Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** 5. Lease Serial No. DEPARTMENT OF THE INTERIOR NMNM557370 BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. **✓** DRILL REENTER 1a. Type of work: 1b. Type of Well: ✓ Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing ✓ Single Zone Multiple Zone SQUAD FEDERAL COM 104H 2. Name of Operator 9. API Well No. SILVERBACK OPERATING II LLC 30-015-56699 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 1001 W. WILSHIRE BLVD SUITE 206, OKLAHOMA CITY (405) 286-3375 RED LAKE/GLORIETA-YESO, NORTHE/ 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area SEC 26/T17S/R27E/NMP At surface SWSW / 788 FSL / 80 FWL / LAT 32.800325 / LONG -104.257862 At proposed prod. zone SWSE / 969 FSL / 2452 FEL / LAT 32.800623 / LONG -104.282997 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13 State **EDDY** NM 8 miles 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well 532 feet location to nearest property or lease line, ft. 240.0 (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, 20 feet 3196 feet / 11447 feet FED: NMB002001 applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 3511 feet 04/01/2025 30 days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above) 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. 6. Such other site specific information and/or plans as may be requested by the SUPO must be filed with the appropriate Forest Service Office). 25. Signature Name (Printed/Typed) Date (Electronic Submission) BRIAN WOOD / Ph: (405) 286-3375 11/16/2024 Title Permitting Agent Approved by (Signature) Date Name (Printed/Typed) (Electronic Submission) CODY LAYTON / Ph: (575) 234-5959 04/03/2025 Title Office Assistant Field Manager Lands & Minerals Carlsbad Field Office Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction



<u>C-1</u>	<u>02</u>	16/2025 4:5				l Resources Depart	ment			Page Revised July 9, 20	
	it Electronical CD Permitting			OIL CONSERVATION DIVISION					XInitial St	ıbmittal	
	_							Submittal			
						Type: ☐ Amended Report ☐ As Drilled					
					WELL LOCAT	ION INFORMATION					
	umber 015- <mark>566</mark>	699	Pool Code 96836			Pool Name RED LAKE; GL	ORIETA-	YESO.	NORTHI	EAST	
	rty Code 337321		Property N	lame		EDERAL COM			Well Numb		
0GRI 330	^{D N₀.} 968		Operator N	Vame	SILVERBACK	OPERATING II, LLC		3	Ground Lev	rel Elevation	
		State □ Fee □	Tribal [XFe	deral		Mineral Owner:	State Fee I	☐ Tribal [XF	l lederal	3,511'	
				500 00 0000			J. 100 1		ederar		
		200	Tess			ce Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W Latitude		Lo	ongitude	County	
М	26	17-S	27-E		788' FROM S	80' FROM W	N32.80032	25 W	104.257862	EDDY	
					Bottom	Hole Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Lo	ongitude	County	
0	28	17-S	27-E		969' FROM S	2,452' FROM E	N32.80062	23 W	104.282997	EDDY	
Dadia	ited Acres	Infill or Defi		D C :	W. U. A.D.	Ta					
240		mini or Den	ining wen	Delinii	ng Well API	Overlapping Spacing N	g Unit (Y/N)		solidation Code C		
Order	Numbers.					Well setbacks are ur	der Common C	Ownership:	Yes □No		
					Kick Of	f Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Lo	ngitude	County	
M	26	17-S	27-E		930' FROM S	673' FROM W	N32.80068	87 W	104.255930	EDDY	
	200				First Ta	ke Point (FTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Lo	ngitude	County	
Р	27	17-S	27-E	1	959' FROM S	100' FROM E	N32.80079	4 W	104.258444	EDDY	
					Last Tal	ce Point (LTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Lo	ngitude	County	
0	28	17-S	27-E		969' FROM S	2,452' FROM E	N32.80062	23 W	104.282997	EDDY	
Unitize	ed Area or Are	ea of Uniform I	nterest	Spacing	g Unit Type 🎗 Horizo	ontal □ Vertical	Groun	d Floor Eleva	ation:		
				Space	, ome type A ttorize	The vertical	Oroun		erion,		
OPER/	ATOR CERT	IFICATIONS		P		SURVEYOR CERTIFI	CATIONS				
my knov organize includin location interest,	vledge and belie ation either own g the proposed pursuant to a c	ef, and, if the well as a working inter bottom hole loca contract with an o	is a vertical or est or unleased tion or has a rig wner of a work	directional mineral int ght to drill th ing interest	erest in the land	I hereby certify that the w surveys made by me or und my belief.	ell location show	on on this plat n, and that the	same is true and	m field notes of actual decorrect to the best	

If this well is a horizontal well f further certify that this organization has received the conserved at least one Jessee or owner of a working interest or unleased mineral interest in each trace (in the larget fool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

10-22-24

Signature **BRIAN WOOD** Date

Signature and Seal of Professional Surveyor

20450

8/9/24

SS/ONAL

Printed Name

brian@permitswest.com

Email Address

Certificate Number Date of Survey

Note: 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.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

SURFACE HOLE LOCATION (SHL)
NAD 83, NM EAST ZONE, U.S. FOOT
X: 564527.30
Y: 654898.81
LAT.: N32.800325
LONG.: W104.257862

KICK OFF POINT (KOP)
NAD 83, NM EAST ZONE, U.S. FOOT
X: 565120.77
Y: 655031.24
LAT.: N32.800687
LONG:: W104.255930

FIRST TAKE POINT (FTP)
PROPOSED PENETRATION POINT (PPP1)
NAD 83, NM EAST ZONE, U.S. FOOT
X: 564348.20
Y: 655069.61
LAT.: N32.800794
LONG.: W104.258444

PROPOSED PENETRATION POINT (PPP2)
NAD 83, NM EAST ZONE, U.S. FOOT
X: 559255.90
Y: 655024.59
LAT.: N32.800680
LONG.: W104.275017

LAST TAKE POINT (LTP)
BOTTOM HOLE LOCATION (BHL)
NAD 83, NM EAST ZONE, U.S. FOOT
X: 556803.92
Y: 655002.92
LAT.: N32.800623

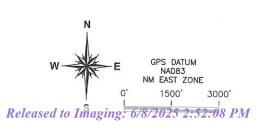
LONG.: W104.282997

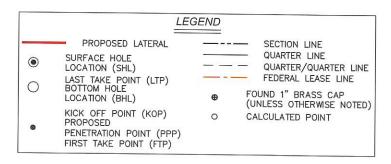
	LINE TABLE	
LINE #	BEARING	LENGTH
L1	S89°45'36"E	2,618'
L2	S89*45'11"E	2,620'
L3	N89'21'25"E	2,615
L4	N89'21'03"E	2,614'
L5	S89'23'22"E	2,638'
L6	S89'23'22"E	2,638'
L7	S00°04'49"E	2,634
L8	S00'04'49"E	2,634'
L9	N89*01'50"W	2,661'
L10	N89'00'51"W	2,661
L11	S89'05'45"W	2,594'

	LINE TABLE	
LINE #	BEARING	LENGTH
L12	S89'05'09"W	2,594'
L13	N89*55'07"W	2,534'
L14	N89*55'15"W	2,534'
L15	N01'52'34"W	2,638'
L16	N01°53'47"W	2,637'
L17	N00'07'03"E	2,641
L18	N0010'20"W	2,616
L19	N00'24'40"E	2,617'
L20	N00°25'15"E	2,617'
L21	S89'29'37"W	5,092'
L22	S89°29'37"W	2,452'

	L1	L2	L3	L4	L5	L6
وا	-· NW/4	NMNM— 012690	MMLC- 0087849	 NE/4	NAMMA— 099031	NMLC- 0084050
21	 	. NE/4 699. 0025527	(2		NMNM- 0558679	NE/4 - <u> </u>
5]	sw/4 ·	SE/4 52'	(PPP2) 994' FSL	,659,1 SE/4	SW/4 (KOP) -930' FS 673' FV	VL 000/3/0
- -	(LTP)(BHL)	L22 100	L21 SW/4	(FTP) (PPP1) (S)	80' 0557370 (SHL)	- SE/4 0
	L14	L13	L12	L11	88 L10	L9

T178-R27E





State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: _Silverback Operating II, LLC O	OGRID:330968	_ Date: 04 16 2025
II. Type: ⊠ Original □ Amendment due to □ 19 Other.	9.15.27.9.D(6)(a) NMAC □ 19	.15.27.9.D(6)(b) NMAC □
If Other, please describe:		

