

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Fatma Abdallah](#)
Cc: [Lamkin, Baylen L](#); [McClure, Dean, EMNRD](#)
Subject: RE: [EXTERNAL] RE: Action ID: 208722; PLC-918
Date: Wednesday, November 8, 2023 10:56:41 AM
Attachments: [image001.png](#)
[image002.png](#)

Ms. Abdallah,

The Division is rejecting the application to amend orders PLC-362 and PLC-362-A submitted by Silverback Operating II, LLC (330968) on April 19, 2023 and designated as Action ID: 208722 and PLC-918. This action is taken due to major modifications being made from what is proposed in the application which was provided to the interest owners; those modifications being additional wells and leases that were not included in the application and for a less accurate allocation method being requested to be utilized than is included in the application. As major modifications will require new notice to the interest owners be provided, the application is being rejected.

Please note the discussions in the email chain below when putting together a new application for this proposed project as the information requested will need to be provided for any new applications as well.

If you have any questions, please feel free to reach out.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Fatma Abdallah <fabdallah@silverbackexp.com>
Sent: Thursday, October 19, 2023 4:58 PM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: RE: [EXTERNAL] RE: Action ID: 208722; PLC-918

Mr. McClure,

Yes, Silverback will use the well test method for the Piglet wells along with the Roo wells and arrange the facility to allocate as such.

Yes, the original application PL-362A from 2013 added the Eeyore 34 State #1 to the Piglet CTB facility. The wells listed in the PL-362A is the same today.

Thank you,

Fatma Abdallah

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Thursday, October 19, 2023 4:54 PM
To: Fatma Abdallah <fabdallah@silverbackexp.com>
Subject: RE: [EXTERNAL] RE: Action ID: 208722; PLC-918

Ms. Abdallah,

Please note that like the Roo wells, the Piglet wells may only be allocated on a lease and pool basis if each lease and pool is separated into its own separator. As such Silverback may need to rearrange its Piglet facility so that another allocation method such as well test may be used. Please confirm how Silverback would like to proceed.

Additionally, reference is made to a Eeyore 34 State #1. Is this well a part of the commingling project?

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Fatma Abdallah <fabdallah@silverbackexp.com>
Sent: Thursday, October 19, 2023 8:55 AM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: RE: [EXTERNAL] RE: Action ID: 208722; PLC-918

Mr. McClure,

Please see answers and additional information to your questions in the email below. Please let me know if you have any other questions or concerns.

Thank you,

Fatma Abdallah

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Tuesday, October 17, 2023 10:00 AM
To: Fatma Abdallah <fabdallah@silverbackexp.com>
Subject: RE: [EXTERNAL] RE: Action ID: 208722; PLC-918

Ms. Abdallah,

When submitting an application to amend an Order, then a description of the entirety of the project should be included rather than only a description of newly added wells and facilities. This becomes even more important when older projects and orders are involved especially when the operator has changed since the issuance of the original order.

Please provide a statement regarding allocation to the Piglet wells. If you wish to pull direct language from a prior application, then please feel free to do so.

Piglet Allocation Method Description- From Original Submission PL-362A. Process Summary was also submitted again in the diagram page 7 of application. We have a test separator on each working interest contract area feeding into the Piglet CTB to ensure that all wells are correctly metered. There is a test separator on the Roo 22 State #5 (covering the working owners in the W/2 of section 22), a test separator on the Piglet 21 State #1 (covering the working interest owners in the SE/4 in Section 21), a test separator on the Piglet 21 State #5 (covering the working interest owners in the SW/4 in Section 21). There is a test separator in Section 34 on the Eeyore 34 State #1.

Regarding allocation for the Roo wells, the allocation method described does not seem to be that of well test, but having said that, provided Silverback is fine with conducting a well test for each well at least once per month, then that will be an acceptable allocation method. *Yes, Silverback will be conducting well test for each well at least once per month.*

Based off an initial review and the facility diagrams provided, I am assuming there are 4 facilities involved in this commingling project. Is that correct? *3 satellite batteries and 1 central tank battery.*

If so, please provide a quarter-quarter location for each.

*Roo 22 State #5 Satellite: SWNW Section 22 T 17S R 28E
Piglet 21 State #5 Satellite: SESW Section 21 T 17S R 28E
Section 34 (Mcham 34 State) Satellite: NWNE Section 34 T 17S R 28E
Piglet 21 State #1 Central Tank Battery: NESE Section 21 T 17S R 28E*

Is the DCP sales meter described in your response below the only gas meter for the project? *We have one sales point for the Roo and Piglet wells at the Piglet CTB. And another gas sales point for Section 34 located at NWNE Section 34 T 17S R 28E.*

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Fatma Abdallah <fabdallah@silverbackexp.com>
Sent: Monday, October 16, 2023 5:30 PM
To: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Subject: [EXTERNAL] RE: Action ID: 208722; PLC-918

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Mr. McClure,

Please see answers provided for the items listed below, as well as the attachments needed for clarification of application.

Please note that the Silverback application is an amendment to an existing commingle application PLC-362 to include new state leases as part of the Roo wells and the Roo allocation method. No other changes were made to the original permit PLC-362.

I also followed up with a phone call for more clarification on the allocation method. Please call/email when possible.

Thank you,

Fatma Abdallah
Regulatory Manager
Silverback Operating II, LLC.

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Friday, October 13, 2023 5:46 PM

To: Fatma Abdallah <fabdallah@silverbackexp.com>

Subject: Action ID: 208722; PLC-918

To whom it may concern (c/o Fatma Abdallah for Silverback Operating II, LLC),

The Division is reviewing the following application:

Action ID	208722
Admin No.	PLC-918
Applicant	Silverback Operating II, LLC (330968)
Title	Roo 22 State Facility
Sub. Date	4/19/2023

Please provide the following additional supplemental documents:

Please provide additional information regarding the following:

- Please provide the BTU and gravity values for each of the pools- **Please see attached. Information was submitted in the first application PLC-362.**
- Please confirm that the commingling of this production will not decrease the value of this production. **Please see attached. Information was submitted in the first application PLC-362. We confirm that commingling will not decrease the value of production.**

(A) POOL COMMINGLING Please attach sheets with the following information					
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
96210 Empire; Glorieta-Yeso	39.2 API Gravity	39.4 API Gravity		TOTAL: 1125 BOPD; 1200 MCFPD; 4500BWP	600 BOPD; 640MCFPD; 2400 BWP
96380 ARTESIA; GLORIETA-YESO	39.5 API Gravity				525 BOPD; 560 MCFPD; 2100BWP
(2) Are any wells producing at top allowables? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Has all interest owners been notified by certified mail of the proposed commingling? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No. (4) Measurement type: <input checked="" type="checkbox"/> Metering <input type="checkbox"/> Other (Specify) (5) Will commingling decrease the value of production? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "yes", describe why commingling should be approved					

- Please provide a proposed allocation method for the Piglet 21 State wells. **No changes have been made to the Piglet wells regarding allocation method. Same as original filing in PLC-362 approved permit.**
- Please provide a quarter-quarter location for each facility involved in this project. **Piglet Facility CTB: NE/4SE/4 of Sec. 21-17S-28E**
- Please provide a quarter-quarter location for each sales meter involved in this project: **DCP Meter: SWSW of Sec. 21-17S-28E**
- Please note that the proposed allocation for the Roo 22 State wells is not acceptable; I'm unsure what went on back when PLC-362 and PLC-362-A were approved, but if Silverback wishes to meter each set of production it will need to install a separator and meter for each lease and pool combo. Based on a quick glance, it would appear that at least 9 separators and meters would be required to correctly allocate production for just the Roo 22 State wells. As such, Silverback may instead wish to rearrange its facilities to determine allocation via well tests. Regardless, please propose a new method of allocation for the Roo 22 State wells. **Please see the C-107B which indicates measurement type will be "well test" method and we also provided the summary description in the application packet.**

(B) LEASE COMMINGLING Please attach sheets with the following information	
(1) Pool Name and Code.	
(2) Is all production from same source of supply? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Has all interest owners been notified by certified mail of the proposed commingling? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(4) Measurement type: <input type="checkbox"/> Metering <input checked="" type="checkbox"/> Other (Specify) Well Test	

- Please note that the following leases may not be included in this commingling project as it appears no wells are producing from them:
 - BO 1969 0030
 - BO 1111 0014
 - XO 2029 0082
- Please provide an explanation for why the Piglet State SWD #1 (30-015-40820) is included in this application. Perhaps Silverback is recovering skim oil and reallocating it back to the wells based off water production or other such method? If so, please provide a proposed method for allocation of the skim oil if Silverback wishes to include the well. **This well was added just to show all Piglet wells in the area but it will not be part of the commingling process.**
- Was public notice provided? If so please provide the affidavit of publication. **No public notice was provided, since we were able to find all addresses of all parties involved. Notice by publication. When an applicant is unable to locate all interest owners after 19.15.12 NMAC 4 exercising reasonable diligence, the applicant shall provide notice by publication and submit proof of publication with the application.**
- Please confirm that the following persons received notice of this application. It appears that at least 2 notices were returned and many of them do not return results for me when I conduct a search on the USPS website. **Please see the attached green cards showing delivery confirmation for the listed parties below. We have all green cards except for Manix Royalty, which we will be getting confirmation from them via email and will send it over shortly. We had a new address for them and provided a second mailing of notice once we received the returned envelope.**

Penroc Oil Corporation	9589 0710 5570 0018 9189 74	unknown
Chisos Ltd.	9589 0710 5570 0018 9190 01	unknown

	ZPZ Delaware I LLC	9589 0710 5570 0018 9189 81	unknown
	Longfellow LH LLC	9589 0710 5570 0018 9190 63	unknown
	Wilson Oil Company Ltd.	9589 0710 5570 0018 9190 87	unknown
	Gretchen B. Nearburg	9589 0710 5570 0018 9189 98	unknown
	Penasco Petroleum LLC	9589 0710 5570 0018 9189 67	unknown
5/18/2023	Manix Royalty Ltd.	7022 0410 0003 1781 3144	Returned
4/20/2023	Berrendo Assets, LLC	7022 0410 0003 1781 3083	Returned
	B R Land and Cattle, LLC	9589 0710 5570 0018 9191 00	unknown
	Nestegg Energy Corporation	9589 0710 5570 0018 9190 18	unknown

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Additional notes:

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All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: [Fatma Abdallah](#)
To: [McClure, Dean, EMNRD](#)
Subject: [EXTERNAL] RE: Action ID: 208722; PLC-918 Notice of Delivery for Manix Royalty
Date: Monday, October 30, 2023 5:23:07 PM
Attachments: [USPS.com® - USPS Tracking® Results.pdf](#)
[Label.pdf](#)


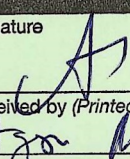
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Mr. McClure,


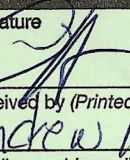
Attached is the delivery confirmation to the new address for the Manix Royalty lease. We received a new contact and address to send the commingle package to. Please let me know if you have any questions or need anything else regarding our commingling application.

