

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING – APRIL 6, 2023**

**CASE NO. 24156**

**APPLICATION FOR AMENDMENT OF POOLING  
ORDER R-NO. 22567**

*NETHERLIN STATE COM 101H  
NETHERLIN STATE COM 102H  
NETHERLIN STATE COM 103H*

**EDDY COUNTY, NEW MEXICO**



**SILVERBACK**  
EXPLORATION

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
TO EXTEND TIME TO COMMENCE  
DRILLING OPERATIONS,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT INDEX**

Exhibit A	Affidavit of Jake Bebermeyer, Landman
Exhibit A-1	Case No. 24156 Stamped Application & Proposed Notice of Hearing
Exhibit A-2	Order No. R-22567
Exhibit A-3	Chart of Notice to All Parties
Exhibit A-4	Proof of Publication
Exhibit B	Affidavit of Benjamin Holliday
Exhibit B-1	Sample Notice Letter to All Interested Parties
Exhibit B-2	Chart of Notice to All Parties
Exhibit B-3	Copies of Cert. Mail Receipts and Returns
Exhibit B-4	Proof of Publication

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT A**

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**AFFIDAVIT OF JAKE BEBERMEYER**

Jake Bebermeyer, being first duly sworn and upon oath, deposes and states as follows:

1. My name is Jake Bebermeyer, and I am a landman with Silverback Operating II, LLC (“Silverback”). I have previously testified before the Oil Conservation Division (“Division”), and my qualifications as an expert in petroleum land matters were accepted.

2. I am submitting this affidavit in support of Silverback’s application in the above-referenced case pursuant to 19.15.14.12(A)(1) NMAC.

3. I am familiar with the application for amendment filed by Silverback in this case, and I am familiar with the status of the lands in the subject area. Copies of Silverback’s Application and the Proposed Hearing Notice are attached as Silverback Exhibit A-1.

4. The Division entered Order No. R-22567 (“Order”) in Case No. 23194 on March 30, 2023. The Order pooled all uncommitted interests in the Atoka Glorieta Yeso Formation, Pool Code 3250, underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S2 Section 16, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico (“Spacing Unit”), and dedicated to the **Netherlin State Com 101H** (API No. 30-015-54791), **Netherlin State Com 102H** (API No. 30-015-50082) and the **Netherlin State Com 103H** (API No. 30-015-50083) wells (“Wells”). A copy of the original Application and Order is attached as Silverback Exhibit A-2.



5. All parties subject to the Order were locatable, notice of this proposed amendment was provided, and a green card or delivery verification was returned; see Silverback Exhibit A-3 for proof of mailing. Out of an abundance of caution, Silverback caused notice to be published more than ten (10) business days prior to the compulsory pooling hearing in the Carlsbad Current Argus in accordance with 19.15.4.12(B) NMAC; Silverback Exhibit A-4 contains a copy of the legal advertisement, as well as the affidavit of publication. I provided the law firm of Holliday Energy Law Group, PC, with the name and addresses for all parties subject to the Order.

6. None of the parties to be pooled in this case previously indicated opposition to this matter proceeding by affidavit to the Division, and likewise none have indicated opposition to this proposed amendment. Therefore, I do not expect any opposition at the hearing.

7. Paragraph 19 of the order requires Silverback to commence drilling the Wells within one (1) year of the date of the Order unless it obtains a time extension from the Division Director for good cause shown.

8. Good cause exists for an extension to commence drilling the Wells due to delays caused by offset developments, midstream infrastructure restrictions, and Applicant's resulting need and desire to avoid operational scenarios that require flaring natural gas to produce the Wells.

9. Accordingly, Silverback requests that the Division extend the deadline to commence drilling the Wells for one (1) year until March 30, 2025.

10. Silverback further requests that the Order's other provisions remain in force and effect.

11. Silverback is in good standing under statewide rules and regulations.

12. In my opinion, the granting of Silverback's application would best serve the interests of conservation, the protection of correlative rights, and the prevention of waste.

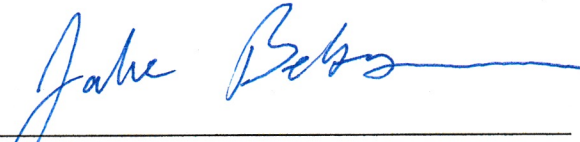
13. Silverback Exhibits A-1 through A-4 were either prepared by me or compiled under my direction and supervision.

14. I swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate.

*[Remainder of the page intentionally left blank.]*

FURTHER AFFIANT SAYETH NOT.