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water
Wildland Fed Com 105H	30-015-xxxxx	E-26-17S-27E	817 FSL & 20 FWL	406	733	3041
Wildland Fed Com 106H	30-015-xxxxx	E-26-17S-27E	777 FSL & 20 FWL	406	733	3041
Wildland Fed Com 205H	30-015-xxxxx	E-26-17S-27E	797 FSL & 20 FWL	406	733	3041
Squad Federal Com 104H	30-015-xxxxx	M-26-17S-27E	788 FSL & 80 FWL	507	916	3200
Squad Federal Com 203H	30-015-xxxxx	M-26-17S-27E	768 FSL & 80 FWL	507	916	3200

IV. Central Delivery Point Name: _CTB Name: WQS CTB_____ [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Wildland Fed Com 105H	30-015-xxxxx	10/1/2025	10/15/2025	12/15/2025	01/5/2026	01/5/2026
Wildland Fed Com 106H	30-015-xxxxx	10/3/2025	10/30/2025	12/15/2025	01/5/2026	01/5/2026
Wildland Fed Com 205H	30-015-xxxxx	10/6/2025	10/15/2025	12/15/2025	01/5/2026	01/5/2026
Squad Federal Com 104H	30-015-xxxxx	10/9/2025	10/30/2025	12/15/2025	01/5/2026	01/5/2026
Squad Federal Com 203H	30-015-xxxxx	10/11/2025	11/15/2025	12/15/2025	01/5/2026	01/5/2026

VI. Separation Equipment: ⊠ Attach a complete description of how O	Operator will size separation equipment to optimize gas captur
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VIII. Best Management Practices: ⊠ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

			Enhanced Plan E APRIL 1, 2022	
	2022, an operator the complete this section		with its statewide natural ga	as capture requirement for the applical
•	es that it is not requi t for the applicable re	-	tion because Operator is in o	compliance with its statewide natural g
IX. Anticipated Na	atural Gas Producti	on:		
V	Vell	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF
	athering System (NC	GGS): ULSTR of Tie-in	Anticipated Codemin	Assilable Maximum Daily Conseite
Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in
	ons to the existing or p	planned interconnect of t		aticipated pipeline route(s) connecting them(s), and the maximum daily capacity nected.
the segment or port XII. Line Capacity gas production volu XIII. Line Pressur	name from the well price. Operator \(\square \text{ does } \)	or to the date of first pro ☐ does not anticipate that	eduction. at it's existing well(s) connect	to gather 100% of the anticipated nature ted to the same segment, or portion, of the line pressure caused by the new well(s
the segment or port XII. Line Capacity gas production volu XIII. Line Pressur natural gas gatherin	re. Operator does g system(s) described	or to the date of first produced does not anticipate that dabove will continue to	eduction. at it's existing well(s) connect	ted to the same segment, or portion, of t

(i)

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

one hundred percent of	ele to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, e current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering
hundred percent of the into account the current	be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking at and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. is box, Operator will select one of the following:
Well Shut-In. □ Oper	rator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection
D of 19.15.27.9 NMA	C; or
_	Plan. ⊠ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential uses for the natural gas until a natural gas gathering system is available, including:
(a)	power generation on lease;
(b)	power generation for grid;
(c)	compression on lease;
(d)	liquids removal on lease;
(e)	reinjection for underground storage;
(f)	reinjection for temporary storage;
(g)	reinjection for enhanced oil recovery;
(h)	fuel cell production: and

Section 4 - Notices

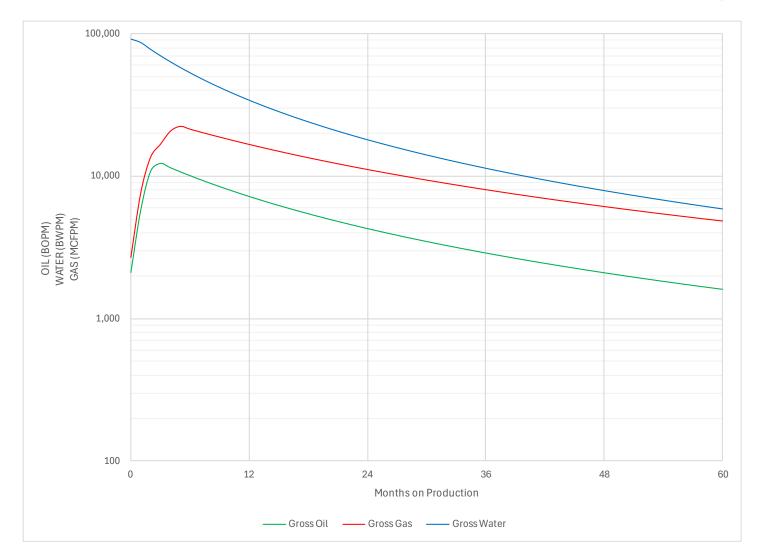
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

other alternative beneficial uses approved by the division.

- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:
Printed Name: Justin Carter
Title: Regulatory Manager
E-mail Address: jcarter@novoog.com
Date: 04/16/2025
Phone: 405.286.3375
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:



Separation Equipment

Silverback Operating II (LLC) has sampled existing producing wells and performed laboratory testing to determine composition. Performance of existing producing wells was analyzed to predict expected production volumes including a low probably, high volume production case (approximately 75% higher than type curve or most likely amount of production). Production composition and the volumes were utilized as inputs to a process model which predicts relative amounts of gas, oil and water throughout the process. The high volume case was used to size equipment, piping and instrumentation. Equipment sizing is based on drop settlement and limits the amount of carry over to the gas phase.

Each well has a dedicated 3 phase separator and gas from that separator is taken directly to gas sales. Facility piping and pipeline were sized to allow peak volumes to flow with minimal pressure loss and deliver to midstream gatherer at an acceptable pressure. Water is conveyed directly to tankage.

Oil from 3 phase separators is comingled and conveyed to a heated separator for enhanced liquid-liquid separation and degassing. Vapors from the heater treater are routed to flare. Oil and water storage tanks vapor outlets are common and utilize a closed vent vapor system to ensure all working & breathing and flashing losses are routed to the flare which is sized to accommodate peak expected production volume. Flash volumes were estimated using the high volume case and process modeling software.

Operational Practices

Silverback Operating II, LLC will ensure pipeline connectivity before producing hydrocarbons and will operate a closed vent vapor capture system that is designed to capture all associated and evolved gas during normal operation. Venting will only occur during maintenance activities or equipment failure or upset. Silverback may utilize the following from list A-I of Section 3 for its operations to minimize flaring:

- Power generation on lease Natural gas driven gen set to produce power required to run supply well pad electrical loads
- Compression on lease gas lift or gas compression as required
- Liquids removal on lease gas pressure will be used to convey fluids as needed

Best Management Practices

Silverback utilizes automate engineering controls included in facility design to minimize venting and flaring. Additionally, operational best practices support minimization of flare and venting as described below.

If the main gas outlet becomes unavailable and pressure increases on the outlet sales line, produced gas will be routed directly to the facility flare. The facility control system will alert personnel to the need for maintenance and appropriate response to the temporary flaring event.

The facility design includes a closed vent vapor capture system to route flash or evolved from the heater treater and tanks to the flare.

For maintenance activities, Silverback will utilize the facility flare to blowdown equipment and piping whenever practical to minimize venting



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Well Name: SQUAD FEDERAL COM

Drilling Plan Data Report

04/03/2025

APD ID: 10400101687

Submission Date: 11/16/2024

Highlighted data reflects the most recent changes

Operator Name: SILVERBACK OPERATING II LLC

Well Number: 104H

Well Type: OIL WELL

Well Work Type: Drill

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
15345079	QUATERNARY	3511	0	0	OTHER : Caliche	USEABLE WATER	N
15345071	TANSILL	3426	85	85	DOLOMITE	NONE	N
15345072	YATES	3314	197	197	DOLOMITE	NONE	N
15345073	SEVEN RIVERS	3132	379	379	DOLOMITE	NATURAL GAS, OIL	N
15345074	QUEEN	2625	886	889	DOLOMITE	NATURAL GAS, OIL	N
15345075	GRAYBURG	2232	1279	1302	DOLOMITE	NATURAL GAS, OIL	N
15345076	SAN ANDRES	1867	1644	1698	DOLOMITE	NATURAL GAS, OIL	N
15345077	GLORIETA	498	3013	3181	DOLOMITE	NATURAL GAS, OIL	N
15345078	YESO	416	3095	3315	DOLOMITE, OTHER : Paddock	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 5000

Equipment: A 5000-psi 5000 rated BOP stack consisting of annular preventer and double (blind and pipe) ram will be used below surface casing to TD. See attached BOP and choke manifold diagram.

