State Of New Mexico Energy, Minerals and Natural Resources Department

30-Jul-25

Silverback Operating II, LLC

Pre Enforcement Notification

1001 W. Wilshire Blvd Suite 206 Oklahoma City, OK 73112

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date indicated.

Please notify the Compliance Officer copied on this letter, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

[30-015-22689] LANNING JC COM #001 OGRID: 330968 B-07-18S-26E 660 FNL 2310 FEL

Inspection DateType InspectionInspectorInspection No.7/30/2025Routine Inspection[DA] David AlvaradoiDA2521144545ViolationTitleCorrective Action Due

cDA2521158434 19.15.16.8 Sign on Wells Inaccurate Information

10/28/2025

(UNIT LETTER MISSING ON SIGN) cDA2521158435 19.15.29 Releases Surface Leaks/Spills

10/28/2025

(ENARDO VALVE MISSING THIEF HATCH OPEN VENTING TO ATMOSPHERE SIGN WITHOUT UNIT LETTER)

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.