		1,125'	SOUTH	178'	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	22	18-S	26-E		1,513'	SOUTH	100'	WEST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Fatma Abdallah 01/04/2024

Signature Date

Fatma Abdallah

Printed Name

fabdallah@silverback.com

E-mail Address

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

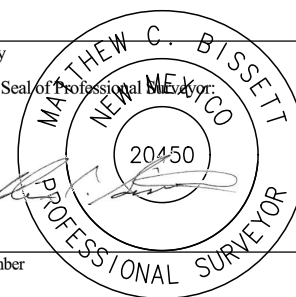
1/04/24

Date of Survey

Signature and Seal of Professional Surveyor:

20450

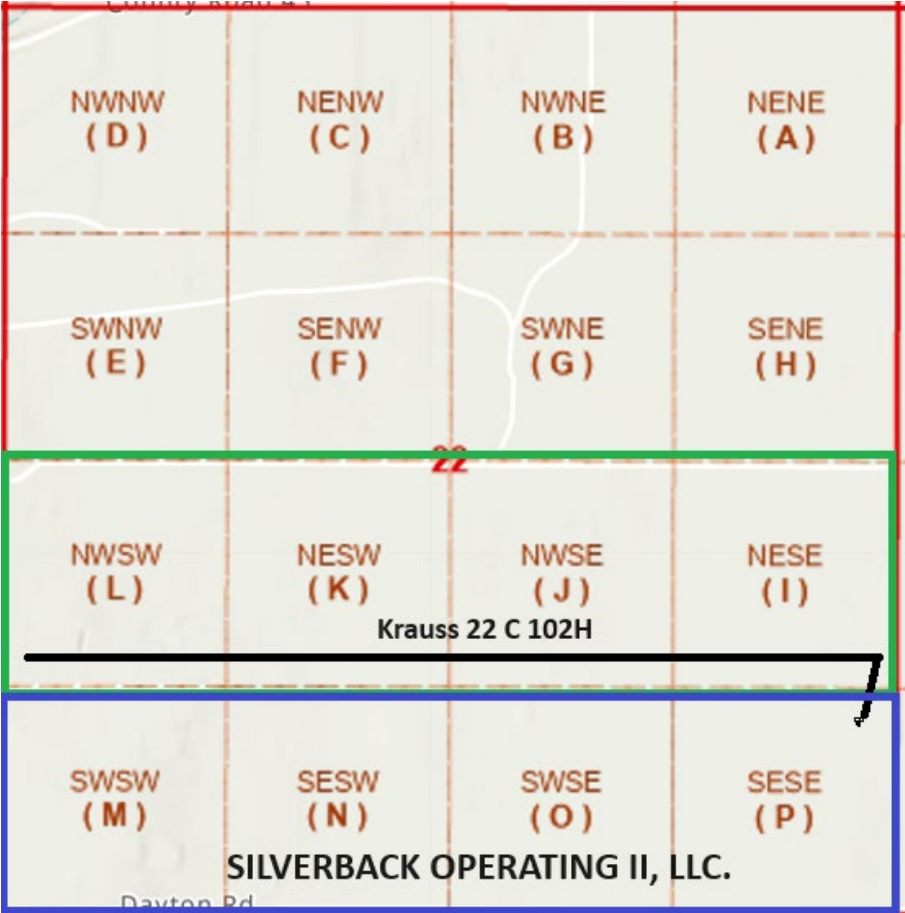
Certificate Number



Silverback Operating II LLC.
Krauss 22 C 102H
API: 30-015-53330

Eddy County
Section 22 Township 18 South, Range 26 East

Offset Adjacent Tracts



GREEN BOX =HSU FOR KRAUSS 22 C 102H

BLACK LINE= WELL LATERAL

BLUE BOX= OFFSET OPERATOR OF ADJACENT TRACTS



19707 IH 10 West
SUITE 201
SAN ANTONIO, TEXAS 78257

210-585-3316
WWW.SILVERBACKEXP.COM

January 4, 2024

Certified Mail-Return Receipt

To Whom It May Concern:

Pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13(C)-(D) NMAC and the applicable rules governing the acreage and well location requirements for the Atoka; Glorieta-Yeso (Pool Code 3250), Silverback Operating II LLC has requested administrative approval from the New Mexico Oil Conservation Division for a non-standard location of the Krauss 22 C 102H API# 30-015-53330 located SESE P -Section 22-T18S-R26E in Eddy County, New Mexico. The completed interval is unorthodox because it is closer than 330 feet to the southern boundary of the spacing unit.