Requesting Variance? YES

Variance request: A variance is requested to the requirement of a rigid steel line connecting to the choke manifold. Flex hose specifications are attached.

Testing Procedure: A third-party testing company will conduct pressure tests and record the results before drilling out below casing shoes. The BOP, choke, choke manifold, top drive valves, and floor safety valve will be tested to 3500 psi before drilling below the surface casing shoe. The annular preventer will be tested to 3500 psi before drilling below the surface casing shoe. BOP equipment will be tested after any repairs to the equipment as well as drilling out below any casing string. Pipe rams, blind rams, and annular preventer will be activated on each trip. Weekly BOP drills will be held with each crew. Floor safety valves that are full open and sized to fit the drill pipe and collars will be available on the rig floor in the open position when the Kelly is not in use.

Well Name: SQUAD FEDERAL COM Well Number: 104H

Choke Diagram Attachment:

Choke_20241028152405.pdf

BOP Diagram Attachment:

BOP_20241028152423.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	12.2 5	9.625	NEW	API	N	0	1250	0	1232	0	-1232	1250	J-55	36	BUTT	3.26	2.24	DRY	14.9 7	DRY	14.9 7
2	PRODUCTI ON	8.75	7.0	NEW	NON API	N	0	4441	0	3300	0	-3300	4441	L-80	-	OTHER - HC GBCD	4.69	2.09	DRY	8.16	DRY	8.16
3	PRODUCTI ON	8.75	5.5	NEW	NON API	Y	4441	11447	3300	3196	-3300	-3196	7006	L-80	-	OTHER - HC GBCD	4.82	2.09	DRY	8.32	DRY	8.32

Casing Attachments

Casing ID: 1 String SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Squad_104H_Casing_Design_Assumptions_20241028152549.pdf

Well Name: SQUAD FEDERAL COM Well Number: 104H

Casing Attachments

Casing ID: 2

String

PRODUCTION

Inspection Document:

Spec Document:

7in_Casing_Spec_20241028152706.pdf

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

 $Squad_104H_Casing_Design_Assumptions_20241028152740.pdf$

Casing ID: 3

String

PRODUCTION

Inspection Document:

Spec Document:

5.5in_Casing_Spec_20241028152849.pdf

Tapered String Spec:

5.5in_Casing_Spec_20241028152907.pdf

Casing Design Assumptions and Worksheet(s):

Squad_104H_Casing_Design_Assumptions_20241028152951.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Тор МD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
PRODUCTION	Lead		0	0	0	0	0	0	0	None	None
PRODUCTION	Tail		4441	1144 7	1344	1.15	14.8	2124	20	+ 50% Class C	0.1% FR-5 + 0.4% CFL- 316 + 0.05% C-37 + 0.005 GPS No Foam V1A
SURFACE	Lead		0	1250	259	2.3	12.5	595	20	Class C	5% salt + 2% extender + 3 pps coal seal + 5 pps pumice + 1/8 pps cello-flake

Well Name: SQUAD FEDERAL COM Well Number: 104H

String Type	Lead/Tail	Stage Tool Depth	Тор МD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Tail		0	1250	84	1.34	14.8	112	20	Class C	2% CaCl2
PRODUCTION	Lead		0	2443	196	2.81	11.5	550	20	50% Class B poz + 50% Class C	10% gel + 5% salt + 0.5% SMS + 0.4% FR-5 + 0.1% SA-1+ 3 pps gilsonite + 0.25 pps pol- e-flake + 0.005 GPS No Foam V1A
PRODUCTION	Tail		2443	4441	313	1.15	14.8	359	20	50% Class B Poz + 50% Class C	0.1% FR-5 + 0.4% CFL- 316 + 0.05% C-37 + 0.005 GPS No Foam V!A

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with 43 CFR 3172:

Diagram of the equipment for the circulating system in accordance with 43 CFR 3172:

Describe what will be on location to control well or mitigate other conditions: All necessary mud products (e. g., LCM) to handle any abnormal hole condition that may be encountered while drilling this well will be on site.

Describe the mud monitoring system utilized: An electronic/mechanical mud monitor with a minimum pit volume totalizer, stroke counter, and flow sensor will be used.

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	РН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	1250	OTHER : Fresh Water	8.4	9.5							
1250	4441	OTHER : Cut Brine	8.9	9.1							
4441	1144 7	OTHER : Cut Brine	8.9	9.1							

Well Name: SQUAD FEDERAL COM Well Number: 104H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Mud loggers will collect samples from base of surface casing to TD.

Open hole logs (GR/SP/DIL/LDT/CNL/ML) will be run from TD to the top of the uppermost potential hydrocarbon zone. Open hole logs (GR/SP/DIL) will be run from top of the uppermost potential hydrocarbon zone to the base of the surface casing. GR log will be run from base of the surface casing to GL. Cased hole CBL will be run on the production casing.

List of open and cased hole logs run in the well:

MUD LOG/GEOLOGICAL LITHOLOGY LOG, GAMMA RAY LOG, CEMENT BOND LOG,

Coring operation description for the well:

No core or drill stem test is planned.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 1600 Anticipated Surface Pressure: 872

Anticipated Bottom Hole Temperature(F): 103

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

Wild_Squad_Pad4_H2S_Plan_20241028160539.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Squad_104H_Directional_Plan_20241028161312.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Squad 104H Drill Plan 20241028161332.pdf

CoFlex_Certs_20241028161401.pdf

Wildland_Squad_Pad4_WMP_20241116110734.pdf

Other Variance attachment:

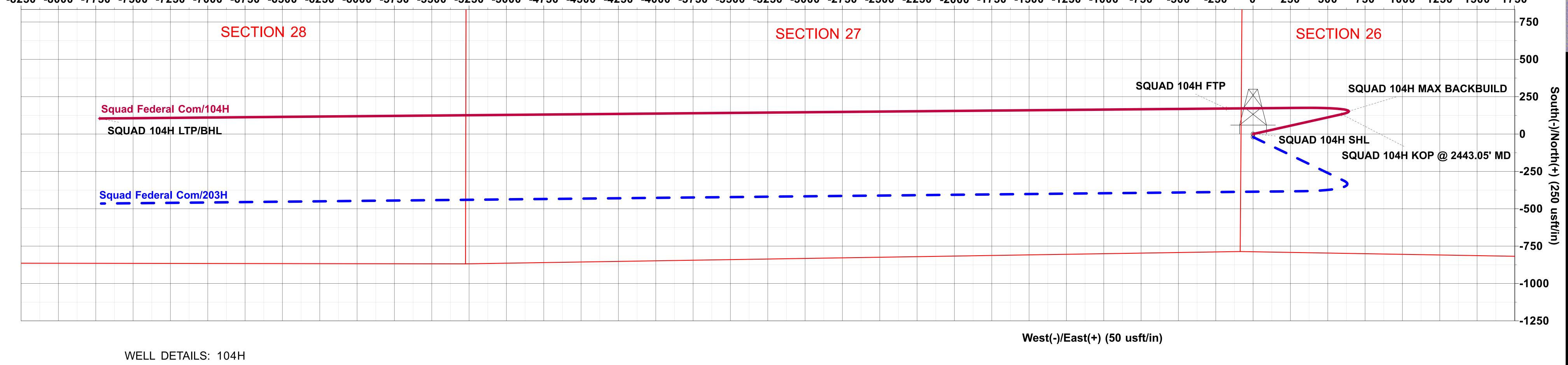
West(-)/East(+) (250 usft/in)