Thank you,


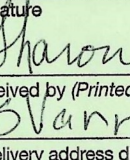
Fatma Abdallah
Regulatory Manager
Silverback Operating II, LLC.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Penroc Oil Corporation P.O. Box 2769 Hobbs, NM 88241-2769</p>  <p>9590 9402 7511 2098 6746 73</p> <p>2. Article Number (Transfer from service label)</p> <p>9589 0710 5270 0018 9189 74</p>	<p>A. Signature X </p> <p><input type="checkbox"/> Agent <input type="checkbox"/> Address</p> <p>B. Received by (Printed Name) C. Date of Delivery Ago Mar 4-17-23</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Registered Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p>red Mail red Mail Restricted Delivery (over \$500)</p>

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<p>1. Article Addressed to:</p> <p>Longfellow LT LLC 8115 Preston Rd. Ste 800 Dallas, TX 75225-6335</p>		<p>B. Received by (Printed Name)</p>	<p>C. Date of Delivery 4/17/23</p>
<p>2. Article Number (Transfer from service label)</p> <p>9589 0710 5270 0018 9190 63</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>Barcode: 9590 9402 7511 2098 6746 28</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>	
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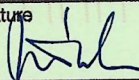
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<p>1. Article Addressed to:</p> <p>Wilson Oil Company Ltd. 204 N Guadalupe St #C Santa Fe, NM 87501</p>		<p>B. Received by (Printed Name)</p>	<p>C. Date of Delivery</p>
<p>2. Article Number (Transfer from service label)</p> <p>7020 3160 0001 5827 0725</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>Barcode: 9590 9402 8061 2349 2317 13</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>	
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<p>1. Article Addressed to:</p> <p>Gretchen B. Nearbug 1129 Challenger Lakeway, TX 78734-3825</p>		<p>B. Received by (Printed Name)</p>	<p>C. Date of Delivery</p>
<p>2. Article Number (Transfer from service label)</p> <p>9589 0710 5270 0018 9189 98</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>Barcode: 9590 9402 7511 2098 6746 04</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™ <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>	
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<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Berrendo Assets, LLC P.O. Box 12454 Dallas, TX 75225-0454</p>  <p>9590 9402 7511 2098 6745 29</p> <p>2. Article Number (Transfer from service label)</p> <p>7022 0410 0003 1781 3083</p> <p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p>		<p>A. Signature <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Robert D. Johnson</i> C. Date of Delivery 4-20-23</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p> <p><input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p>Domestic Return Receipt</p>	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>B.R. Land + Cattle, LLC P.O. Box 2243 Longview, TX 75606-2243</p>  <p>9590 9402 7586 2098 5921 86</p> <p>2. Article Number (Transfer from service label)</p> <p>9589 0710 5270 0018 9191 00</p> <p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p>		<p>A. Signature <input checked="" type="checkbox"/> <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>ashgubee</i> C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p> <p><input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p>Domestic Return Receipt</p>	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>X </p>	
<p>1. Article Addressed to:</p> <p>Nestegg Energy Corporation 2308 Sierra Vista Rd. Artesia, NM 88210-9409</p>		<p>B. Received by (Printed Name) C. Date of Delivery</p> <p>Joel W. Miller 4-15-23</p>	
<p>2. Article Number (Transfer from service label)</p> <p>9590 9402 7511 2098 6746 35</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p>		<p>4. Additional Services</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery (over \$500)</p>	
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	

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

US POSTAGE AND FEES PAID



2023-10-23

78257

C4000004

Retail

3.0 OZFLAT



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USPS CERTIFIED MAIL™



9414 8361 0544 0537 7744 79



JOHN HILLMAN
PO BOX 50187
MIDLAND TX 79710-0187

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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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: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

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 ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ 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.

 Print or Type Name

 Date

 Phone Number

 Signature

 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Silverback Operating II, LLC.
OPERATOR ADDRESS: 19707 I-10, San Antonio, TX 78256
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☐ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. PLC-362
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☐ Metering ☒ Other (Specify) Well Test

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Fatma Abdallah TITLE: Regulatory Manager DATE: 04/11/2023
TYPE OR PRINT NAME Fatma Abdallah TELEPHONE NO.: 210-585-3316
E-MAIL ADDRESS: fabdallah@silverbackexp.com

API	Well Name	Well Number	Type	Mineral Owner	Surface Owner	Status	Unit Letter	Section	Township	Range	OCD Unit Letter	Current Operator
30-015-39495	ROO 22 STATE	#003	Oil	State	State	Active	L	22	17S	28E	L	[330968] Silverback Operating II, LLC
30-015-39496	ROO 22 STATE	#004	Oil	State	State	Active	K	22	17S	28E	K	[330968] Silverback Operating II, LLC
30-015-39497	ROO 22 STATE	#005	Oil	State	State	Active	E	22	17S	28E	E	[330968] Silverback Operating II, LLC
30-015-39653	ROO 22 STATE	#007	Oil	State	State	Active	D	22	17S	28E	D	[330968] Silverback Operating II, LLC
30-015-39654	ROO 22 STATE	#008	Oil	State	State	Active	C	22	17S	28E	C	[330968] Silverback Operating II, LLC
30-015-39651	ROO 22 STATE	#002	Oil	State	State	Active	N	22	17S	28E	N	[330968] Silverback Operating II, LLC
30-015-39652	ROO 22 STATE	#006	Oil	State	State	Active	F	22	17S	28E	F	[330968] Silverback Operating II, LLC
30-015-39370	ROO 22 STATE	#001	Oil	State	State	Active	M	22	17S	28E	M	[330968] Silverback Operating II, LLC
30-015-40535	ROO 22 STATE	#013	Oil	State	State	Active	C	22	17S	28E	C	[330968] Silverback Operating II, LLC
30-015-40533	ROO 22 STATE	#011	Oil	State	State	Active	K	22	17S	28E	K	[330968] Silverback Operating II, LLC
30-015-40531	ROO 22 STATE	#009	Oil	State	State	Active	M	22	17S	28E	M	[330968] Silverback Operating II, LLC
30-015-40532	ROO 22 STATE	#010	Oil	State	State	Active	N	22	17S	28E	N	[330968] Silverback Operating II, LLC
30-015-40534	ROO 22 STATE	#012	Oil	State	State	Active	F	22	17S	28E	F	[330968] Silverback Operating II, LLC
30-015-40855	ROO 22 STATE	#014	Oil	State	State	Active	D	22	17S	28E	D	[330968] Silverback Operating II, LLC
30-015-40856	ROO 22 STATE	#015	Oil	State	State	Active	E	22	17S	28E	E	[330968] Silverback Operating II, LLC
30-015-40857	ROO 22 STATE	#016	Oil	State	State	Active	L	22	17S	28E	L	[330968] Silverback Operating II, LLC

API	Well Name	Well Number	Type	Mineral Owner	Surface Owner	Status	Unit Letter	Section	Township	Range	Current Operator
30-015-39371	PIGLET 21 STATE	#001	Oil	State	State	Active	I	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39498	PIGLET 21 STATE	#002	Oil	State	State	Active	O	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40163	PIGLET 21 STATE	#003	Oil	State	State	Active	P	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39499	PIGLET 21 STATE	#004	Oil	State	State	Active	M	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39500	PIGLET 21 STATE	#005	Oil	State	State	Active	N	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39501	PIGLET 21 STATE	#006	Oil	State	State	Active	L	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39502	PIGLET 21 STATE	#007	Oil	State	State	Active	K	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40432	PIGLET 21 STATE	#014	Oil	State	State	Active	L	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40721	PIGLET 21 STATE	#015	Oil	State	State	Active	K	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40723	PIGLET 21 STATE	#016	Oil	State	State	Active	M	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40722	PIGLET 21 STATE	#017	Oil	State	State	Active	N	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40433	PIGLET 21 STATE	#018	Oil	State	State	Active	O	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40434	PIGLET 21 STATE	#019	Oil	State	State	Active	I	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-41169	PIGLET 21 STATE	#022	Oil	State	State	Active	O	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-41173	PIGLET 21 STATE	#023	Oil	State	State	Active	O	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40861	PIGLET 21 STATE	#024	Oil	State	State	Active	P	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-41174	PIGLET 21 STATE	#027	Oil	State	State	Active	L	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-41175	PIGLET 21 STATE	#028	Oil	State	State	Active	L	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40820	PIGLET STATE SWD	#001	SWD	State	State	Active	J	21	17S	28E	[330968] Silverback Operating II, LLC

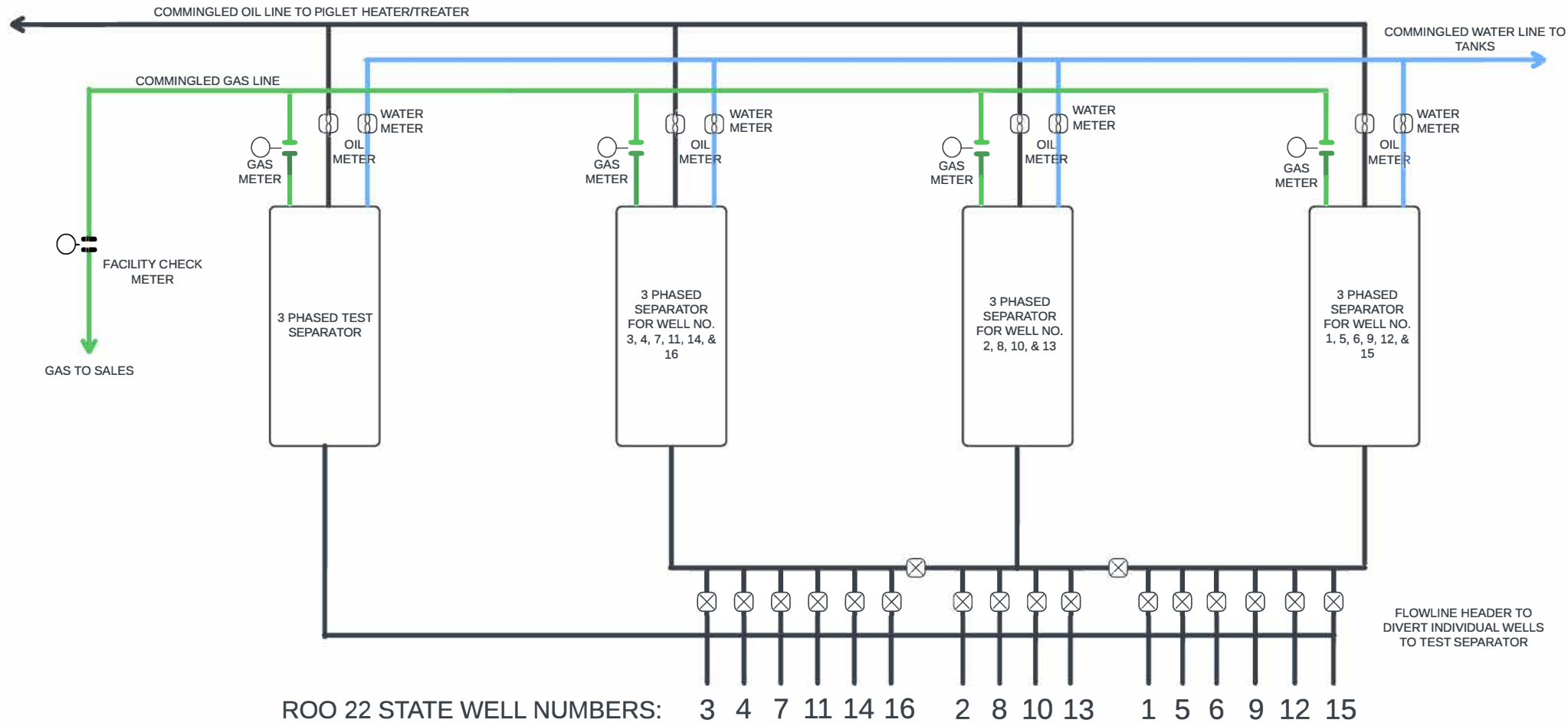
Measurement Allocation Process for Silverback's Roo 22 State Facility