Dated this 5th day of March, 2024.

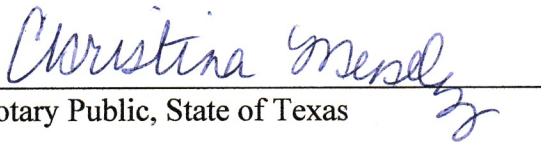
  
 \_\_\_\_\_  
 Jake Bebermeyer  
 Silverback Operating II, LLC

STATE OF TEXAS            )  
   )  
 COUNTY OF BEXAR        )

SUBSCRIBED AND SWORN to before me this 5th day of March, 2024, by Jake Bebermeyer, Landman for Silverback Operating II, LLC.

Witness my hand and official seal.



  
 \_\_\_\_\_  
 Notary Public, State of Texas

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT A-1**

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

**APPLICATION OF SILVERBACK  
OPERATING II, LLC  
TO EXTEND TIME TO COMMENCE  
DRILLING OPERATIONS,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. \_\_\_\_\_  
ORDER NO. R-22567**

**APPLICATION**

Silverback Operating II, LLC (“Applicant”) (OGRID No. 330968), through its undersigned attorney, hereby files this Application with the Oil Conservation Division of the State of New Mexico (“Division”) requesting a one-year time extension to commence drilling the Well(s) authorized by Order No. R-22567 (“Order”). In support of its application, Applicant states the following:

1. The Division entered the Order in Case No. 23194 on March 30, 2023.
2. The Order pooled all uncommitted interests in the Atoka Glorieta Yeso Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 Section 16, Township 18 South, Range 26 East, NMPM Eddy County, New Mexico (“Unit”), for the purpose of drilling the Netherlin State Com #102H well (“102H Well”), and the Netherlin State Com #103H well (“103H Well”). The 102H Well and 103H Well are referred to collectively herein as the “Wells.”
3. The Order designated Applicant as operator of the Unit and Wells. Paragraphs 19 and 20 of the Order require applicant to commence drilling the Wells within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.

4. Applicant's ability to commence drilling the wells has been delayed by offset develop, midstream infrastructure delays, and Applicant's resulting need and desire to avoid operational scenarios that require flaring natural gas in order to produce the Wells.

5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells until March 30, 2025.

WHEREFORE, Applicant requests that this application be set for hearing on March 7, 2024, and after notice and hearing, the Division extend the deadline to commence drilling the Wells under the Order until March 30, 2025.

Respectfully submitted,

HOLLIDAY ENERGY LAW GROUP, PC

/s/ Benjamin B. Holliday

Benjamin B. Holliday

107 Katherine Court, Suite 100

San Antonio, Texas 78209

Phone: (210) 469-3197

[ben@theenergylawgroup.com](mailto:ben@theenergylawgroup.com)

[ben-svc@theenergylawgroup.com](mailto:ben-svc@theenergylawgroup.com)

*Counsel for Silverback Operating II, LLC*

Application of Silverback Operating II, LLC for to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Silverback Operating II, LLC (“Applicant”) seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22567 (“Order”), by one year to March 30, 2025. The Division entered the Order in Case No. 23194 on March 30, 2023. The Order pooled all uncommitted interests in the Atoka Glorieta Yeso Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 Section 16, Township 18 South, Range 26 East, NMPM Eddy County, New Mexico (“Unit”), for the purpose of drilling the Netherlin State Com #102H well (“102H Well”), and the Netherlin State Com #103H well (“103H Well”). The 102H Well and 103H Well are referred to collectively herein as the “Wells.” The Order designated Applicant as operator of the Unit and Wells. The Order requires Applicant to commence drilling the Wells within one year of the date of the Order unless the operator obtains an extension amending the order for good cause shown. Applicant requests the division to extend the deadline to commence drilling the Wells until March 30, 2025. The Wells are located approximately 8 miles South of Artesia, New Mexico.

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT A-2**



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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
SILVERBACK OPERATING II, LLC**

**CASE NO. 23194  
ORDER NO. R-22567**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on December 1, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Silverback Operating II, LLC (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

### **ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

- well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
  25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
  26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
  27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
  28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
  29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