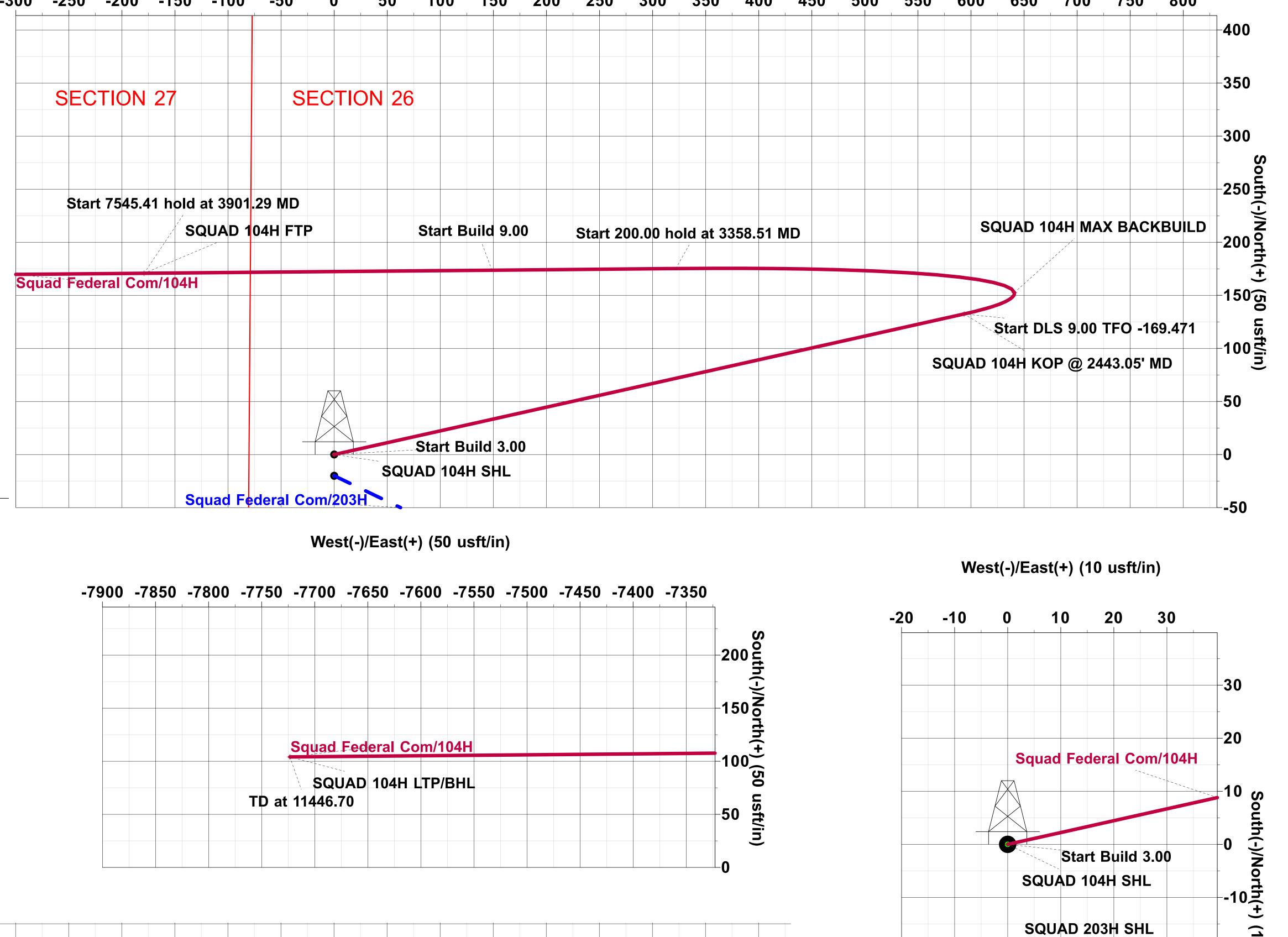
Project: EDDY COUNTY, NM (NAD 83 - NME)

Site: Squad Federal Com

Well: 104H Wellbore: OH Design: Plan 1r0



RKB = 20' @ 3531.00usft (TBD) -104.2578617 SECTION 26 SECTION DETAILS Target **VSect** Start 7545.41 hold at 3901.29 MD SQUAD 104H FTP Start Build 9.00 -146.19 132.43 -594.63 593.47 Start Build 3.00 Squad Federal Com/104H -323.39 -150.19 177.57 SQUAD 104H FTP 0.00 7722.15 SQUAD 104H LTP/BHL Start Build 3.00 **SQUAD 104H SHL** DESIGN TARGET DETAILS Squad Federal Com/203H +N/-S +E/-W Latitude Northing Easting Longitude -104.2578617 654898.81 564527.30 32.8003246 SQUAD 104H SHL West(-)/East(+) (50 usft/in) 565120.77 -104.2559300 132.43 593.47 655031.24 SQUAD 104H KOP @ 2443.05' MD 32.8006874 2330.55 152.57 2580.51 -104.2557758 **SQUAD 104H MAX BACKBUILD** 655051.38 565168.14 32.8007427 3196.00 -104.2829974 SQUAD 104H LTP/BHL 104.11 -7723.38 655002.92 556803.92 32.8006234 -104.2584442 SQUAD 104H FTP 3308.00 -179.10 655069.61 564348.20 32.8007944 Squad Federal Com/104H PROJECT DETAILS: EDDY COUNTY, NM (NAD 83 - NME) **SQUAD 104H KOP @ 2443.05' MD** 2200-Geodetic System: US State Plane 1983 SQUAD 104H LTP/BHL Start DLS 9.00 TFO -169.471 TD at 11446.70 Datum: North American Datum 1983 2400 Ellipsoid: GRS 1980 Zone: New Mexico Eastern Zone SQUAD 104H MAX BACKBUILD System Datum: Mean Sea Level



TD at 11446.70

SQUAD 104H LTP/BHL

6200 6400 6600 6800 7000 7200 7400 7600 7800 8000 8200 8400

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Start 7545.41 hold at 3901.29 MD

Start 200.00 hold at 3358.51 MD

Start Build 9.00

SQUAD 104H FTP

3200-

Vertical Section at 269.49° (200 usft/in)

4000 4200 4400 4600 4800 5000 5200 5400 5600 5800 6000

Plan: Plan 1r0 (104H/OH)

Squad Federal Com/203H

Created By: PROTOTYPE WELL PLANNING / Date: 14:14, January 12 2024



Database: EDM 5000.1.13 Single User Db
Company: SILVERBACK EXPLORATION
Project: EDDY COUNTY, NM (NAD 83 - NME)

Site: Squad Federal Com

 Well:
 104H

 Wellbore:
 OH

 Design:
 Plan 1r0

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well 104H

RKB = 20' @ 3531.00usft (TBD) RKB = 20' @ 3531.00usft (TBD)

Grid

Minimum Curvature

Project EDDY COUNTY, NM (NAD 83 - NME)

Map System:US State Plane 1983Geo Datum:North American Datum 1983Map Zone:New Mexico Eastern Zone

System Datum:

Mean Sea Level

Site Squad Federal Com

Site Position: Northing: 654,898.81 usft 32.8003246 Latitude: From: Мар Easting: 564,527.30 usft Longitude: -104.2578617 **Position Uncertainty:** 0.00 usft Slot Radius: 13-3/16 " **Grid Convergence:** 0.041°

Well 104H

Well Position +N/-S Latitude: 0.00 usft Northing: 654,898.81 usft 32.8003246 +E/-W 0.00 usft Easting: 564,527.30 usft Longitude: -104.2578617 **Position Uncertainty** 0.00 usft Wellhead Elevation: 0.00 usft **Ground Level:** 3,511.00 usft

Wellbore OH

 Magnetics
 Model Name
 Sample Date (°)
 Declination (°)
 Dip Angle (°)
 Field Strength (nT)

 IGRF2020
 01/09/24
 6.609
 60.237
 47,495

Design Plan 1r0

Audit Notes:

Version: Phase: PLAN Tie On Depth: 0.00

 Vertical Section:
 Depth From (TVD) (usft)
 +N/-S (usft)
 +E/-W (usft)
 Direction (°)

 0.00
 0.00
 0.00
 0.00
 269.49

Plan Sections	s									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.000	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.000	
1,260.68	22.82	77.42	1,240.72	32.56	145.90	3.00	3.00	0.00	77.421	
2,443.05	22.82	77.42	2,330.55	132.43	593.47	0.00	0.00	0.00	0.000	
3,358.51	60.00	269.49	3,122.78	175.23	321.85	9.00	4.06	-18.34	-169.471	
3,558.51	60.00	269.49	3,222.78	173.70	148.65	0.00	0.00	0.00	0.000	
3,901.29	90.85	269.49	3,308.00	170.80	-179.10	9.00	9.00	0.00	0.000	SQUAD 104H FTP
11,446.70	90.85	269.49	3,196.00	104.11	-7,723.38	0.00	0.00	0.00	0.000	SQUAD 104H LTP



Database: EDM 5000.1.13 Single User Db SILVERBACK EXPLORATION Project: EDDY COUNTY, NM (NAD 83 - NME)

