

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES**

**APPLICATION OF SILVERBACK, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 23424

SILVERBACK'S PRE-HEARING STATEMENT

Silverback Operating II, LLC ("Applicant" or "Silverback"), the Applicant in the above-referenced matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Silverback Operating II, LLC

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

In **Case No. 23424**, Silverback seeks orders pooling all uncommitted interests in the Penasco Draw SA-Yeso Formation (Pool Code 50270) underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the N2 Section 9, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. Applicant seeks to initially dedicate this horizontal spacing unit to the proposed **Morrison Unit #101H, Morrison Unit #102H, Morrison Unit #103H and Morrison Unit #104H** wells. The **Morrison Unit #101H** will be horizontally drilled from a surface hole location in the NW4 NW4 of Section 10, Township 19 South, Range 25 East, being approximately 501 feet FNL, and approximately 1330 feet FWL, to a bottom hole location in the NW4 NW4 of

Section 9, Township 19 South, Range 25 East, being approximately 340 feet FNL, and approximately 100 feet FWL. The **Morrison Unit 102H** will be horizontally drilled from a surface hole location in the NW4 NW4 of Section 10, Township 19 South, Range 25 East, being approximately 521 feet FNL, and approximately 1,330 feet FWL, to a bottom hole location in the NW4 NW4 of Section 9, Township 19 South, Range 25 East, being approximately 1,000 feet FNL, and approximately 100 feet FWL. The **Morrison Unit 103H** will be horizontally drilled from a surface hole located in the SW4 NW4 of Section 10, Township 19 South, Range 25 East, being approximately 2,418 feet FNL, and approximately 729 feet FWL, to a bottom hole location in the SW4 NW4 of Section 9, Township 19 South, Range 25 East, being approximately 1,660 feet FNL, and approximately 100 feet FWL. The **Morrison Unit 104H** will be horizontally drilled from a surface hole located in the SW4 NW4 of Section 10, Township 19 South, Range 25 East, being approximately 2,438 feet FNL, and approximately 729 feet FWL, to a bottom hole location in the SW4 NW4 of Section 9, Township 19 South, Range 25 East, being approximately 2,320 feet FNL, and approximately 100 feet FWL.

The completed interval for each well will be orthodox and comply with statewide setbacks for oil wells. Silverback has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

APPLICANTS PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Larry Coshow, Landman	Affidavit	Approximately 9
Nate Gilbertson, Geologist	Affidavit	Approximately 6

PROCEDURAL MATTERS

Silverback intends to present this case by affidavit if there is no opposition at the time of the hearing.

Respectfully submitted,

HOLLIDAY ENERGY LAW GROUP, PC

/s/ Benjamin B. Holliday

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

QUESTIONS

Action 202336

QUESTIONS

Operator: Silverback Operating II, LLC 19707 IH10 West, Suite 201 San Antonio, TX 78256	OGRID: 330968
	Action Number: 202336
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	2
Testimony time (in minutes)	10