  
\_\_\_\_\_  
**DYLAN M. FUGE**  
**DIRECTOR (ACTING)**  
DMF/jrh

Date: 3/30/23

CASE NO. 23194  
ORDER NO. R-22567

Page 4 of 6

**Exhibit A**

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Page 2 of 10


<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 23194</b>	<b>APPLICANT'S RESPONSE</b>
Hearing Date: 12/1/2022	
Applicant	Silverback Operating II, LLC
Designated Operator & OGRID (affiliation if applicable)	Silverback Operating II, LLC ( OGRID #: 330968)
Applicant's Counsel:	Benjamin Holliday
Case Title:	Application of Silverback Operating II, LLC for Compulsory Pooling creating standard 320-acre, more or less, overlapping horizontal spacing unit covering S/2 of Section 16-T18S-R26E, N.M.P.M., Eddy County, New Mexico
Entries of Appearance/Intervenors:	Michael H. Feldewert, Adam G. Rankin, Julia Broggi, Paula M. Vance (Holland & Hart) for MRC Delaware Resources, LLC (Matador)
Well Family	Netherlin State Com #101H, Netherlin State Com #102H, and Netherlin State Com #103H
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Yeso
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Yeso
Pool Name and Pool Code:	Atoka; Glorieta-Yeso (#3250)
Well Location Setback Rules:	Statewide
Spacing Unit Size:	320-acre, more or less; S/2 of Section 16-T18S-R26E. N.M.P.M., Eddy County, New Mexico
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres, more or less, covering S/2 of Section 16-T18S-R26E, N.M.P.M., Eddy County, New Mexico
Building Blocks:	quarter - quarter: Two (2) state lease tracts make up the S/2 unit: NW/4 SW/4; E/2 SE/4 and W/2 SE/4, E/2 SW/4 SW/4 SW/4
Orientation:	East / West - Laydown - S/2
Description: TRS/County	S/2 of Section 16-T18S-R26E, N.M.P.M., Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	Yes; surface of the earth down to the stratigraphic equivalent of 2,964'
Proximity Tracts: if yes, description	Yes. The completed interval of the Netherlin State Com #102H well will be located within 330' of the quarter-quarter section line separating the S/2 S/2 and N/2 S/2 of Section 16 to allow the creation of a 320-acre standard horizontal spacing unit.
Proximity Defining Well: if yes, description	Netherlin State Com #102H. 102H is within 330' of adjoining quarter quarter section tracts separating N2 S2 and S2 N2.
Applicant's Ownership in Each Tract	Exhibit A-5b.
<b>Well(s)</b>	
Well #1	Netherlin State Com #101H (API No.: 30-015-pending) SHL: 1,606' FSL & 283' FEL of Section 16-T18S-R26E BHL: 350' FSL & 100' FWL of Section 16-T18S-R26E Target: Yeso Orientation: horizontal Completion status: standard TMD: 7,738'; TVD: 3,022'; LL: 5,000'
Well #2	Netherlin State Com #102H (API No.: 30-015-50082) SHL: 1,626' FSL & 283' FEL of Section 16-T18S-R26E BHL: 1,132' FSL & 100' FWL of Section 16-T18S-R26E Target: Yeso Orientation: horizontal Completion status: standard TMD: 7,738'; TVD: 3,022'; LL: 5,000'

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CASE NO. 23194  
ORDER NO. R-22567

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Page 3 of 10

Well #3	Netherlin State Com #103H (API No.: 30-015-50083) SHL: 1,646' FSL & 283' FEL of Section 16-T18S-R26E BHL: 1,523' FSL & 100' FWL of Section 16-T18S-R26E Target: Yeso Orientation: horizontal Completion status: standard TMD: 7,735'; TVD: 3,022'; LL: 5,000'
Horizontal Well First and Last Take Points	Exhibit 4
Completion Target (Formation, TVD and MD)	See above information. See also Exhibit B2-B5.
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000.00
Production Supervision/Month \$	\$800.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A-2
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C-1
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-2
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-5a
Tract List (including lease numbers and owners)	Exhibit A-5b
Pooled Parties (including ownership type)	Exhibit A-5b
Unlocatable Parties to be Pooled	No
Ownership Depth Severance (including percentage above & below)	Yes; see line #26 above. No depth severance in targeted formation.
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-8
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-5b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-9
Overhead Rates In Proposal Letter	Exhibit A-8
Cost Estimate to Drill and Complete	Exhibit A-8
Cost Estimate to Equip Well	Exhibit A-8
Cost Estimate for Production Facilities	Exhibit A-8
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-5
Well Orientation (with rationale)	Exhibit B and B-2
Target Formation	Exhibit B - Yeso
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	N/a
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-4
Tracts	Exhibit A-5a, A-5b
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-5b
General Location Map (including basin)	Exhibit A-3
Well Bore Location Map	Exhibit B-2
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-4, B-5
<b>Additional Information</b>	
Special Provisions/Stipulations	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	Benjamin B. Holliday
Signed Name (Attorney or Party Representative):	
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**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT A-3**