Site: Squad Federal Com

 Well:
 104H

 Wellbore:
 OH

 Design:
 Plan 1r0

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 104H

RKB = 20' @ 3531.00usft (TBD) RKB = 20' @ 3531.00usft (TBD)

Grid

ned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00 SQUAD 10	0.00 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	3.00	77.42	599.95	0.57	2.55	-2.56	3.00	3.00	0.00
700.00	6.00	77.42	699.63	2.28	10.21	-10.23	3.00	3.00	0.00
800.00	9.00	77.42	798.77	5.12	22.95	-22.99	3.00	3.00	0.00
900.00	12.00	77.42	897.08	9.09	40.73	-40.81	3.00	3.00	0.00
1,000.00	15.00	77.42	994.31	14.17	63.51	-63.64	3.00	3.00	0.00
1,100.00	18.00	77.42	1,090.18	20.36	91.23	-91.41	3.00	3.00	0.00
1,200.00	21.00	77.42	1,184.43	27.63	123.81	-124.05	3.00	3.00	0.00
1,260.68	22.82	77.42	1,240.72	32.56	145.90	-146.19	3.00	3.00	0.00
1,300.00	22.82	77.42	1,276.97	35.88	160.79	-161.10	0.00	0.00	0.00
1,400.00	22.82	77.42	1,369.14	44.33	198.64	-199.03	0.00	0.00	0.00
1,500.00	22.82	77.42	1,461.31	52.77	236.50	-236.96	0.00	0.00	0.00
1,600.00	22.82	77.42	1,553.49	61.22	274.35	-274.88	0.00	0.00	0.00
1,700.00	22.82	77.42	1,645.66	69.66	312.20	-312.81	0.00	0.00	0.00
1,800.00	22.82	77.42	1,737.83	78.11	350.06	-350.74	0.00	0.00	0.00
1,900.00	22.82	77.42	1,830.00	86.56	387.91	-388.66	0.00	0.00	0.00
2,000.00	22.82	77.42	1,922.18	95.00	425.76	-426.59	0.00	0.00	0.00
2,100.00	22.82	77.42	2,014.35	103.45	463.62	-464.52	0.00	0.00	0.00
2,200.00	22.82	77.42	2,106.52	111.90	501.47	-502.45	0.00	0.00	0.00
2,300.00	22.82	77.42	2,198.70	120.34	539.32	-540.37	0.00	0.00	0.00
2,400.00	22.82	77.42	2,290.87	128.79	577.18	-578.30	0.00	0.00	0.00
2,443.05	22.82	77.42	2,330.55	132.43	593.47	-594.63	0.00	0.00	0.00
SQUAD 10	04H KOP @ 24	43.05' MD							
2,450.00	22.21	77.12	2,336.97	133.01	596.07	-597.23	9.00	-8.84	-4.35
2,500.00	17.80	74.36	2,383.94	137.18	612.65	-613.84	9.00	-8.80	-5.52
2,550.00	13.47	69.88	2,432.08	141.25	625.48	-626.71	9.00	-8.68	-8.96
2,600.00	9.28	61.37	2,481.09	145.18	634.49	-635.76	9.00	-8.37	-17.03
2,650.00	5.60	40.65	2,530.67	148.97	639.62	-640.92	9.00	-7.37	-41.42
2,700.00	4.12	348.04	2,580.51	152.57	640.84	-642.17	9.00	-2.96	-105.23
	04H MAX BACI								
2,750.00	6.56	305.32	2,630.31	155.98	638.13	-639.50	9.00	4.88	-85.44
2,800.00	10.46	289.77	2,679.76	159.17	631.53	-632.92	9.00	7.81	-31.10
2,850.00	14.71	282.84	2,728.55	162.12	621.06	-622.48	9.00	8.49	-13.85
2,900.00	19.07	279.00	2,776.38	164.81	606.79	-608.24	9.00	8.72	-7.68
2,950.00	23.49	276.55	2,822.96	167.22	588.82	-590.28	9.00	8.82	-4.89
3,000.00	27.92	274.85	2,868.00	169.35	567.24	-568.73	9.00	8.88	-3.41
3,050.00	32.38	273.58	2,911.22	171.18	542.20	-543.71	9.00	8.91	-2.54
3,100.00	36.84	272.58	2,952.37	172.69	513.85	-515.37	9.00	8.93	-1.98
3,150.00	41.32	271.78	2,991.17	173.88	482.36	-483.89	9.00	8.94	-1.61
3,200.00	45.79	271.11	3,027.40	174.74	447.93	-449.47	9.00	8.95	-1.35
3,250.00	50.27	270.53	3,060.83	175.26	410.77	-412.31	9.00	8.96	-1.16
3,300.00	54.75	270.02	3,091.25	175.44	371.10	-372.65	9.00	8.96	-1.01
3,350.00	59.24	269.57	3,118.48	175.29	329.18	-330.73	9.00	8.97	-0.91
3,358.51	60.00	269.49	3,122.78	175.23	321.85	-323.39	9.00	8.97	-0.86
3,400.00	60.00	269.49	3,143.53	174.91	285.91	-287.46	0.00	0.00	0.00
3,500.00	60.00	269.49	3,193.53	174.15	199.31	-200.86	0.00	0.00	0.00
3,558.51	60.00	269.49	3,222.78	173.70	148.65	-150.19	0.00	0.00	0.00



Database: EDM 5000.1.13 Single User Db Company: SILVERBACK EXPLORATION Project: EDDY COUNTY, NM (NAD 83 - NME)

Site: Squad Federal Com

 Well:
 104H

 Wellbore:
 OH

 Design:
 Plan 1r0

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 104H

RKB = 20' @ 3531.00usft (TBD) RKB = 20' @ 3531.00usft (TBD)