The Roo 22 State facility handles the production from sixteen Roo 22 State wells. There are three separate groups of wells on this lease with each group having varied ownership interests. Well Nos. 3, 4, 7, 11, 14, and 16 have common ownership interests and are one group. Well Nos. 2, 8, 10, and 13 have common ownership interests and are one group. Well Nos. 1, 5, 6, 9, 12, and 15 have common ownership interests and are one group. Silverback will measure the oil, water, and gas production from each group of wells prior to commingling each production stream.

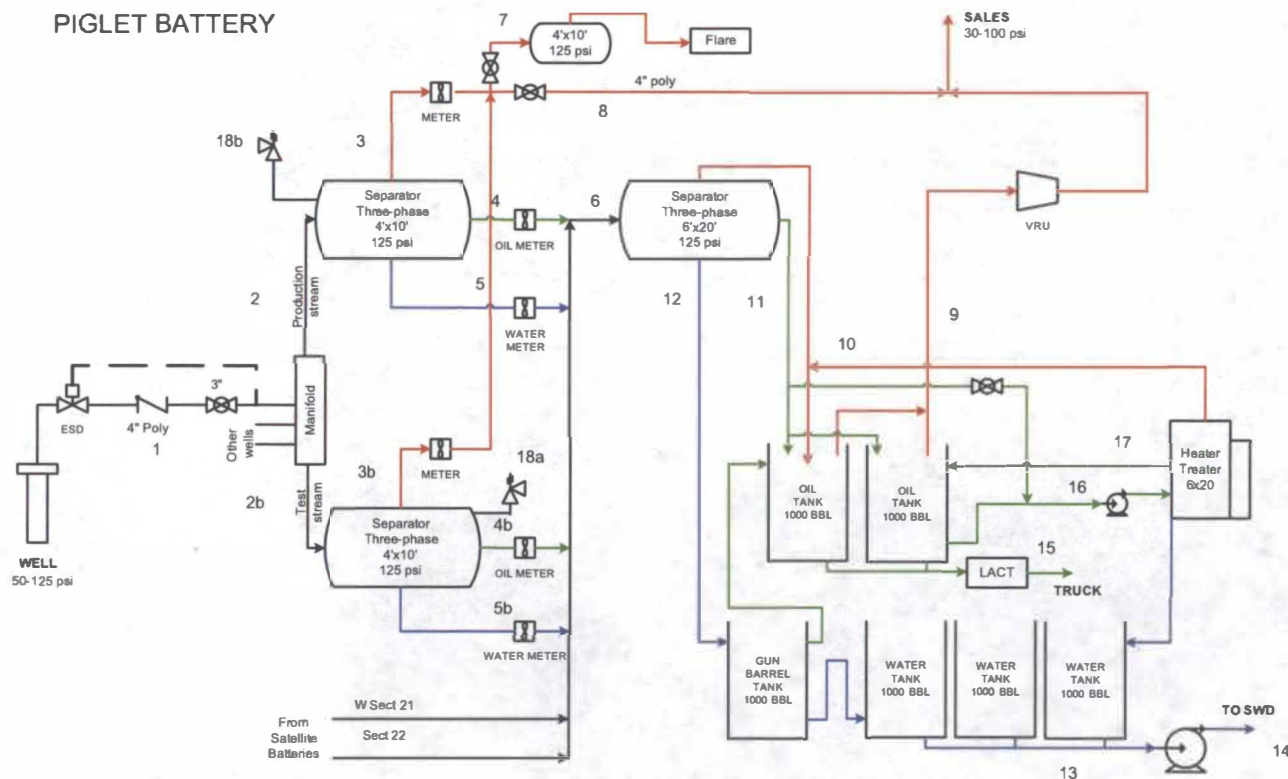
Oil and Water Measurement: Each group of wells flow into their own independent three phased separator. A flowline header is used to divert the flow from each well to the appropriate separator. The oil and water are measured with turbine meters prior to comingling in common dump lines from the other two groups' three phased separators and a test separator. The test separator is used to periodically test individual wells so production can be allocated to each well based on these well tests. The oil and water volumes from the test separator is added to the daily volume of the appropriate group's bulk separator volumes depending on which well is being tested that day. The daily stock tank volumes are allocated back to each group of wells based on the percentage of contribution as determined by the volumes shown on the turbine meters and the test separator meters. These allocated stock tank volumes are credited to each group of wells, and ultimately, each well.

Gas Measurement: The gas volumes are allocated basically the same way as the liquid volumes are allocated with the exception of orifice gas meter runs with electronic flow meters are used. The gas is measured from each group's three phased separator and the test separator. The gas is commingled in a common gas line after measurement from each group's three phased separator and the test separator. Percentages are calculated using the volumes from each group's meter with the test separator gas volume being added to the appropriate group's volume. These percentages are then used to allocate volumes measured on the pipeline sales meter. A facility check meter measures our gas prior to leaving our facility to confirm no losses occur prior to the gas reaching the sales meter.

SILVERBACK ROO 22 STATE FACILITY DRAWING



PIGLET BATTERY



Line Description

- 1 - Produced gas, oil and water coming from section 22 state wells into the header
- 2 - Produced gas, oil, and water coming off the automatic well testing header from the wells not on test and headed to the production separator.
- 2b - Produced gas, oil, and water coming off the automatic well test header from the well on test and headed to the test separator.
- 3 - Produced gas leaving the production separator headed to the gas meter.
- 3b - Produced gas leaving the test separator headed to the gas meter.
- 4 - Produced oil leaving the production separator headed to the oil meter.
- 4b - Produced oil leaving the test separator headed to the oil meter.
- 5 - Produced water leaving the production separator headed to the water meter.
- 5b - Produced water leaving the test separator headed to the water meter.
- 6 - Produced oil, water from W sect 21 Sect 22 to 6x20 production separator.
- 7 - Produced gas to flare system.
- 8 - Produced gas to sales pipeline and meter.
- 9 - Tank vapors to vapor recovery unit.
- 10 - Produced gas to oil tanks

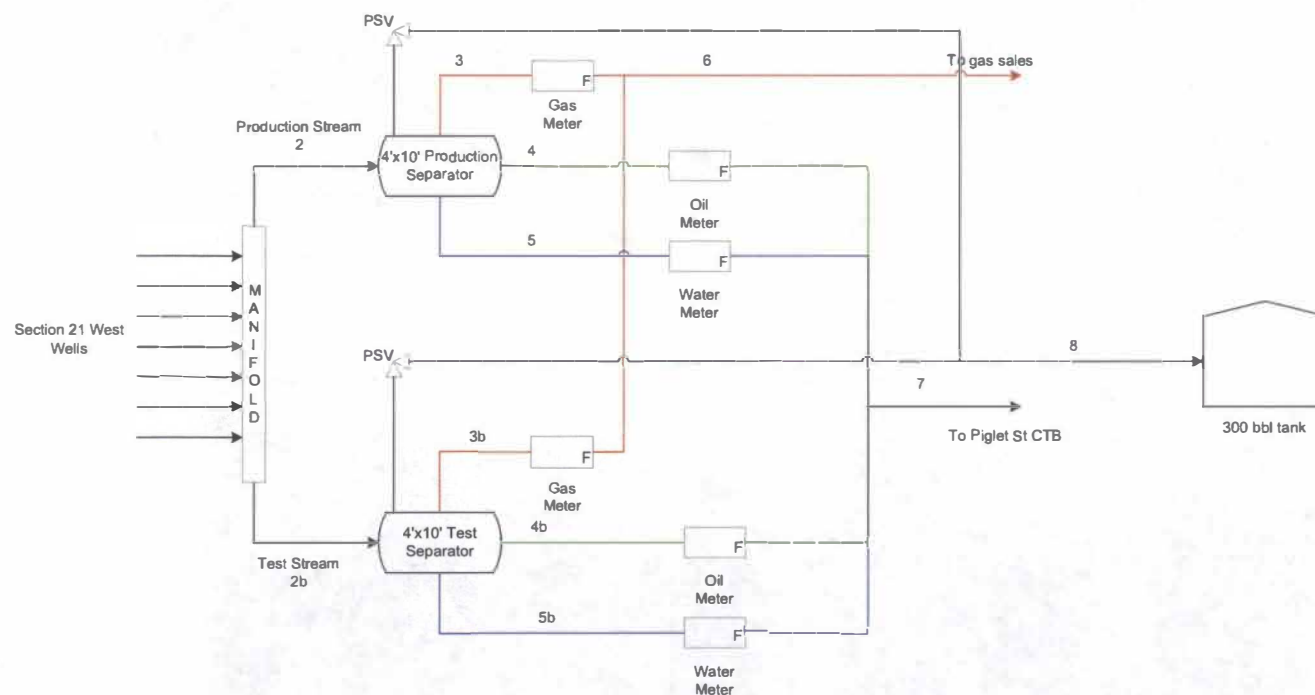
Line Description

- 11 - Produced oil from 6'x20' production separator to 2-1000 bbl oil tanks.
- 12 - Produced water from 6'x20' production separator to 1000 bbl Gunbarrel and Produced water tanks.
- 13 - Produced water from tanks to low pressure transfer pump.
- 14 - Produced water from pump to Judah SWD.
- 15 - Produced oil from two 1000 bbl oil tanks to truck LACT units to sales.
- 16 - Produced oil from two 1000 bbl oil tanks to recirculating pumps to bad oil heater treater.
- 17 - Produced oil from heater treater to two 1000 bbl tanks.
- 18a/b- PSV fluids to produced water tanks.