Netherlin CP Hearing Notice to Owner Amendment Notification Spreadsheet						
Working Interest Owner	Address	Date Notification Sent	Date Notification Received	Tracking Number	Notes	
Susan M. Shope, Peter N. Maxwell, Jonathan V. Maxwell ar	34 Fairview St., Asherville, NC 28803	1/22/2024	1/29/2024	9589 0710 5270 1234 5472 45		
Gates Properties, LTD	PO Box 81119, Midland, TX 79708-1119	1/22/2024	1/29/2024	9589 0710 5270 1234 5472 52	Green card returned, and picked up by Nieve but USPS tracking says "Your item was picked up at a postal facility at 4:50 pm on January 29, 2024 in MIDLAND, TX 79708"	
John W. Gates, LLC	706 West Grand Avenue, Artesia, NM 88210	1/22/2024	1/30/2024	9589 0710 5270 1234 5472 69		
Sharbro Energy, LLC	PO Box 840, Artesia, NM 88211-0840	1/22/2024	1/25/2024	9589 0710 5270 1462 5386 57		
Nancy Helen Castillo	1108 Dahlia Ct., Calexico, CA 92231	1/22/2024	1/26/2024	9589 0710 5270 1462 5387 18	Green card returned, and picked up by Nieve but USPS tracking says "Your item was delivered to an individual at the address at 4:06 pm on January 26, 2024 in CALEXICO, CA 92231"	
Kenneth William Irish	43 Overhill Rd., Orinda, CA 94563	1/22/2024		9589 0710 5270 1462 5387 32	Will be returned, according USPS	
Robert Morley Irish	15155 Modres Valley, Yamhill OR, 97148	1/22/2024	2/20/2024	9589 0710 5270 1462 5387 25		
Russell Sanford Gates	23 Stafford Square, Boyertown, PA 15601	1/22/2024		9589 0710 5270 1462 5381 56	No status on delivery. "USPS doesn't yet have a status update on this item shipped from the Post Office. Information is usually updated within the hour of your visit. Please check back soon."	
William Allen Gates	208 Wren Drive, Greensburg, PA 15601	1/22/2024	2/2/2024	9589 0710 5270 1462 5387 49		
Vladin, LLC	PO Box 100, Artesia, NM 88211	1/22/2024	1/25/2024	9589 0710 5270 1462 5387 70		
Yates Energy Corporation	PO Box 2323, Roswell NM 88202-2323	1/22/2024	1/25/2024	9589 0710 5270 1462 5380 60		
Explores Petroleum Corporation	PO Box 1933, Roswell, NM 88202-1933	1/22/2024	1/25/2024	9589 0710 5270 1462 5387 87		
Spiral, Inc.	PO Box 1933, Roswell, NM 88202	1/22/2024	1/25/2024	9589 0710 5270 1462 5387 94		
PrimeEnergy Corporation	9821 Katy Freeway, Suite 1050, Houston, TX 77024	1/22/2024	1/24/2024	9589 0710 5270 1462 5388 24		
Jalapeno Corporation	PO Box 1608, Albuquerque, NM 87103-1608	1/22/2024	1/26/2024	9589 0710 5270 1462 5387 63		
L. M. Graham Family Limited Partnership	PO Box 50550, Midland, TX 79710	1/22/2024	1/29/2024	9589 0710 5270 1462 5388 17		
MRC Delaware Resources, LLC	5400 Lyndon B Johnson Fwy, Ste 1500 One Lincoln Centre Dallas, TX 75240-1017	1/22/2024	1/24/2024	9589 0710 5270 1462 5388 00		

Notice via Publication						
Publication Name	Ad Number	Publication Date	Contact Person	Position	Number	
Carlsbad Argus	5875903	1/25/2024	Kaylyn Dufraire	Public Notice Representative	844-590-5995	
Affidavit of Publication received						



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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT A-4**

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005875903

This is not an invoice

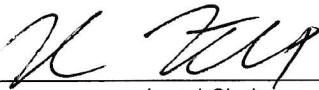
### HOLLIDAY ENERGY LAW GROUP

4040 BROADWAY # 350

SAN ANTONIO, TX 78209-6375

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

01/25/2024

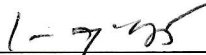


Legal Clerk

Subscribed and sworn before me this January 25, 2024:



State of WI, County of Brown  
NOTARY PUBLIC



My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0005875903  
PO #: Case No. 24156  
# of Affidavits 1