Grid

lanned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
3,600.00	63.73	269.49	3,242.34	173.37	112.06	-113.60	9.00	9.00	0.00
3,650.00	68.23	269.49	3,262.68	172.97	66.41	-67.94	9.00	9.00	0.00
3,700.00	72.73	269.49	3,279.38	172.55	19.29	-20.83	9.00	9.00	0.00
3,750.00	77.23	269.49	3,292.33	172.13	-28.99	27.45	9.00	9.00	0.00
3,800.00	81.73	269.49	3,301.46	171.69	-78.13	76.60	9.00	9.00	0.00
3,850.00 3,901.29 SQUAD 1	86.23 90.85 04H FTP	269.49 269.49	3,306.70 3,308.00	171.25 170.80	-127.84 -179.10	126.31 177.57	9.00 9.00	9.00 9.00	0.00 0.00
4,000.00	90.85	269.49	3,306.53	169.93	-277.79	276.27	0.00	0.00	0.00
4,100.00	90.85	269.49	3,305.05	169.04	-377.78	376.26	0.00	0.00	0.00
4,200.00	90.85	269.49	3,303.57	168.16	-477.76	476.25	0.00	0.00	0.00
4,300.00	90.85	269.49	3,302.08	167.28	-577.75	576.24	0.00	0.00	0.00
4,400.00	90.85	269.49	3,300.60	166.39	-677.73	676.23	0.00	0.00	0.00
4,500.00	90.85	269.49	3,299.11	165.51	-777.72	776.22	0.00	0.00	0.00
4,600.00	90.85	269.49	3,297.63	164.62	-877.70	876.20	0.00	0.00	0.00
4,700.00	90.85	269.49	3,296.14	163.74	-977.69	976.19	0.00	0.00	0.00
4,800.00	90.85	269.49	3,294.66	162.86	-1,077.67	1,076.18	0.00	0.00	0.00
4,900.00	90.85	269.49	3,293.18	161.97	-1,177.66	1,176.17	0.00	0.00	0.00
5,000.00	90.85	269.49	3,291.69	161.09	-1,277.64	1,276.16	0.00	0.00	0.00
5,100.00	90.85	269.49	3,290.21	160.21	-1,377.63	1,376.15	0.00	0.00	0.00
5,200.00	90.85	269.49	3,288.72	159.32	-1,477.61	1,476.14	0.00	0.00	0.00
5,300.00	90.85	269.49	3,287.24	158.44	-1,577.60	1,576.13	0.00	0.00	0.00
5,400.00	90.85	269.49	3,285.75	157.55	-1,677.58	1,676.12	0.00	0.00	0.00
5,500.00	90.85	269.49	3,284.27	156.67	-1,777.57	1,776.10	0.00	0.00	0.00
5,600.00	90.85	269.49	3,282.79	155.79	-1,877.55	1,876.09	0.00	0.00	0.00
5,700.00	90.85	269.49	3,281.30	154.90	-1,977.54	1,976.08	0.00	0.00	0.00
5,800.00	90.85	269.49	3,279.82	154.02	-2,077.53	2,076.07	0.00	0.00	0.00
5,900.00	90.85	269.49	3,278.33	153.13	-2,177.51	2,176.06	0.00	0.00	0.00
6,000.00	90.85	269.49	3,276.85	152.25	-2,277.50	2,276.05	0.00	0.00	0.00
6,100.00	90.85	269.49	3,275.36	151.37	-2,377.48	2,376.04	0.00	0.00	0.00
6,200.00	90.85	269.49	3,273.88	150.48	-2,477.47	2,476.03	0.00	0.00	0.00
6,300.00	90.85	269.49	3,272.39	149.60	-2,577.45	2,576.02	0.00	0.00	0.00
6,400.00	90.85	269.49	3,270.91	148.72	-2,677.44	2,676.01	0.00	0.00	0.00
6,500.00	90.85	269.49	3,269.43	147.83	-2,777.42	2,775.99	0.00	0.00	0.00
6,600.00	90.85	269.49	3,267.94	146.95	-2,877.41	2,875.98	0.00	0.00	0.00
6,700.00	90.85	269.49	3,266.46	146.06	-2,977.39	2,975.97	0.00	0.00	0.00
6,800.00	90.85	269.49	3,264.97	145.18	-3,077.38	3,075.96	0.00	0.00	0.00
6,900.00	90.85	269.49	3,263.49	144.30	-3,177.36	3,175.95	0.00	0.00	0.00
7,000.00	90.85	269.49	3,262.00	143.41	-3,277.35	3,275.94	0.00	0.00	0.00
7,100.00	90.85	269.49	3,260.52	142.53	-3,377.33	3,375.93	0.00	0.00	0.00
7,200.00	90.85	269.49	3,259.04	141.64	-3,477.32	3,475.92	0.00	0.00	0.00
7,300.00	90.85	269.49	3,257.55	140.76	-3,577.30	3,575.91	0.00	0.00	0.00
7,400.00		269.49	3,256.07	139.88	-3,677.29	3,675.90	0.00	0.00	0.00
7,500.00		269.49	3,254.58	138.99	-3,777.27	3,775.88	0.00	0.00	0.00
7,600.00		269.49	3,253.10	138.11	-3,877.26	3,875.87	0.00	0.00	0.00
7,700.00		269.49	3,251.61	137.23	-3,977.24	3,975.86	0.00	0.00	0.00
7,800.00 7,900.00 8,000.00 8,100.00 8,200.00	90.85 90.85 90.85	269.49 269.49 269.49 269.49 269.49	3,250.13 3,248.65 3,247.16 3,245.68 3,244.19	136.34 135.46 134.57 133.69 132.81	-4,077.23 -4,177.21 -4,277.20 -4,377.18 -4,477.17	4,075.85 4,175.84 4,275.83 4,375.82 4,475.81	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00
8,300.00		269.49	3,242.71	131.92	-4,577.15	4,575.80	0.00	0.00	0.00
8,400.00		269.49	3,241.22	131.04	-4,677.14	4,675.79	0.00	0.00	0.00
8,500.00		269.49	3,239.74	130.15	-4,777.12	4,775.77	0.00	0.00	0.00



Database: EDM 5000.1.13 Single User Db Company: SILVERBACK EXPLORATION Project: EDDY COUNTY, NM (NAD 83 - NME)

Site: Squad Federal Com

 Well:
 104H

 Wellbore:
 OH

 Design:
 Plan 1r0

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 104H

RKB = 20' @ 3531.00usft (TBD) RKB = 20' @ 3531.00usft (TBD)

Grid

anned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8,600.00	90.85	269.49	3,238.25	129.27	-4,877.11	4,875.76	0.00	0.00	0.00
8,700.00	90.85	269.49	3,236.77	128.39	-4,977.09	4,975.75	0.00	0.00	0.00
8,800.00	90.85	269.49	3,235.29	127.50	-5,077.08	5,075.74	0.00	0.00	0.00
8,900.00	90.85	269.49	3,233.80	126.62	-5,177.06	5,175.73	0.00	0.00	0.00
9,000.00	90.85	269.49	3,232.32	125.74	-5,277.05	5,275.72	0.00	0.00	0.00
9,100.00	90.85	269.49	3,230.83	124.85	-5,377.03	5,375.71	0.00	0.00	0.00
9,200.00	90.85	269.49	3,229.35	123.97	-5,477.02	5,475.70	0.00	0.00	0.00
9,300.00	90.85	269.49	3,227.86	123.08	-5,577.00	5,575.69	0.00	0.00	0.00
9,400.00	90.85	269.49	3,226.38	122.20	-5,676.99	5,675.68	0.00	0.00	0.00
9,500.00	90.85	269.49	3,224.90	121.32	-5,776.97	5,775.66	0.00	0.00	0.00
9,600.00	90.85	269.49	3,223.41	120.43	-5,876.96	5,875.65	0.00	0.00	0.00
9,700.00	90.85	269.49	3,221.93	119.55	-5,976.94	5,975.64	0.00	0.00	0.00
9,800.00	90.85	269.49	3,220.44	118.66	-6,076.93	6,075.63	0.00	0.00	0.00
9,900.00	90.85	269.49	3,218.96	117.78	-6,176.91	6,175.62	0.00	0.00	0.00
10,000.00	90.85	269.49	3,217.47	116.90	-6,276.90	6,275.61	0.00	0.00	0.00
10,100.00	90.85	269.49	3,215.99	116.01	-6,376.88	6,375.60	0.00	0.00	0.00
10,200.00	90.85	269.49	3,214.51	115.13	-6,476.87	6,475.59	0.00	0.00	0.00
10,300.00	90.85	269.49	3,213.02	114.25	-6,576.85	6,575.58	0.00	0.00	0.00
10,400.00	90.85	269.49	3,211.54	113.36	-6,676.84	6,675.57	0.00	0.00	0.00
10,500.00	90.85	269.49	3,210.05	112.48	-6,776.82	6,775.55	0.00	0.00	0.00
10,600.00	90.85	269.49	3,208.57	111.59	-6,876.81	6,875.54	0.00	0.00	0.00
10,700.00	90.85	269.49	3,207.08	110.71	-6,976.79	6,975.53	0.00	0.00	0.00
10,800.00	90.85	269.49	3,205.60	109.83	-7,076.78	7,075.52	0.00	0.00	0.00
10,900.00	90.85	269.49	3,204.11	108.94	-7,176.76	7,175.51	0.00	0.00	0.00
11,000.00	90.85	269.49	3,202.63	108.06	-7,276.75	7,275.50	0.00	0.00	0.00
11,100.00	90.85	269.49	3,201.15	107.17	-7,376.73	7,375.49	0.00	0.00	0.00
11,200.00	90.85	269.49	3,199.66	106.29	-7,476.72	7,475.48	0.00	0.00	0.00
11,300.00 11,400.00 11,446.70	90.85 90.85 90.85 4H LTP/BHL	269.49 269.49 269.49	3,198.18 3,196.69 3,196.00	105.41 104.52 104.11	-7,576.70 -7,676.69 -7,723.38	7,575.47 7,675.46 7,722.15	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00



Database: EDM 5000.1.13 Single User Db
Company: SILVERBACK EXPLORATION
Project: EDDY COUNTY, NM (NAD 83 - NME)

Squad Federal Com

Well: 104H
Wellbore: OH
Design: Plan 1r0

Site:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 104H

RKB = 20' @ 3531.00usft (TBD) RKB = 20' @ 3531.00usft (TBD)

Grid

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
SQUAD 104H SHL - plan hits target ce - Point	0.00 enter	0.00	0.00	0.00	0.00	654,898.81	564,527.30	32.8003246	-104.2578617
SQUAD 104H KOP @ - plan hits target ce - Point	0.00 enter	0.00	2,330.55	132.43	593.47	655,031.24	565,120.77	32.8006874	-104.2559299
SQUAD 104H MAX B plan hits target ce - Point	0.00 enter	0.00	2,580.51	152.57	640.84	655,051.39	565,168.14	32.8007427	-104.2557757
SQUAD 104H LTP/BF - plan hits target ce - Point	0.00 enter	0.00	3,196.00	104.11	-7,723.38	655,002.92	556,803.92	32.8006234	-104.2829974
SQUAD 104H FTP - plan hits target ce - Point	0.00 enter	0.00	3,308.00	170.80	-179.10	655,069.61	564,348.20	32.8007944	-104.2584442