Current Revision Number	Date
Rev 1	Rev 1 - 5/14/12

Title: Section 21 State Piglet CTB – Process Summary
Location: New Mexico Section 21 State
Origination Date: 5/14/2012
Revision: 1
Page: 1



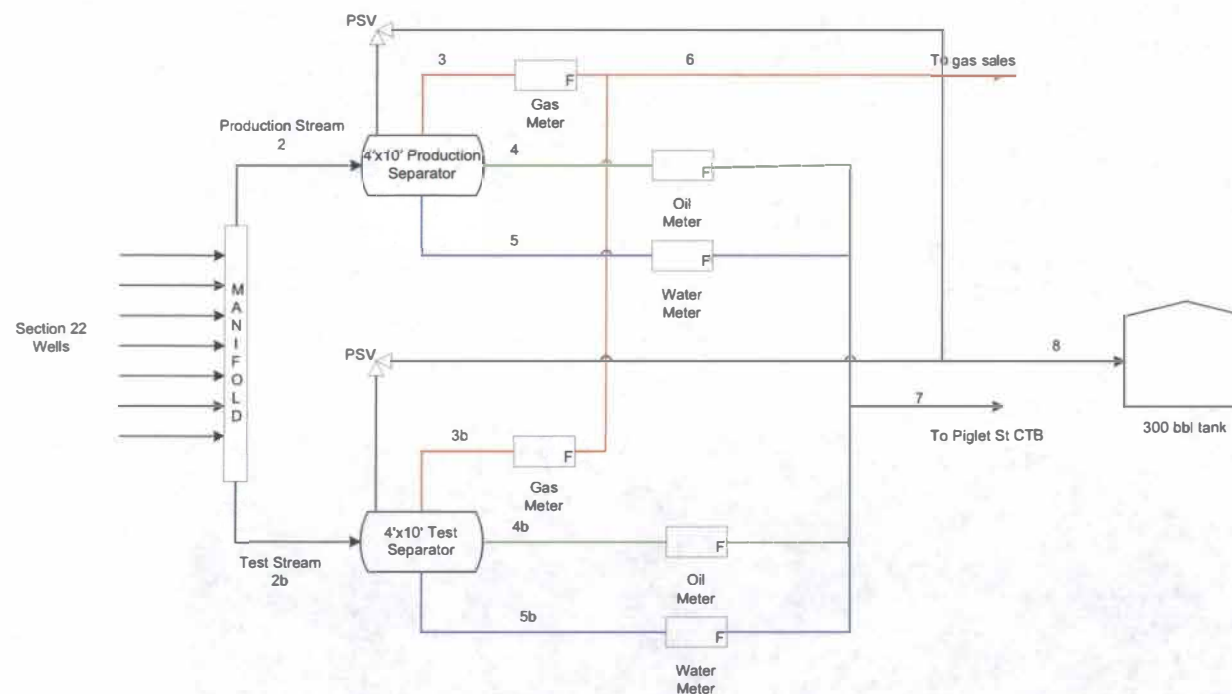
Line Description

- 1 - Produced gas, oil and water coming from section 21 west state wells into the header
- 2 - Produced gas, oil, and water coming off the automatic well testing header from the wells not on test and headed to the production separator.
- 2b - Produced gas, oil, and water coming off the automatic well test header from the well on test and headed to the test separator.
- 3 - Produced gas leaving the production separator headed to the gas meter.
- 3b - Produced gas leaving the test separator headed to the gas meter.
- 4 - Produced oil leaving the production separator headed to the oil meter.
- 4b - Produced oil leaving the test separator headed to the oil meter.
- 5 - Produced water leaving the production separator headed to the water meter.
- 5b - Produced water leaving the test separator headed to the water meter.
- 6 - Total satellite produced gas from production/test separator to gas sales pipeline.
- 7 - Total satellite produced water and oil from production/test separator to liquid pipeline headed to Piglet State central tank battery.
- 8 - Emergency relief to 300 bbl tank.



Current Revision Number	Date
Rev 1	Rev 1 - 5/14/12

Title: Section 21 State East Satellite – Process Summary
Location: New Mexico Section 21 State East
Origination Date: 5/14/2012
Revision: 1
Page: 1



Line Description

- 1 - Produced gas, oil and water coming from section 22 state wells into the header
- 2 - Produced gas, oil, and water coming off the automatic well testing header from the wells not on test and headed to the production separator.
- 2b - Produced gas, oil, and water coming off the automatic well test header from the well on test and headed to the test separator.
- 3 - Produced gas leaving the production separator headed to the gas meter.
- 3b - Produced gas leaving the test separator headed to the gas meter.
- 4 - Produced oil leaving the production separator headed to the oil meter.
- 4b - Produced oil leaving the test separator headed to the oil meter.
- 5 - Produced water leaving the production separator headed to the water meter.
- 5b - Produced water leaving the test separator headed to the water meter.
- 6 - Total satellite produced gas from production/test separator to gas sales pipeline.
- 7 - Total satellite produced water and oil from production/test separator to liquid pipeline headed to Piglet State central tank battery.
- 8 - Emergency relief to 300 bbl tank.

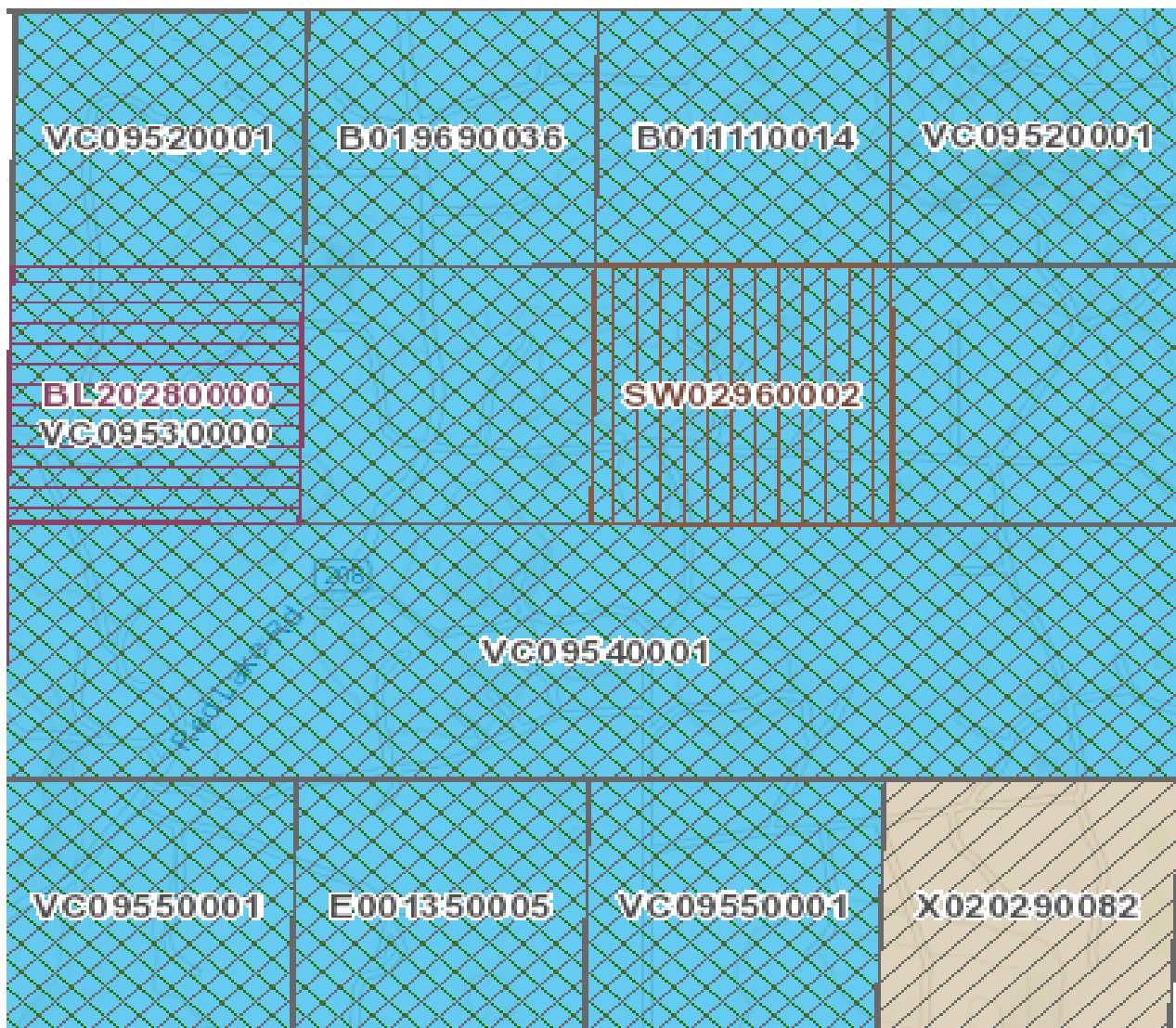


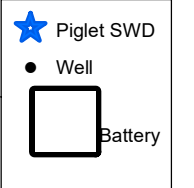
Current Revision Number	Date
Rev 1	Rev 1 - 5/14/12

Title: Section 22 State Satellite – Process Summary
Location: New Mexico Section 22 State
Origination Date: 5/14/2012
Revision: 1
Page: 1

22-17S-228E

SLO Lease ID	QQ	Record Title	Wells	Group #
VC09520001	NWNW, NENE	SEP Permian LLC	7,14	3
B019690036	NENW	ZPZ Delaware I LLC	8,13	1
B011110014	NWNE	ZPZ Delaware I LLC		
VC09530000	S2N2	SEP Permian LLC	5,15,6,12	2
VC09540001	N2S2	SEP Permian LLC	3, 4,11,16	3
VC09550001	SWSW, SWSE	SEP Permian LLC	1,9	2
E001350005	SESW	ConocoPhillips Co.; Chisos, Ltd.	2, 10	1
X020290082	SESE	SEP Permian LLC		





0 0.05 0.1 Miles





19707 IH 10 West
SUITE 201
SAN ANTONIO, TEXAS 78257

210-585-3316
WWW.SILVERBACKEXP.COM

April 12, 2023

Certified Mail-Return Receipt

Re: Application for Surface Commingling for Oil
Production at the Roo State Facility in Eddy County, New Mexico.

Dear Interest Owner:

In accordance with 19.15.4.12 NMAC, this notice is to advise you that Silverback Operating II, LLC. is filing for an amendment to the surface commingling Order No. PLC-362 for the Roo State Facility. We are requesting to add new leases to be commingled with the Roo State Facility. A copy of the application submitted to the New Mexico Oil Conservation Division is attached.

Any objections or requests for a hearing regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 20 Days from the date of this letter.

Pursuant to Statewide rule 19.15.12.10(C)(4)(g) requests the option to include additional pools or leases within the defined parameters set forth in the order for future additions.

For questions regarding this application, please contact Fatma Abdallah at 210-585-3316.

Respectfully,

Fatma Abdallah

Fatma Abdallah
Regulatory Manager
Silverback Operating II, LLC
210-585-3316.