This is not an invoice

To: Susan M. Shope, Peter N. Maxwell, Jonathon V. Maxwell, David L. Maxwell, Gates Properties, Ltd, John W. Gates, LLC, Sharbro Energy, LLC, Nancy Helen Castillo, Kenneth William Irish, Robert Morley Irish, Russell Sanford Gates, William Allen Gates, Vliadin, LLC, Yates Energy Corporation, Explores Petroleum Corporation, Spiral, Inc., PrimeEnergy Corporation, Jalapeno Corporation, L.M. Graham Family Limited Partnership, MRC Delaware Resources, LLC, or your successors or assigns, Silverback Operating II, LLC has filed the following application with the New Mexico Oil Conservation Division, seeking the relief specified below:

Case No. 24156: Silverback Operating II, LLC ("Applicant") seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22567 ("Order"), by one year to March 30, 2025. The Division entered the Order in Case No. 23194 on March 30, 2023. The Order pooled all uncommitted interests in the Atoka Glorieta Yeso Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 Section 16, Township 18 South, Range 26 East, NMPM Eddy County, New Mexico ("Unit"), for the purpose of drilling the Netherlin State Com #102H well ("102H Well"), and the Netherlin State Com #103H well ("103H Well"). The 102H Well and 103H Well are referred to collectively herein as the "Wells." The Order designated Applicant as operator of the Unit and Wells. The Order requires Applicant to commence drilling the Wells within one year of the date of the Order unless the operator obtains an extension amending the order for good cause shown. Applicant requests the division to extend the deadline to commence drilling the Wells until March 30, 2025. The Wells are located approximately 8 miles South of Artesia, New Mexico.

The case has been set for a hearing on March 7, 2024 as Case No. 24156 before a Division Examiner at the New Mexico Oil Conservation Division. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on March 7, 2024, beginning at 8:15am. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>, or contact Sheila Apodaca at [Sheila.apodaca@emnrd.nm.gov](mailto:Sheila.apodaca@emnrd.nm.gov). You are not required to attend this hearing, but as an owner of an interest that may be affected, you may

appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by February 28, 2024, and serve the Division, counsel for Applicant, and other parties with a pre-hearing statement by February 29, 2024, in accordance with Division Rule 19.15.4.13. The statement may be filed online with the Division at [ocd.hearings@emnrd.nm.gov](mailto:ocd.hearings@emnrd.nm.gov) and should include the name of the party, his or her attorney, a concise statement of the case, the names of the witnesses the party will call to testify at the hearing, and the approximate time the party will need to present the case. Information should also be included to identify any procedural matters that need to be resolved prior to the meeting. The attorney for applicant is Ben Holliday, Holliday Energy Law Group, PC, 107 Katherine Court, Suite 100, San Antonio, Texas 78209, 210.469.3187, [ben@theenergylawgroup.com](mailto:ben@theenergylawgroup.com).  
#5875903, Current Argus,  
January 25, 2024

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT B**

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**SELF AFFIRMED STATEMENT OF BEN HOLLIDAY**

1. My name is Ben Holliday, and I am an attorney in fact and authorized representative of Silverback Operating II, LLC (“Silverback”).
2. I am familiar with the Notice Letters attached as Exhibit B-1, which contains a table of all parties to whom notice was provided.
3. Exhibit B-2 also provides the date each Notice Letter was sent and the date each return was received or date delivery was confirmed by the United States Postal Service.
4. Exhibit B-3 is a copy of all returned certified mailing delivery receipts.
5. On January 25, 2024, I caused Notice by Publication to be published to all interested parties in the Carlsbad Current Argus. An Affidavit of Publication from the Legal Clerk of the Carlsbad Argus, along with a copy of the notice publication, is attached as Exhibit B-4.

6. I understand that this Self-Affirmed Statement will be used as written testimony in Case No. 24156. I affirm that my testimony above is true and correct and made under penalty of perjury under the laws of the State of New Mexico. My testimony is as of the date of my signature below.