As the owner of an interest that may be affected, you have the right to object to the application. If you have any objection to this application, notification should be given to the OCD within 20 days of the date of this letter.

Silverback is seeking approval of the non-standard location to allow for efficient spacing to maximize recovery and prevent waste while protecting correlative rights.

If you have any questions regarding this application, please contact me via telephone at 832-506-7262 or via email at fabdallah@silverbackexp.com.

Sincerely,

Fatma Abdallah

Fatma Abdallah
Regulatory Manager
Silverback Operating II LLC.

KRAUSS 102H - N2S2		LIST OF AFFECTED PARTIES			
Type	Affected Party	Address	City	State	ZIP
Offset Operator	Silverback Operating II, LLC	19707 IH-10 West, Suite 201	San Antonio	Texas	78257
Working Interest Owner	Oxy Y-1 Company	5 Greenway Plaza, Suite 110	Houston	Texas	77046
Working Interest Owner	Mongoose Minerals LLC	600 W. Illinois Ave	Midland	Texas	79701
Working Interest Owner	The Estate of Chester Russell	24170 Oak Lane	Mattawan	Michigan	49701
Working Interest Owner	AmeriPermian Holdings, LLC	1733 Woodstread Court, Suite 206	The Woodlands	Texas	77380
Working Interest Owner	Keith U. McCrary	716 Holopuni Road	Kula	Hawaii	96790

Silverback Operating II, LLC
19707 IH 10 WEST SUITE 201
SAN ANTONIO TX 78257

US POSTAGE AND FEES PAID

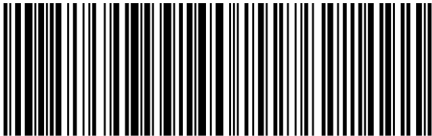


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USPS CERTIFIED MAIL™



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OXY Y-1 COMPANY
5 GREENWAY PLZ STE 110
HOUSTON TX 77046-0521

Silverback Operating II, LLC
19707 IH 10 WEST SUITE 201
SAN ANTONIO TX 78257

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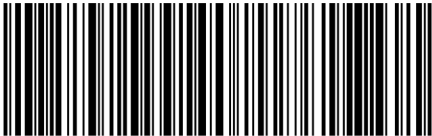


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MONGOOSE MINERALS LLC
600 W ILLINOIS AVE
MIDLAND TX 79701-4882

Silverback Operating II, LLC
19707 IH 10 WEST SUITE 201
SAN ANTONIO TX 78257

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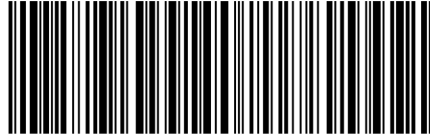
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THE ESTATE OF CHESTER RUSSELL
24170 OAK LN
MATTAWAN MI 49071-9515

Silverback Operating II, LLC
19707 IH 10 WEST SUITE 201
SAN ANTONIO TX 78257

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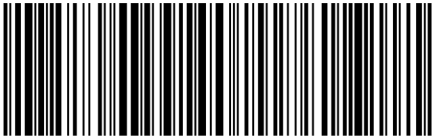


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AMERIPERMIAN HOLDINGS, LLC
1733 WOODSTEAD CT STE 206
THE WOODLANDS TX 77380-3401

Silverback Operating II, LLC
19707 IH 10 WEST SUITE 201
SAN ANTONIO TX 78257

US POSTAGE AND FEES PAID



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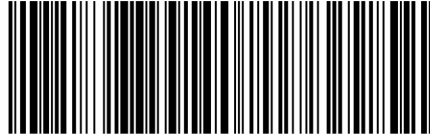
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9414 8362 0855 1069 3016 09



KEITH U. MCCRARY
716 HOLOPUNI RD
KULA HI 96790-8334

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
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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

CONDITIONS

Action 300061

CONDITIONS

Operator: Silverback Operating II, LLC 19707 IH10 West, Suite 201 San Antonio, TX 78256	OGRID: 330968
	Action Number: 300061
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	1/9/2024