Amendment to Order No. PLC-362
Roo State Wells Commingle Application

Exhibit A- Notice List

Penroc Oil Corporation
P O BOX 2769
HOBBS, NM 88241-2769

Chisos Ltd.
1331 LAMAR ST STE 1077
HOUSTON, TX 77010-3135

ZPZ Delaware I LLC
2000 Post Oak Blvd.
Houston, TX 77056-4499

SEP Permian LLC
PO BOX 79840
HOUSTON, TX 77279-9840

Longfellow LH LLC
8115 PRESTON RD STE 800
DALLAS, TX 75225-6335

Wilson Oil Company Ltd.
PO BOX 1297
SANTA FE, NM 87504-1297

Gretchen B. Nearburg
1129 CHALLENGER
LAKEWAY, TX 78734-3825

ConocoPhillips
600 W. ILLINOIS AVE.
MIDLAND, TX 79701

Penasco Petroleum LLC
PO BOX 2292
ROSWELL, NM 88202-2292

Lucinda Loveless Revocable Trust
PO BOX 8
HONDO, NM 88336-0008

Richardson Mineral Royalty LLC
PO BOX 2423
ROSWELL, NM 88202-2423

Manix Royalty Ltd.
PO BOX 2818
MIDLAND, TX 79702-2818

John & Theresa Hillman Family Properties
PO BOX 50187
MIDLAND, TX 79710-0187

New Mexico State Land Office
310 Old Santa Fe Trail
SANTA FE, NM 87501

Rolla R. Hinkle, III
PO BOX 2292
ROSWELL, NM 88202-2292

Berrendo Assets, LLC
PO BOX 12454
DALLAS, TX 75225-0454

B R Land and Cattle, LLC
PO BOX 2243
LONGVIEW, TX 75606-2243

Nestegg Energy Corporation
2308 SIERRA VISTA RD
ARTESIA, NM 88210-9409

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only

For delivery information, visit our website at www.usps.com.
Santa Fe, NM 87504

Certified Mail Fee \$4.15
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
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☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00
Postage \$1.11
Total Postage and Fees \$9.01

Sent To Wilson Oil Company Ltd.
Street and Apt. No., or PO Box No. P.O. Box 1297
City, State, ZIP+4® Santa Fe, NM 87504-1297
PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Longview, TX 75606

Certified Mail Fee \$4.15
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00
Postage \$0.87
Total Postage and Fees \$8.37

Sent To B.R. Land & Cattle, LLC
Street and Apt. No., or PO Box No. P.O. Box 2243
City, State, ZIP+4® Longview, TX 75606-2243
PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Roswell, NM 88202

Certified Mail Fee \$4.15
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00
Postage \$0.87
Total Postage and Fees \$8.37

Sent To Richardson Mineral Property
Street and Apt. No., or PO Box No. P.O. Box 2423
City, State, ZIP+4® Roswell, NM 88202-2423
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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Dallas, TX 75225

Certified Mail Fee \$4.15
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00
Postage \$0.87
Total Postage and Fees \$8.37

Sent To Berrendo Assets, LLC
Street and Apt. No., or PO Box No. P.O. Box 12454
City, State, ZIP+4® Dallas, TX 75225-0454
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only

For delivery information, visit our website at www.usps.com.
Midland, TX 79702

Certified Mail Fee \$4.15
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00
Postage \$0.87
Total Postage and Fees \$8.37

Sent To John & Theresa Hillman Family Properties
Street and Apt. No., or PO Box No. P.O. Box 50187
City, State, ZIP+4® Midland, TX 79702-0187
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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For delivery information, visit our website at www.usps.com.
Midland, TX 79702

Certified Mail Fee \$4.15
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$0.00
☐ Return Receipt (electronic) \$0.00
☐ Certified Mail Restricted Delivery \$0.00
☐ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$0.00
Postage \$0.87
Total Postage and Fees \$8.37

Sent To Manix Royalty, Ltd.
Street and Apt. No., or PO Box No. P.O. Box 2818
City, State, ZIP+4® Midland, TX 79702-2818
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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Hobbs, NM 88241

Certified Mail Fee	\$4.15
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$1.11
Total Postage and Fees	\$9.01

Sent To: Pearson Oil Corporation
Street and Apt. No., or PO Box No. P.O. Box 2769
City, State, ZIP+4® Hobbs, NM 88241-2769

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Dallas, TX 75225

Certified Mail Fee	\$4.15
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$1.11
Total Postage and Fees	\$9.01

Sent To: Longfellow LH LLC
Street and Apt. No., or PO Box No. 815 Preston Rd, Ste 800
City, State, ZIP+4® Dallas, TX 75225-6335

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Hondo, NM 88336

Certified Mail Fee	\$4.15
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$1.11
Total Postage and Fees	\$9.01

Sent To: Luanda Loveless Revocable Trust
Street and Apt. No., or PO Box No. P.O. Box 8
City, State, ZIP+4® Hondo, NM 88336-0008

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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Artesia, NM 88210

Certified Mail Fee	\$4.15
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.87
Total Postage and Fees	\$8.37

Sent To: Western Energy Corporation
Street and Apt. No., or PO Box No. 2308 Sierra Vista Rd.
City, State, ZIP+4® Artesia, NM 88210-9409

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

**U.S. Postal Service™
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Roswell, NM 88202

Certified Mail Fee	\$4.15
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$1.11
Total Postage and Fees	\$9.01

Sent To: Penasco Petroleum LLC
Street and Apt. No., or PO Box No. P.O. Box 2292
City, State, ZIP+4® Roswell, NM 88202-2292

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Houston, TX 77056

Certified Mail Fee	\$4.15
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$1.11
Total Postage and Fees	\$9.01

Sent To: ZPZ Delaware LLC
Street and Apt. No., or PO Box No. 2600 Post Oak Blvd.
City, State, ZIP+4® Houston, TX 77056-4499

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

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Houston, TX 77010

Certified Mail Fee \$4.15

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.11

Total Postage and Fees \$9.01

Sent To Chisos Ltd.
Street and Apt. No., or PO Box No. 1331 Lamar St. Ste 1077
City, State, ZIP+4® Houston, TX 77010-3135

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service™
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For delivery information, visit our website at www.usps.com®.

Houston, TX 77279

Certified Mail Fee \$4.15

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.11

Total Postage and Fees \$9.01

Sent To SEP Permian LLC
Street and Apt. No., or PO Box No. P.O. Box 79840
City, State, ZIP+4® Houston, TX 77279-9840

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service™
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For delivery information, visit our website at www.usps.com®.

Midland, TX 79701

Certified Mail Fee \$4.15

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.11

Total Postage and Fees \$9.01

Sent To ConocoPhillips
Street and Apt. No., or PO Box No. 600 W. Illinois Ave.
City, State, ZIP+4® Midland, TX 79701

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service™
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For delivery information, visit our website at www.usps.com®.

Roswell, NM 88202

Certified Mail Fee \$4.15

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$0.87

Total Postage and Fees \$8.37

Sent To Rolla R. Hinkle, III
Street and Apt. No., or PO Box No. P.O. Box 2292
City, State, ZIP+4® Roswell, NM 88202-2292

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service™
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For delivery information, visit our website at www.usps.com®.

Austin, TX 78734

Certified Mail Fee \$4.15

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00

Postage \$1.11

Total Postage and Fees \$9.01

Sent To Gretchen B. Dearburg
Street and Apt. No., or PO Box No. 1129 Challenger
City, State, ZIP+4® Lakeway, TX 78734-3825

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

**NEW MEXICO
STATE
LAND OFFICE**

**APPLICATION FOR
COMMINGLING AND OFF-LEASE STORAGE
ON STATE TRUST LANDS**



This application form is required for all commingling applications requiring approval by the Commissioner of Public Lands.

Applicant: Silverback Operating II, LLC **OGRID #:** 330968
Well Name: Roo 22 State # 001-016 & Piglet 21 State Wells **API #:** 30-015-40535
Pool: Artesia; Glorieta-Yeso

OPERATOR NAME: Silverback Operating II, LLC
OPERATOR ADDRESS: 19707 I-10, San Antonio, TX 78256

APPLICATION REQUIREMENTS – SUBMIT:

1. New Mexico Oil Conservation Division (NMOCD) application packet (or equivalent information if no application is required by NMOCD),
2. Commingling application fee of \$150.

CERTIFICATION: To the best of my knowledge,

- All business leases and rights-of-way necessary for conducting the proposed operation on State Trust lands have been applied for or obtained,
- The information submitted with this application is **accurate** and **complete**, and
- No loss will accrue to the state of New Mexico as a result of the proposed operation.

I also understand that **no action** will be taken on this application until the required information and fee are submitted to the State Land Office.

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

Fatma Abdallah
 Print or Type Name

Fatma Abdallah
 Signature

04/12/2023
 Date

210-585-3316
 Phone Number

fabdallah@silverbackexp.com
 e-mail Address

Submit application to:
 Commissioner of Public Lands
 Attn: Commingling Manager
 PO Box 1148
 Santa Fe, NM 87504-1148

Questions?
 Contact the Commingling Manager:
 505.827.6628

Upon approval, the requesting organization will receive an acknowledgment letter from the Commissioner of Public Lands.

State of New Mexico
Commissioner of Lands -
Proof of mailing

The UPS Store #5218
17503 La Cantera Pkwy Ste 104
San Antonio, TX 78257-8209
210-694-6550

Terminal....: POS5218B Date.: 4/14/2023
Employee....: 255076 Time.: 11:40 AM
Cashier's Name Ronda

ITEM NAME	QTY	PRICE	TOTAL
First Class Package			\$8.32
	1 @	\$8.32	
Tax			\$0.00

NM6B8B51FB44H

Tracking Number

Subtotal	\$8.32
Shipping/Other Charges	\$0.00
Total tax	\$0.00

Total \$8.32

Cards \$8.32

Items Designated NR are NOT eligible
for Returns, Refunds or Exchanges.

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19707 IH 10 West
SUITE 201
SAN ANTONIO, TEXAS 78257

210-585-3316
WWW.SILVERBACKEXP.COM

April 12, 2023

Certified Mail-Return Receipt

Re: Application for Surface Commingling for Oil
Production at the Roo State Facility in Eddy County, New Mexico.

Dear Interest Owner:

In accordance with 19.15.4.12 NMAC, this notice is to advise you that Silverback Operating II, LLC. is filing for an amendment to the surface commingling Order No. PLC-362 for the Roo State Facility. We are requesting to add new leases to be commingled with the Roo State Facility. A copy of the application submitted to the New Mexico Oil Conservation Division is attached.

Any objections or requests for a hearing regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 20 Days from the date of this letter.

Pursuant to Statewide rule 19.15.12.10(C)(4)(g) requests the option to include additional pools or leases within the defined parameters set forth in the order for future additions.

For questions regarding this application, please contact Fatma Abdallah at 210-585-3316.