Respectfully submitted,

DATE: March 5, 2024

HOLLIDAY ENERGY LAW GROUP, PC

/s/ Benjamin B. Holliday

Benjamin B. Holliday

107 Katherine Court, Suite 100

San Antonio, Texas 78209

Phone: (210) 469-3197

Email: [ben@theenergylawgroup.com](mailto:ben@theenergylawgroup.com) / [ben-svc@theenergylawgroup.com](mailto:ben-svc@theenergylawgroup.com)

*Counsel for Silverback Operating II, LLC*

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT B-1**





**HOLLIDAY ENERGY LAW GROUP**

---

January 18, 2024

*VIA U.S. CERTIFIED MAIL, RETURN RECEIPT REQUESTED*

TO: ALL INTEREST OWNERS ON ATTACHED LIST

RE: Case No. 24156 – Application of Silverback Operating II, LLC seeking Order to Amend Order No. R-22567, Eddy County, NM – Netherlin State Com 102H and 103H Wells

Dear Interest Owner:

This will advise that Silverback Operating II, LLC (“Silverback”) has filed an application with the New Mexico Oil Conservation Division for an order amending existing Order No. R-22567, entered on March 30, 2023 in Case No. 23194, extending the well commencement deadline one year to March 30, 2025.

Enclosed is a copy of an application filed with the New Mexico Oil Conservation Division by Silverback Operating II, LLC (“Silverback”), requesting the following relief:

Application of Silverback Operating II, LLC for to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Silverback Operating II, LLC (“Applicant”) seeks an order extending the deadline to commence drilling the well authorized by Order No. R-22567 (“Order”), by one year to March 30, 2025. The Division entered the Order in Case No. 23194 on March 30, 2023. The Order pooled all uncommitted interests in the Atoka Glorieta Yeso Formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 Section 16, Township 18 South, Range 26 East, NMPM Eddy County, New Mexico (“Unit”), for the purpose of drilling the Netherlin State Com #102H well (“102H Well”), and the Netherlin State Com #103H well (“103H Well”). The 102H Well and 103H Well are referred to collectively herein as the “Wells.” The Order designated Applicant as operator of the Unit and Wells. The Order requires Applicant to commence drilling the Wells within one year of the date of the Order unless the operator obtains an extension amending the order for good cause shown. Applicant requests the division to extend the deadline to commence drilling the Wells until March 30, 2025. The Wells are located approximately 8 miles South of Artesia, New Mexico.

The attached Application has been set for a hearing on March 7, 2024, before a Division Examiner at the New Mexico Oil Conservation Division. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on March 7, 2024, beginning at 8:15am. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/oed/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony.

Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by February 28, 2024, and serve the Division, counsel for Applicant, and other parties with a pre-hearing statement by February 29, 2024, in accordance with Division Rule 19.15.4.13. The statement may be filed online with the Division at [oed.hearings@emnrd.nm.gov](mailto:oed.hearings@emnrd.nm.gov) and should include the name of the party, his or her attorney, a concise statement of the case, the names of the witnesses the party will call to testify at the hearing, and the approximate time the party will need to present the case. Information should also be included to identify any procedural matters that need to be resolved prior to the meeting.

Please feel free to contact me if you have any questions about this Application.

Regards,

**Benjamin Holliday**

**Holliday ENERGY Law Group**

107 Katherine Court, Suite 100

San Antonio, Texas 78209

**O:** 210.469.3187 **M:** 210.219.9126

**E:** [ben@theenergylawgroup.com](mailto:ben@theenergylawgroup.com)

**W:** [theENERGYlawgroup.com](http://theENERGYlawgroup.com)



**ATTACHED OWNER LIST**

**WORKING INTEREST OWNERS**

Susan M. Shope, Peter N. Maxwell, Jonathan V. Maxwell and David L. Maxwell Gates Properties, LTD	34 Fairview St., Asherville, NC 28803  PO Box 81119, Midland, TX 79708-1119
John W. Gates, LLC	706 West Grand Avenue, Artesia, NM 88210
Sharbro Energy, LLC	PO Box 840, Artesia, NM 88211-0840
Nancy Helen Castillo	1108 Dahlia Ct., Calexico, CA 92231
Kenneth William Irish	43 Overhill Rd., Orinda, CA 94563
Robert Morley Irish	15155 Modres Valley, Yamhill OR, 97148
Russell Sanford Gates	23 Stafford Square, Boyertown, PA 15601
William Allen Gates	208 Wren Drive, Greensburg, PA 15601
Yates Energy Corporation	PO Box 2323, Roswell NM 88202-2323
Explores Petroleum Corporation	PO Box 1933, Roswell, NM 88202-1933
Spiral, Inc.	PO Box 1933, Roswell, NM 88202
PrimeEnergy Corporation	9821 Katy Freeway, Suite 1050, Houston, TX 77024
Jalapeno Corporation	PO Box 1608, Albuquerque, NM 87103-1608
MRC Delaware Resources, LLC	5400 Lyndon B Johnson Fwy, Ste 1500 One Lincoln Centre Dallas, TX 75240-1017

