

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Michelle Lujan Grisham**  
Governor

**Melanie Kenderdine**  
Cabinet Secretary

**Dylan M. Fuge**  
Deputy Secretary

**Dylan M. Fuge**, Division Director (Acting)  
Oil Conservation Division



Ms. Fatma Abdallah  
[fabdallah@silverbackexp.com](mailto:fabdallah@silverbackexp.com)

**Administrative Order NSP – 2202**

**ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT**

**Silverback Operating II, LLC [OGRID 330968]**

- Arrow ARW Federal Com Well No. 101H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 102H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 103H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 104H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 105H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 106H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 201H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 202H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 203H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 204H [API No. 30-015-PENDING]
  - Arrow ARW Federal Com Well No. 205H [API No. 30-015-PENDING]
- S/2 N/2 & S/2 Section 11, T19S R25E, Eddy County**

Reference is made to your application received on April 17<sup>th</sup>, 2024.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

**Proposed Increased Horizontal Spacing Unit:**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
S/2 N/2 & S/2 Section 11	480	N. Seven Rivers; Glorieta-Yeso	97565

NSP - 2202  
Silverback Operating II, LLC  
Page 2 of 2

---

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Eddy County, New Mexico.

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are to be being included.

It is understood that a non-standard horizontal spacing unit is needed in order to maximize recovery of oil and gas reserves from the Glorieta - Yeso formation. Thereby, preventing waste underlying S/2 N/2 & S/2 Section 11.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following e-mail address: [ocd.engineer@emnrd.nm.gov](mailto:ocd.engineer@emnrd.nm.gov) of notice for additional wells.

**General Provisions**

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



---

**DYLAN M. FUGE**  
**DIRECTOR (ACTING)**  
DMF/lrl

**Date:** 5/30/24

**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 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 350523

**CONDITIONS**

Operator: Silverback Operating II, LLC 19707 IH10 West, Suite 201 San Antonio, TX 78256	OGRID: 330968
	Action Number: 350523
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	6/3/2024