Respectfully,

Fatma Abdallah

Fatma Abdallah
Regulatory Manager
Silverback Operating II, LLC
210-585-3316.

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Silverback Operating II, LLC.
OPERATOR ADDRESS: 19707 I-10, San Antonio, TX 78256
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☐ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. PLC-362
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☐ Metering ☒ Other (Specify) Well Test

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Fatma Abdallah TITLE: Regulatory Manager DATE: 04/11/2023
TYPE OR PRINT NAME Fatma Abdallah TELEPHONE NO.: 210-585-3316
E-MAIL ADDRESS: fabdallah@silverbackexp.com

API	Well Name	Well Number	Type	Mineral Owner	Surface Owner	Status	Unit Letter	Section	Township	Range	OCD Unit Letter	Current Operator
30-015-39495	ROO 22 STATE	#003	Oil	State	State	Active	L	22	17S	28E	L	[330968] Silverback Operating II, LLC
30-015-39496	ROO 22 STATE	#004	Oil	State	State	Active	K	22	17S	28E	K	[330968] Silverback Operating II, LLC
30-015-39497	ROO 22 STATE	#005	Oil	State	State	Active	E	22	17S	28E	E	[330968] Silverback Operating II, LLC
30-015-39653	ROO 22 STATE	#007	Oil	State	State	Active	D	22	17S	28E	D	[330968] Silverback Operating II, LLC
30-015-39654	ROO 22 STATE	#008	Oil	State	State	Active	C	22	17S	28E	C	[330968] Silverback Operating II, LLC
30-015-39651	ROO 22 STATE	#002	Oil	State	State	Active	N	22	17S	28E	N	[330968] Silverback Operating II, LLC
30-015-39652	ROO 22 STATE	#006	Oil	State	State	Active	F	22	17S	28E	F	[330968] Silverback Operating II, LLC
30-015-39370	ROO 22 STATE	#001	Oil	State	State	Active	M	22	17S	28E	M	[330968] Silverback Operating II, LLC
30-015-40535	ROO 22 STATE	#013	Oil	State	State	Active	C	22	17S	28E	C	[330968] Silverback Operating II, LLC
30-015-40533	ROO 22 STATE	#011	Oil	State	State	Active	K	22	17S	28E	K	[330968] Silverback Operating II, LLC
30-015-40531	ROO 22 STATE	#009	Oil	State	State	Active	M	22	17S	28E	M	[330968] Silverback Operating II, LLC
30-015-40532	ROO 22 STATE	#010	Oil	State	State	Active	N	22	17S	28E	N	[330968] Silverback Operating II, LLC
30-015-40534	ROO 22 STATE	#012	Oil	State	State	Active	F	22	17S	28E	F	[330968] Silverback Operating II, LLC
30-015-40855	ROO 22 STATE	#014	Oil	State	State	Active	D	22	17S	28E	D	[330968] Silverback Operating II, LLC
30-015-40856	ROO 22 STATE	#015	Oil	State	State	Active	E	22	17S	28E	E	[330968] Silverback Operating II, LLC
30-015-40857	ROO 22 STATE	#016	Oil	State	State	Active	L	22	17S	28E	L	[330968] Silverback Operating II, LLC

API	Well Name	Well Number	Type	Mineral Owner	Surface Owner	Status	Unit Letter	Section	Township	Range	Current Operator
30-015-39371	PIGLET 21 STATE	#001	Oil	State	State	Active	I	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39498	PIGLET 21 STATE	#002	Oil	State	State	Active	O	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40163	PIGLET 21 STATE	#003	Oil	State	State	Active	P	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39499	PIGLET 21 STATE	#004	Oil	State	State	Active	M	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39500	PIGLET 21 STATE	#005	Oil	State	State	Active	N	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39501	PIGLET 21 STATE	#006	Oil	State	State	Active	L	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-39502	PIGLET 21 STATE	#007	Oil	State	State	Active	K	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40432	PIGLET 21 STATE	#014	Oil	State	State	Active	L	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40721	PIGLET 21 STATE	#015	Oil	State	State	Active	K	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40723	PIGLET 21 STATE	#016	Oil	State	State	Active	M	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40722	PIGLET 21 STATE	#017	Oil	State	State	Active	N	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40433	PIGLET 21 STATE	#018	Oil	State	State	Active	O	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40434	PIGLET 21 STATE	#019	Oil	State	State	Active	I	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-41169	PIGLET 21 STATE	#022	Oil	State	State	Active	O	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-41173	PIGLET 21 STATE	#023	Oil	State	State	Active	O	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40861	PIGLET 21 STATE	#024	Oil	State	State	Active	P	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-41174	PIGLET 21 STATE	#027	Oil	State	State	Active	L	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-41175	PIGLET 21 STATE	#028	Oil	State	State	Active	L	21	17S	28E	[330968] Silverback Operating II, LLC
30-015-40820	PIGLET STATE SWD	#001	SWD	State	State	Active	J	21	17S	28E	[330968] Silverback Operating II, LLC

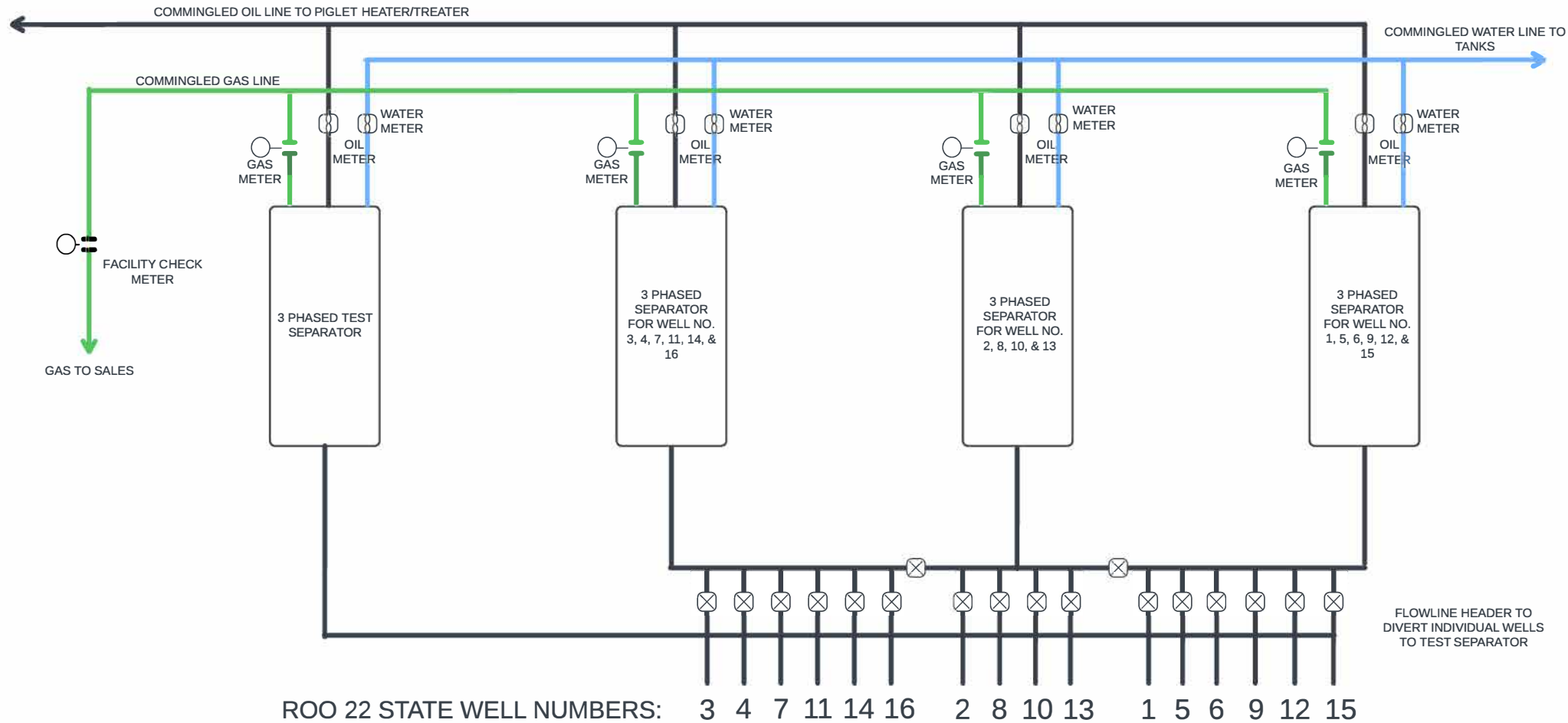
Measurement Allocation Process for Silverback's Roo 22 State Facility

The Roo 22 State facility handles the production from sixteen Roo 22 State wells. There are three separate groups of wells on this lease with each group having varied ownership interests. Well Nos. 3, 4, 7, 11, 14, and 16 have common ownership interests and are one group. Well Nos. 2, 8, 10, and 13 have common ownership interests and are one group. Well Nos. 1, 5, 6, 9, 12, and 15 have common ownership interests and are one group. Silverback will measure the oil, water, and gas production from each group of wells prior to commingling each production stream.