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT B-2**

Netherlin CP Hearing Notice to Owner Amendment Notication Spreadsheet						
Wokring Interest Owner	Address	Date Notification Sent	Date Notification Received	Tracking Number	Notes	
Susan M. Shope, Peter N. Maxwell, Jonathan V. Maxwell ar	34 Fairview St., Asherville, NC 28803	1/22/2024	1/29/2024	9589 0710 5270 1234 5472 45		
Gates Properties, LTD	PO Box 81119, Midland, TX 79708-1119	1/22/2024	1/29/2024	9589 0710 5270 1234 5472 52	Green card returned, and picked up by Nieve but USPS tracking says "Your item was picked up at a postal facility at 4:50 pm on January 29, 2024 in MIDLAND, TX 79708"	
John W. Gates, LLC	706 West Grand Avenue, Artesia, NM 88210	1/22/2024	1/30/2024	9589 0710 5270 1234 5472 69		
Sharbro Energy, LLC	PO Box 840, Artesia, NM 88211-0840	1/22/2024	1/25/2024	9589 0710 5270 1462 5386 57		
Nancy Helen Castillo	1108 Dahlia Ct., Calexico, CA 92231	1/22/2024	1/26/2024	9589 0710 5270 1462 5387 18	Green card returned, and picked up by Nieve but USPS tracking says "Your item was delivered to an individual at the address at 4:06 pm on January 26, 2024 in CALEXICO, CA 92231"	
Kenneth William Irish	43 Overhill Rd., Orinda, CA 94563	1/22/2024		9589 0710 5270 1462 5387 32	Will be returned, according USPS	
Robert Morley Irish	15155 Modres Valley, Yamhill OR, 97148	1/22/2024	2/20/2024	9589 0710 5270 1462 5387 25		
Russell Sanford Gates	23 Stafford Square, Boyertown, PA 15601	1/22/2024		9589 0710 5270 1462 5381 56	No status on delivery. "USPS doesn't yet have a status update on this item shipped from the Post Office. Information is usually updated within the hour of your visit. Please check back soon."	
William Allen Gates	208 Wren Drive, Greensburg, PA 15601	1/22/2024	2/2/2024	9589 0710 5270 1462 5387 49		
Vladin, LLC	PO Box 100, Artesia, NM 88211	1/22/2024	1/25/2024	9589 0710 5270 1462 5387 70		
Yates Energy Corporation	PO Box 2323, Roswell NM 88202-2323	1/22/2024	1/25/2024	9589 0710 5270 1462 5380 60		
Explores Petroleum Corporation	PO Box 1933, Roswell, NM 88202-1933	1/22/2024	1/25/2024	9589 0710 5270 1462 5387 87		
Spiral, Inc.	PO Box 1933, Roswell, NM 88202	1/22/2024	1/25/2024	9589 0710 5270 1462 5387 94		
PrimeEnergy Corporation	9821 Katy Freeway, Suite 1050, Houston, TX 77024	1/22/2024	1/24/2024	9589 0710 5270 1462 5388 24		
Jalapeno Corporation	PO Box 1608, Albuquerque, NM 87103-1608	1/22/2024	1/26/2024	9589 0710 5270 1462 5387 63		
L. M. Graham Family Limited Partnership	PO Box 50550, Midland, TX 79710	1/22/2024	1/29/2024	9589 0710 5270 1462 5388 17		
MRC Delaware Resources, LLC	5400 Lyndon B Johnson Fwy, Ste 1500 One Lincoln Centre Dallas, TX 75240-1017	1/22/2024	1/24/2024	9589 0710 5270 1462 5388 00		

Notice via Publication						
Publication Name	Ad Number	Publication Date	Contact Person	Position	Number	
Carlsbad Argus	5875903	1/25/2024	Kaylyn Dufraire	Public Notice Representative	844-590-5995	
Affidavit of Publication received						

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT B-3**



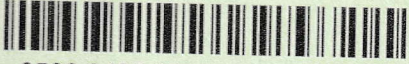
PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Gates Properties LTD  
PO Box 81119  
Midland Tx 79708



9590 9402 8658 3244 0798 68

2. Article Number (transfer from service label)

9589 0710 5270 1234 5472 52

PS Form 3811, July 2020 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Handwritten Signature]*

- Agent
- Addressee

B. Received by (Printed Name)

*Racyn Gates*

C. Date of Delivery

*1/29/23*

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Nancy Helen Castillo  
1108 Bahia Ct  
Calexico Ca 92231