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: Silverback Operating II LLC Squad Feder Com 104H WELL NAME & NO.: **LOCATION:** Sec 26-17S-27E-NMP **COUNTY:** Eddy County, New Mexico

COA

H_2S	0	No	Yes				
Potash /	None	Secretary	C R-111-Q	☐ Open Annulus			
WIPP				\square WIPP			
Cave / Karst	C Low	Medium	• High	Critical			
Wellhead	Conventional	Multibowl	Both	Diverter			
Cementing	☐ Primary Squeeze	□ Cont. Squeeze	☐ EchoMeter	DV Tool			
Special Req	☐ Capitan Reef	Water Disposal	▼ COM	Unit			
Waste Prev.	C Self-Certification	• Waste Min. Plan	C APD Submitted p	rior to 06/10/2024			
Additional	▼ Flex Hose	☐ Casing Clearance	☐ Pilot Hole	☐ Break Testing			
Language	☐ Four-String	☐ Offline Cementing	☐ Fluid-Filled				

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **Yates**, Queen, and Seven Rivers formations. As a result, the Hydrogen Sulfide area must meet all requirements from 43 CFR 3176, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

- 1. The 9-5/8 inch surface casing shall be set at approximately 350 feet (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite, above the salt, and below usable fresh water) and cemented to the surface. Set depth adjusted per BLM geologist.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of 8 hours or 500 **pounds compressive strength**, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 7 inch production casing with a 5 ½ inch taper is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, Capitan Reef, or potash.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
- 2. Operator has proposed a multi-bowl wellhead assembly. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000** (**5M**) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one-inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172 must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- The operator will submit an as-drilled survey well plat of the well completion, but are not limited to, those specified in 43 CFR 3171 and 3172.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Contact Eddy County Petroleum Engineering Inspection Staff:

Email or call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220; **BLM NM CFO DrillingNotifications@BLM.GOV**; (575) 361-2822

- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - i. Notify the BLM when moving in and removing the Spudder Rig.
 - ii. Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - iii. BOP/BOPE test to be conducted per **43 CFR 3172** as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. For intervals in which cement to surface is required, cement to surface should be verified with a visual check and density or pH check to differentiate cement from spacer and drilling mud. The results should be documented in the driller's log and daily reports.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. <u>Wait on cement (WOC) for Potash Areas:</u> After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following

Page 4 of 7

- conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends of both lead and tail cement, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-Q potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in **43 CFR 3172**.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - i. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - ii. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - iii. Manufacturer representative shall install the test plug for the initial BOP test.
 - iv. Whenever any seal subject to test pressure is broken, all the tests in 43 CFR 3172.6(b)(9) must be followed.
 - v. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - i. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - ii. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
 - iii. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to **43 CFR 3172** with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for 8 hours or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

- iv. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- v. The results of the test shall be reported to the appropriate BLM office.
- vi. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- vii. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- viii. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per **43 CFR 3172**.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Silverback Operating II, LLC HYDROGEN SULFIDE (H2S) CONTINGENCY PLAN

Assumed 100 ppm ROE = 3000'

100 ppm H2S concentration shall trigger activation of this plan.

This is an open drilling site. H2S monitoring equipment and emergency response equipment will be rigged up and in use when the company drills out from under surface casing. H2S monitors, warning signs, wind indicators and flags will be in use.

- 1. All personnel shall receive proper H2S training in accordance with Onshore Order 6 111.C.3.a
- 2. Briefing Area: Two perpendicular areas will be designated by signs and readily accessible.
- 3. Required Emergency Equipment:
 - 3.1. Well control equipment
 - 3.1.1. Flare line 150' from wellhead to be ignited by flare gun.
 - 3.1.2. Choke manifold with a remotely operated choke.
 - 3.1.3. Mud/Gas Separator.
 - 3.2. Protective Equipment for essential personnel.
 - 3.2.1. Breathing apparatus:
 - 3.2.2. Rescue Packs (SCBA) 1 unit shall be placed at each briefing area. 2 units shall be stored in the safety trailer.
 - 3.2.3. Work/Escape packs 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
 - 3.2.4. Emergency Escape Packs 4 packs shall be stored in the doghouse for emergency evacuation.
 - 3.3. Auxiliary Rescue Equipment:
 - 3.3.1. Stretcher
 - 3.3.2. Two OSHA full body harness
 - 3.3.3. 100 ft. 5/8" OSHA approved rope
 - 3.3.4. One 20# class ABC fire extinguisher
 - 3.4. H2S detection and monitoring Equipment:
 - 3.4.1. The stationary detector with three sensors will be placed in the upper doghouse, set to visually alarm@ 10 ppm and audible@ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor, Bell nipple, end of flare line or where well bore fluid is being discharged (Gas sample tubes will be stored in the safety trailer).
 - 3.5. Visual warning systems.
 - 3.5.1. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.

- 3.5.2. A colored condition flag will be on display, reflecting the current condition, at the drilling site.
- 3.5.3. Two windsocks will be placed in strategic locations, visible from all angles. 3.6. Mud Program:
 - 3.6.1. The mud program has been designated to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.
- 3.7. Metallurgy:
 - 3.7.1. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, shall be suitable for H2S service.
 - 3.7.2. All elastomers used for packing and seals shall be H2S trim.
- 3.8. Communication:
 - 3.8.1. Communication will be via two-way radio located in company vehicles. Cell phones and landlines where available.

H2S Operations

Though no H2S is anticipated during the drilling operation, this contingency plan will provide for methods to ensure the well is kept under control in the event an H2S reading of 100 ppm or more is encountered. Once personnel are safe and the proper protective gear is in place and on personnel, the operator and rig crew essential personnel will ensure the well is under control, suspend drilling operations and shut-in the well (unless pressure build up or other operational situations dictate suspending operations will prevent well control), increase the mud weight and circulate all gas from the hole utilizing the mud/gas separator downstream of the choke, the choke manifold and the emergency flare system located 150' from the well. Bring the mud system into compliance and the H2S level below 10 ppm, then notify all emergency officers that drilling ahead is practical and safe. Proceed with drilling ahead only after all provisions of Onshore Order 6, Section 111.C. have been satisfied.

Ignition of Gas source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally, the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever this is an ignition of the gas.

Characteristics of H2S and s02

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air= I	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air= I	2 ppm	N/A	1000 ppm

Contacting Authorities

Silverback Operating II, LLC's personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available including directions to site. The following call list of essential and potential responders has been prepared for use during a release. Silverback's response must be in coordination with the State of New Mexico's "Hazardous Materials Emergency Response Plan" (HMER).

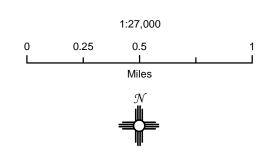
Public Safety								
Eddy County Sheriff	(575) 887-7551							
Carlsbad Fire Department	(575) 885-3125							
Artesia General Hospital	(575) 748-3333							
Ambulance	911							
Department of Public Safety	(392) 392-5588							
Oil Conservation Division	(575) 748-1823							
New Mexico Energy, Minerals & Natural Resources Department	(575) 748-1283							
Silverback Op	perating II, LLC							
Drilling Manager	Wade Chapman- 361-215-2373							
Drilling Engineer								
Operations Manager	Wade Chapman- 361-215-2373							
Company Representative	Fatma Abdallah- 832-506-7262							
	ontractor							
Tool Pusher								
Relief Tool Pusher								
Drilling Manager								
·	ting II, LLC Safety							
EHS Coordinator	Mark Ritchie- 713-553-8320							
Field Safety Technician								
BLM ON-	CALL LIST							
On-Call Engineer	575-706-2779							
BLM Eddy County PET On-Call	575-361-2822							
BLM Hobbs County PET On-Call	575-689-5981							