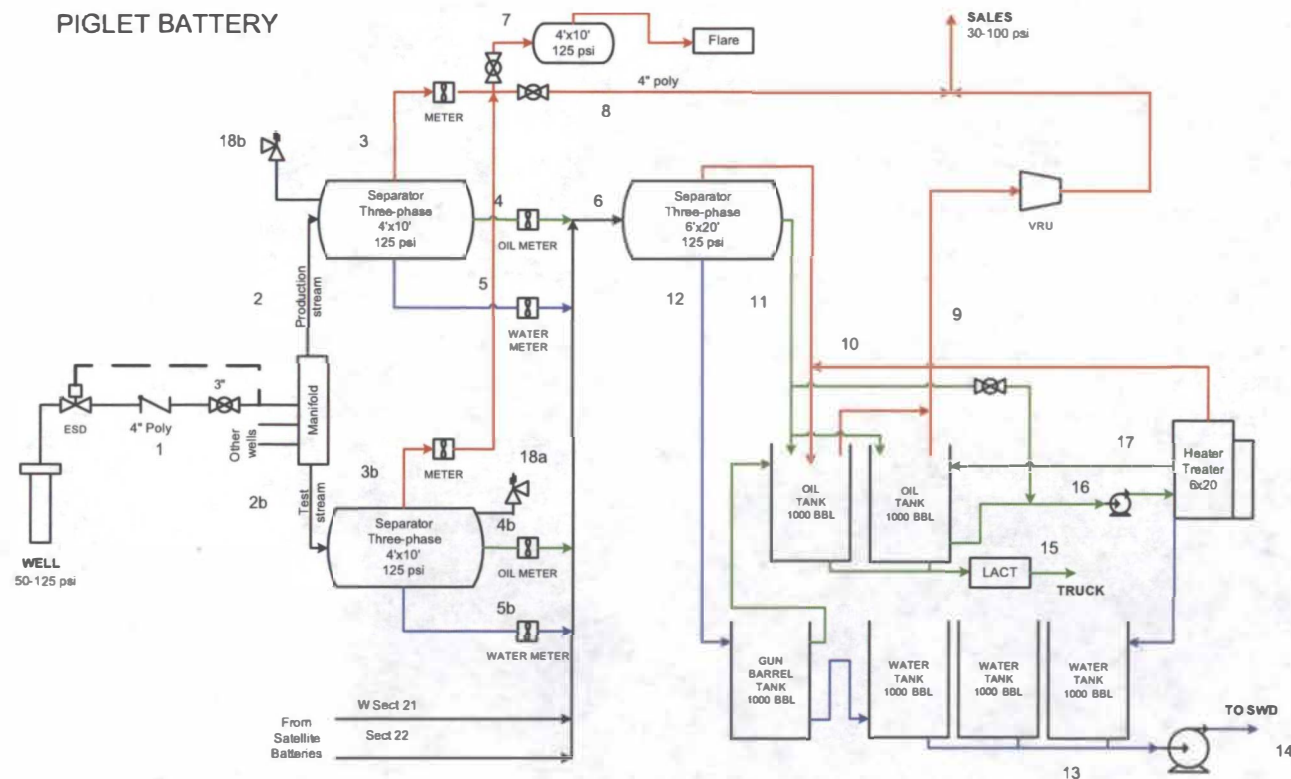
Oil and Water Measurement: Each group of wells flow into their own independent three phased separator. A flowline header is used to divert the flow from each well to the appropriate separator. The oil and water are measured with turbine meters prior to comingling in common dump lines from the other two groups' three phased separators and a test separator. The test separator is used to periodically test individual wells so production can be allocated to each well based on these well tests. The oil and water volumes from the test separator is added to the daily volume of the appropriate group's bulk separator volumes depending on which well is being tested that day. The daily stock tank volumes are allocated back to each group of wells based on the percentage of contribution as determined by the volumes shown on the turbine meters and the test separator meters. These allocated stock tank volumes are credited to each group of wells, and ultimately, each well.

Gas Measurement: The gas volumes are allocated basically the same way as the liquid volumes are allocated with the exception of orifice gas meter runs with electronic flow meters are used. The gas is measured from each group's three phased separator and the test separator. The gas is commingled in a common gas line after measurement from each group's three phased separator and the test separator. Percentages are calculated using the volumes from each group's meter with the test separator gas volume being added to the appropriate group's volume. These percentages are then used to allocate volumes measured on the pipeline sales meter. A facility check meter measures our gas prior to leaving our facility to confirm no losses occur prior to the gas reaching the sales meter.

SILVERBACK ROO 22 STATE FACILITY DRAWING



PIGLET BATTERY



Line Description

- 1 - Produced gas, oil and water coming from section 22 state wells into the header
- 2 - Produced gas, oil, and water coming off the automatic well testing header from the wells not on test and headed to the production separator.
- 2b - Produced gas, oil, and water coming off the automatic well test header from the well on test and headed to the test separator.
- 3 - Produced gas leaving the production separator headed to the gas meter.
- 3b - Produced gas leaving the test separator headed to the gas meter.
- 4 - Produced oil leaving the production separator headed to the oil meter.
- 4b - Produced oil leaving the test separator headed to the oil meter.
- 5 - Produced water leaving the production separator headed to the water meter.
- 5b - Produced water leaving the test separator headed to the water meter.
- 6 - Produced oil, water from W sect 21 Sect 22 to 6x20 production separator.
- 7 - Produced gas to flare system.
- 8 - Produced gas to sales pipeline and meter.
- 9 - Tank vapors to vapor recovery unit.
- 10 - Produced gas to oil tanks

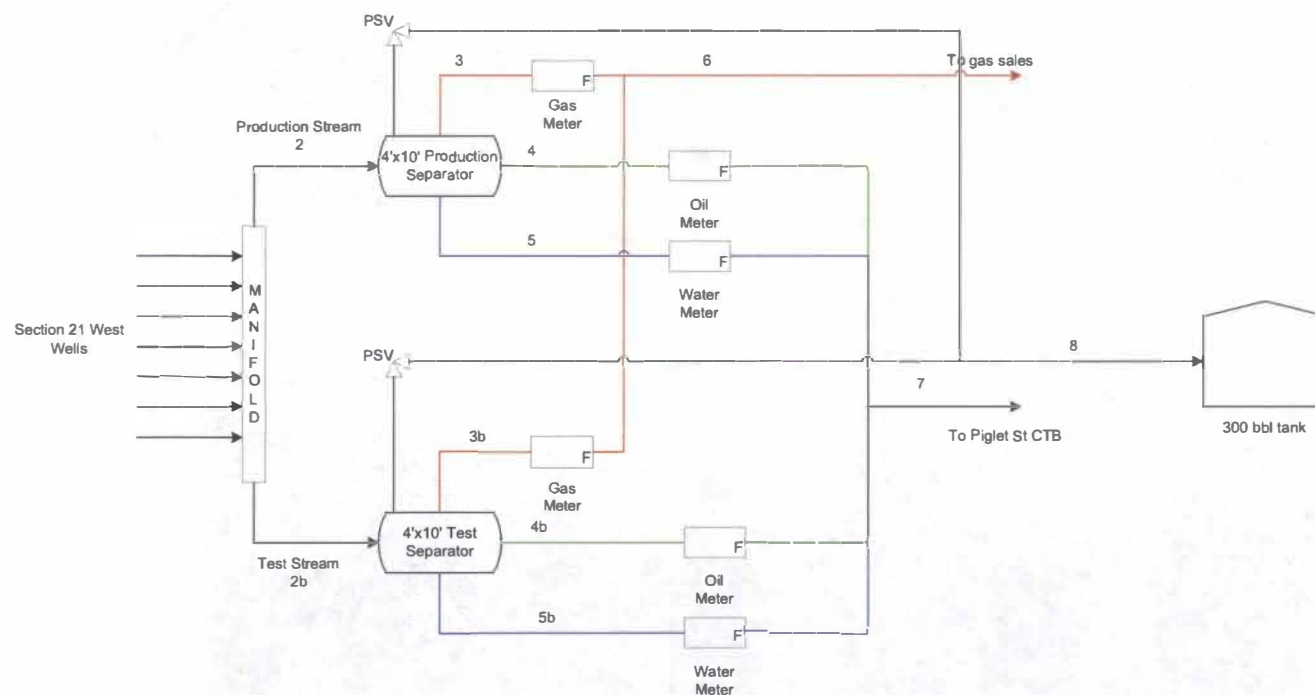
Line Description

- 11 - Produced oil from 6x20' production separator to 2-1000 bbl oil tanks.
- 12 - Produced water from 6x20' production separator to 1000 bbl Gunbarrel and Produced water tanks.
- 13 - Produced water from tanks to low pressure transfer pump.
- 14 - Produced water from pump to Judah SWD.
- 15 - Produced oil from two 1000 bbl oil tanks to truck LACT units to sales.
- 16 - Produced oil from two 1000 bbl oil tanks to recirculating pumps to bad oil heater treater.
- 17 - Produced oil from heater treater to two 1000 bbl tanks.
- 18a/b- PSV fluids to produced water tanks.



Current Revision Number	Date
Rev 1	Rev 1 - 5/14/12

Title: Section 21 State Piglet CTB – Process Summary
Location: New Mexico Section 21 State
Origination Date: 5/14/2012
Revision: 1
Page: 1



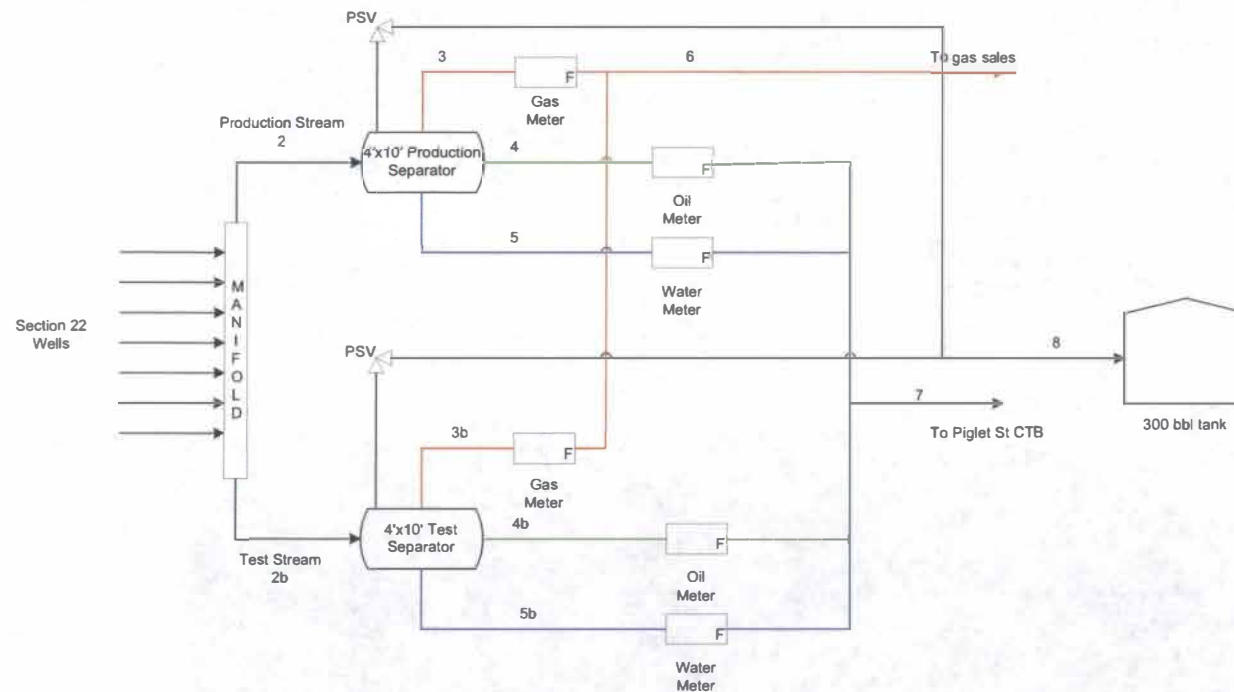
Line Description

- 1 - Produced gas, oil and water coming from section 21 west state wells into the header
- 2 - Produced gas, oil, and water coming off the automatic well testing header from the wells not on test and headed to the production separator.
- 2b - Produced gas, oil, and water coming off the automatic well test header from the well on test and headed to the test separator.
- 3 - Produced gas leaving the production separator headed to the gas meter.
- 3b - Produced gas leaving the test separator headed to the gas meter.
- 4 - Produced oil leaving the production separator headed to the oil meter.
- 4b - Produced oil leaving the test separator headed to the oil meter.
- 5 - Produced water leaving the production separator headed to the water meter.
- 5b - Produced water leaving the test separator headed to the water meter.
- 6 - Total satellite produced gas from production/test separator to gas sales pipeline.
- 7 - Total satellite produced water and oil from production/test separator to liquid pipeline headed to Piglet State central tank battery.
- 8 - Emergency relief to 300 bbl tank.



