

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

APPLICATION OF AMERICAN  
ENERGY RESOURCES LLC,  
FOR DE NOVO HEARING,  
EDDY COUNTY, NEW MEXICO

CASE NO. 24517  
CASE NO. 25237

MOTION TO STRIKE CASE NO 24517  
AND DIVISION ORDER NO. R-23405

American Energy Resources LLC (American) hereby submits this motion to strike Silverback case no 24517 and division order no R-23405 from the record in its entirety for violating the final order and state law.

A copy of the final order is attached hereto as ("Exhibit A")

...21) This order shall terminate automatically if the operator fails to comply with 19.15.4.12 B and 19.15.4.12 C NMAC.

State law 19.15.4.12 C NMAC requires at the hearing, the applicant shall make a record, either by testimony or affidavit, that the applicant or its authorized representative has signed, the applicant has:

- 1) Complied with notice provisions of 19.15.4.9 NMAC,
- 2) Conduct a good faith diligent effort to find the correct address of persons entitled to notice; and
- 3) Given notice to that correct address as 19.15.4.9 NMAC requires; in addition, the record shall contain the name and address of each person to whom notice was sent and, where proof of receipt is available, a copy of the proof.

State law requires that an applicant for compulsory pooling provide individual notice “to each owner of an interest in the mineral estate of any portion of the lands the applicant proposes to be pooled”. 19.15.4.12 B NMAC

The Final order grants an automatic termination of the final order for failure to comply with State law.


American is an effected party through its lease and operations of the Rio Penasco KD #003 well API: 30-015-23801.

Silverback willfully failed to notify an operator and interest owner American as required by state law and the final order.

Silverback willfully failed at their obligated duties as required by the Final order and State law and is standing with merit to grant the automatic termination of order no R-23405 and case no 24517 in its entirety.

American respectfully requests for the automatic termination of order no. 23405 and case no 24317 be granted.

Respectfully Submitted,



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Representative for American Energy Resources, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true a correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via Electronic mail on July 15, 2025:

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