Silverback Operating, LLC

Wildland Squad Pad 4 H2S Contingency Plan: Radius Map

Section 26, Township 17S, Range 27E Eddy County, New Mexico



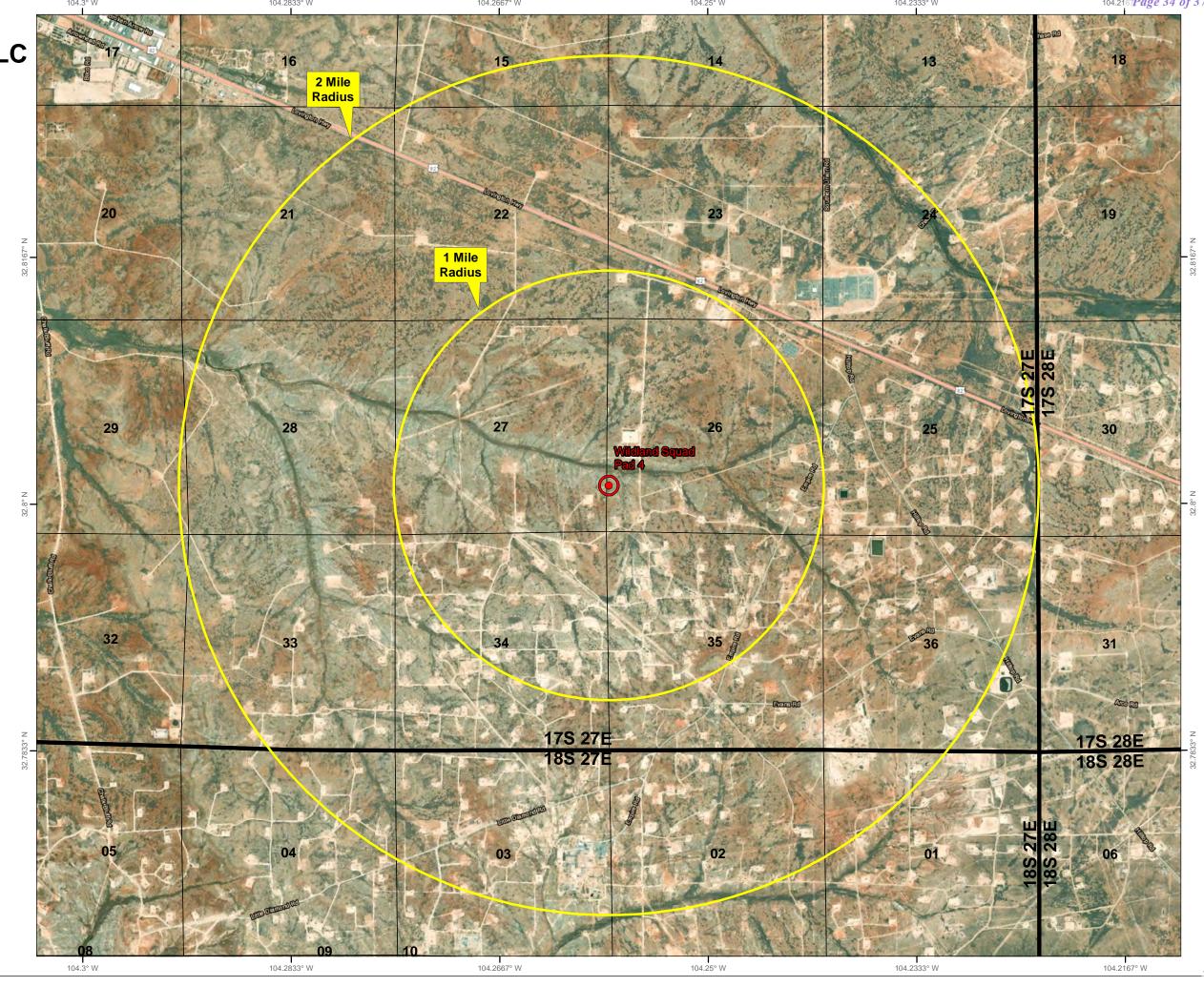


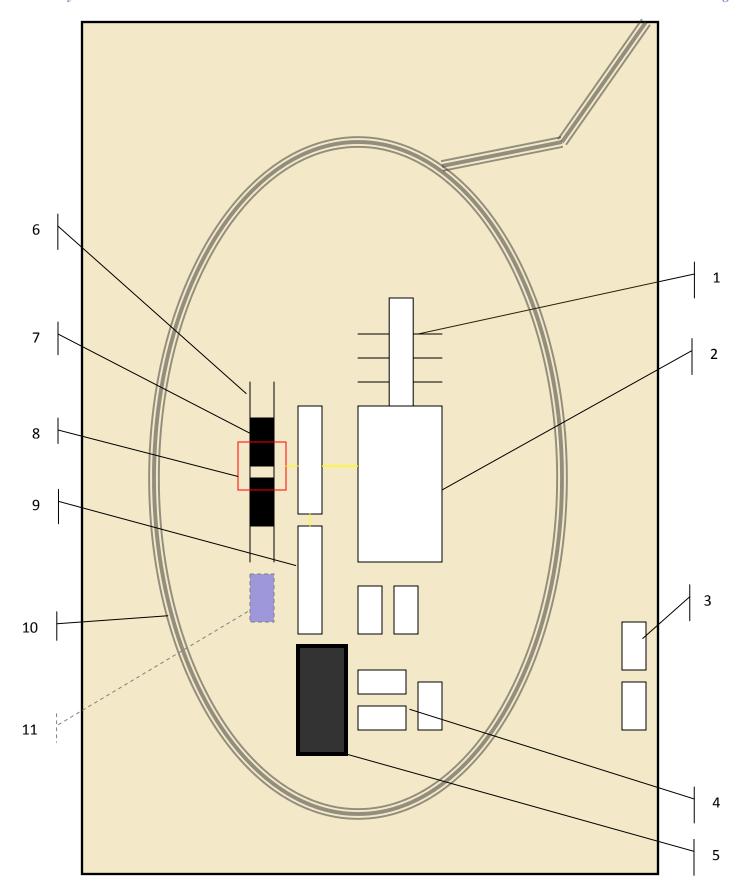
NAD 1983 New Mexico State Plane East FIPS 3001 Feet



Prepared by Permits West, Inc., Sept. 20, 2024 for Silverback Exploration, LLC







Schematic Closed Loop Drilling Rig*

- 1. Pipe Rack
- 2. Drill Rig
- 3. House Trailers/ Offices
- 4. Generator/Fuel/Storage
- 5. Overflow-Frac Tank
- 6. Skids
- 7. Roll Offs
- 8. Hopper or Centrifuge
- 9. Mud Tanks
- 10. Loop Drive
- 11. Generator (only for use with centrifuge)

*Not drawn to scale: Closed loop system requires at least 30 feet beyond mud tanks. Ideally 60 feet would be available





37Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

Released to Imaging: 6/8/2025 2:52:08 PM



Closed Loop Drilling System: Mud tanks to right (1)

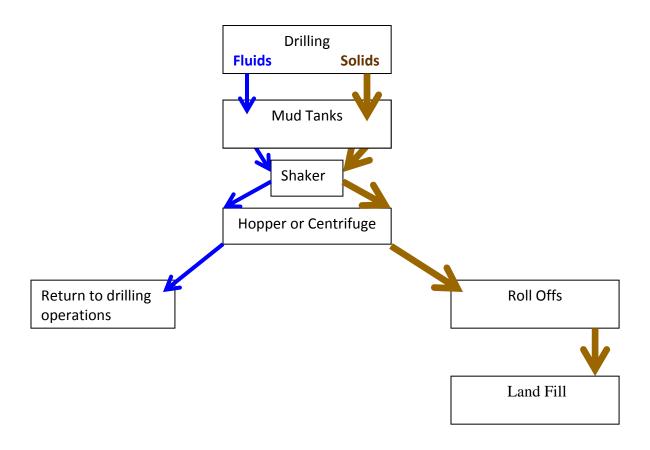
Hopper in air to settle out solids (2)

Water return pipe (3)

Shaker between hopper and mud tanks (4)

Roll offs on skids (5)

Flow Chart for Drilling Fluids and Solids



Photos Courtesy of Gandy Corporation Oil Field Service



Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 452933

CONDITIONS

Operator:	OGRID:
Silverback Operating II, LLC	330968
1001 W. Wilshire Blvd	Action Number:
Oklahoma City, OK 73112	452933
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
bwood	Cement is required to circulate on both surface and intermediate1 strings of casing.	4/16/2025
bwood	If cement does not circulate on any string, a Cement Bond Log (CBL) is required for that string of casing.	4/16/2025
ward.rikala	Notify the OCD 24 hours prior to casing & cement.	6/8/2025
ward.rikala	File As Drilled C-102 and a directional Survey with C-104 completion packet.	6/8/2025
ward.rikala	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.	6/8/2025
ward.rikala	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.	6/8/2025