Current Revision Number	Date
Rev 1	Rev 1 - 5/14/12

Title: Section 21 State East Satellite – Process Summary
 Location: New Mexico Section 21 State East
 Origination Date: 5/14/2012
 Revision: 1
 Page: 1



Line Description

- 1 - Produced gas, oil and water coming from section 22 state wells into the header
- 2 - Produced gas, oil, and water coming off the automatic well testing header from the wells not on test and headed to the production separator.
- 2b - Produced gas, oil, and water coming off the automatic well test header from the well on test and headed to the test separator.
- 3 - Produced gas leaving the production separator headed to the gas meter.
- 3b - Produced gas leaving the test separator headed to the gas meter.
- 4 - Produced oil leaving the production separator headed to the oil meter.
- 4b - Produced oil leaving the test separator headed to the oil meter.
- 5 - Produced water leaving the production separator headed to the water meter.
- 5b - Produced water leaving the test separator headed to the water meter.
- 6 - Total satellite produced gas from production/test separator to gas sales pipeline.
- 7 - Total satellite produced water and oil from production/test separator to liquid pipeline headed to Piglet State central tank battery.
- 8 - Emergency relief to 300 bbl tank.

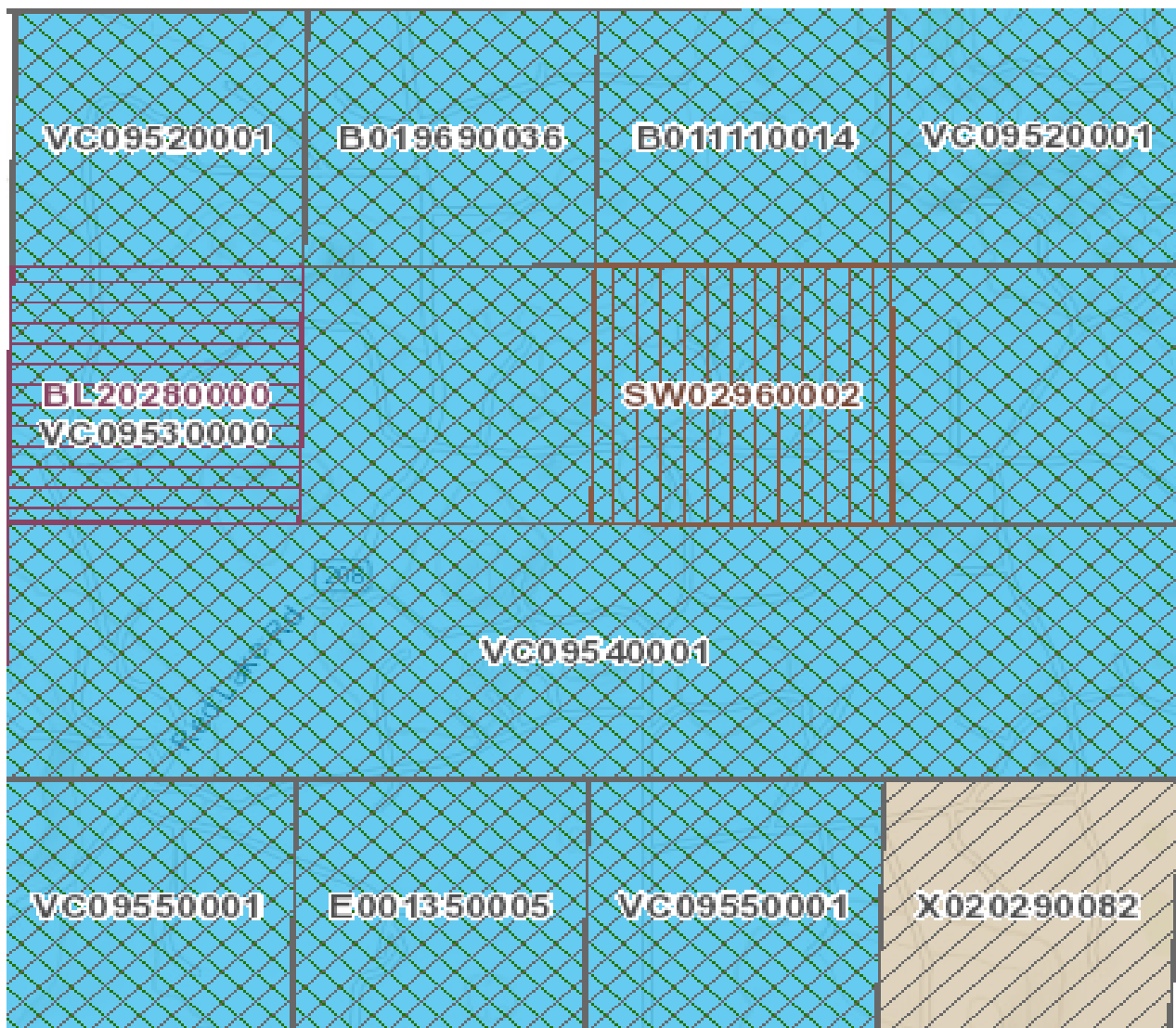


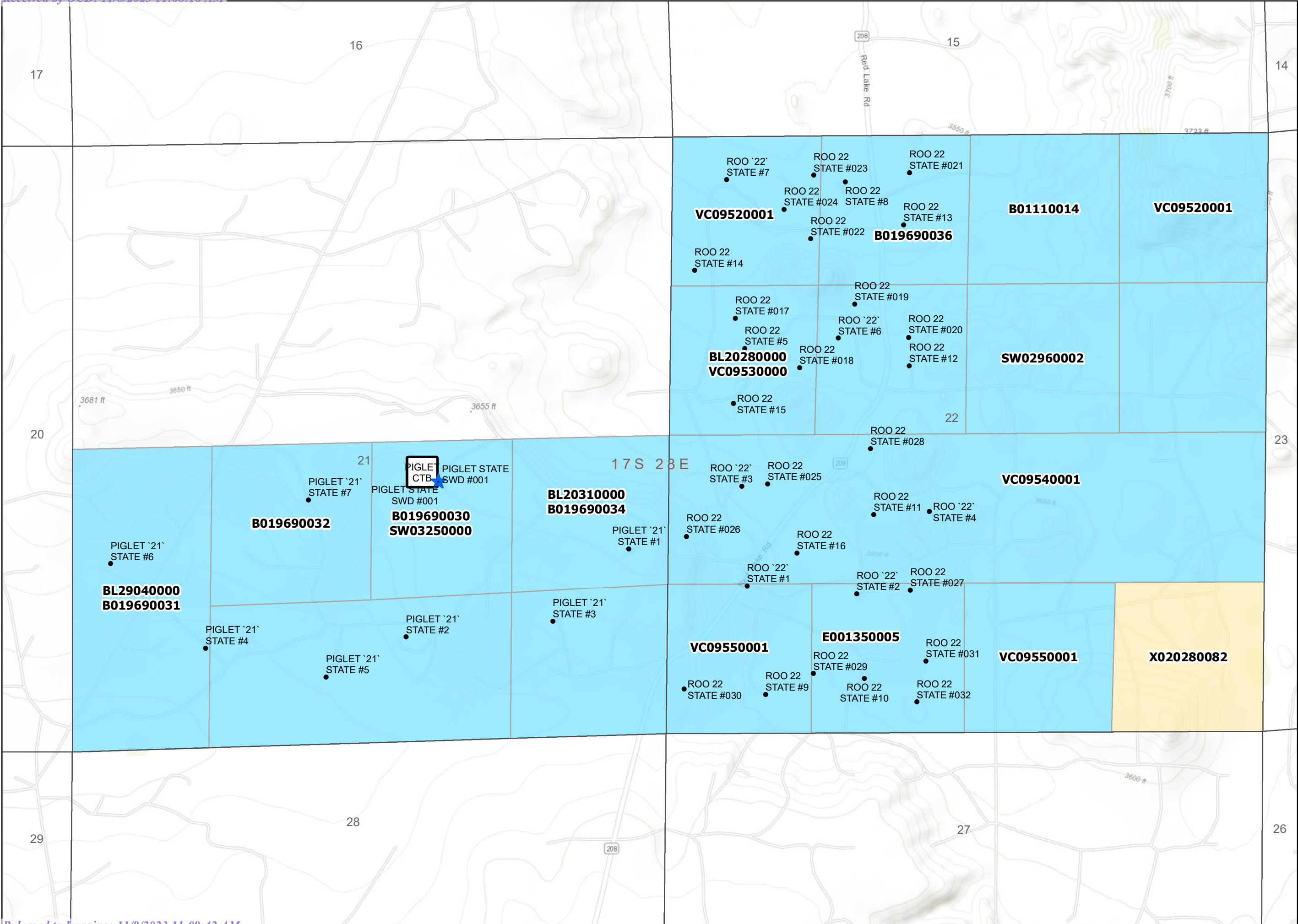
Current Revision Number	Date
Rev 1	Rev 1 - 5/14/12

Title: Section 22 State Satellite – Process Summary
Location: New Mexico Section 22 State
Origination Date: 5/14/2012
Revision: 1
Page: 1

22-17S-228E

SLO Lease ID	QQ	Record Title	Wells	Group #
VC09520001	NWNW, NENE	SEP Permian LLC	7,14	3
B019690036	NENW	ZPZ Delaware I LLC	8,13	1
B011110014	NWNE	ZPZ Delaware I LLC		
VC09530000	S2N2	SEP Permian LLC	5,15,6,12	2
VC09540001	N2S2	SEP Permian LLC	3, 4,11,16	3
VC09550001	SWSW, SWSE	SEP Permian LLC	1,9	2
E001350005	SESW	ConocoPhillips Co.; Chisos, Ltd.	2, 10	1
X020290082	SESE	SEP Permian LLC		





★ Piglet SWD
● Well
□ Battery

1:9,229
0 0.05 0.1 Miles
N

USPS Tracking[®]

FAQs >

Tracking Number:

Remove X

9414836105440537774479

Copy Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your item was delivered at 9:57 am on October 30, 2023 in MIDLAND, TX 79705.

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Delivered

Delivered

MIDLAND, TX 79705
October 30, 2023, 9:57 am

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Return Receipt Electronic



USPS Tracking Plus[®]



Product Information



See Less ^

Track Another Package

Enter tracking or barcode numbers

Need More Help?

Contact USPS Tracking support for further assistance.

[FAQs](#)

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1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
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1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 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 283858

CONDITIONS

Operator: Silverback Operating II, LLC 19707 IH10 West, Suite 201 San Antonio, TX 78256	OGRID: 330968
	Action Number: 283858
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	APPLICATION REJECTED	11/8/2023