8658 3244 0799 36

2. Article Number (transfer from service label)

1 0710 5270 1462 5387 18

PS Form 3811, July 2020 PSN 7530-02-000-9053

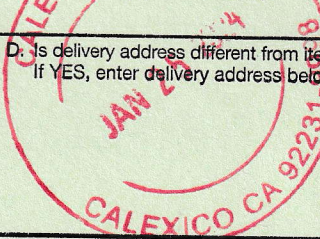
**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Handwritten Signature]*

- Agent
- Addressee

B. Received by (Printed Name)



C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

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

**APPLICATION OF SILVERBACK OPERATING II, LLC  
FOR COMPULSORY POOLING ORDER AMENDMENT,  
EDDY COUNTY, NEW MEXICO**

**CASE NO. 24156**

**EXHIBIT B-4**



# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005875903

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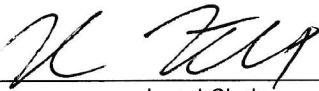
### HOLLIDAY ENERGY LAW GROUP

4040 BROADWAY # 350

SAN ANTONIO, TX 78209-6375

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

01/25/2024



Legal Clerk

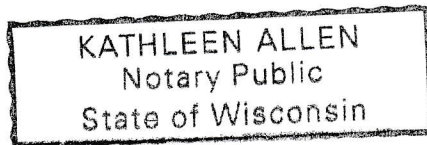
Subscribed and sworn before me this January 25, 2024:



State of WI, County of Brown  
NOTARY PUBLIC



My commission expires



Ad # 0005875903  
PO #: Case No. 24156  
# of Affidavits 1

This is not an invoice

To: Susan M. Shope, Peter N. Maxwell, Jonathon V. Maxwell, David L. Maxwell, Gates Properties, Ltd, John W. Gates, LLC, Sharbro Energy, LLC, Nancy Helen Castillo, Kenneth William Irish, Robert Morley Irish, Russell Sanford Gates, William Allen Gates, Vliadin, LLC, Yates Energy Corporation, Explores Petroleum Corporation, Spiral, Inc., PrimeEnergy Corporation, Jalapeno Corporation, L.M. Graham Family Limited Partnership, MRC Delaware Resources, LLC, or your successors or assigns, Silverback Operating II, LLC has filed the following application with the New Mexico Oil Conservation Division, seeking the relief specified below:

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appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by February 28, 2024, and serve the Division, counsel for Applicant, and other parties with a pre-hearing statement by February 29, 2024, in accordance with Division Rule 19.15.4.13. The statement may be filed online with the Division at [ocd.hearings@emnrd.nm.gov](mailto:ocd.hearings@emnrd.nm.gov) and should include the name of the party, his or her attorney, a concise statement of the case, the names of the witnesses the party will call to testify at the hearing, and the approximate time the party will need to present the case. Information should also be included to identify any procedural matters that need to be resolved prior to the meeting. The attorney for applicant is Ben Holliday, Holliday Energy Law Group, PC, 107 Katherine Court, Suite 100, San Antonio, Texas 78209, 210.469.3187, [ben@theenergylawgroup.com](mailto:ben@theenergylawgroup.com).  
#5875903, Current Argus,  
January 25, 2024

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005879447

This is not an invoice

**HOLLIDAY ENERGY LAW GROUP**  
PO BOX 90029

**SAN ANTONIO, TX 78209-9029**

STATE OF NEW MEXICO  
COUNTY OF EDDY  
FIFTH JUDICIAL DISTRICT COURT

APOLLO PERMIAN, LLC

Plaintiff,  
vs.

No. D-503-CV-2023-00844

THE UNKNOWN HEIRS OF VINCENT HAROLD SCOTT, DECEASED, ALL UNKNOWN SPOUSES, & ALL UNKNOWN CLAIMANTS OF INTEREST IN THE SUBJECT LEASE ADVERSE TO PLAINTIFFS,  
Defendants.

### NOTICE OF PENDENCY OF COMPLAINT FOR QUIET TITLE

**A DEFAULT JUDGMENT MAY BE ENTERED AGAINST YOU IF A RESPONSE IS NOT FILED.**

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

**02/11/2024, 02/18/2024, 02/25/2024**

To: THE UNKNOWN HEIRS OF VINCENT HAROLD SCOTT, DECEASED; and ALL UNKNOWN SPOUSES & ALL UNKNOWN CLAIMANTS OF INTEREST IN THE PREMISES ADVERSE TO PLAINTIFF

### GREETINGS:

You, and each of you, are hereby notified that a civil action is now pending in the District Court of Eddy County, New Mexico, the same being numbered **D-503-CV-2023-00844** on the docket of said Court, where in Apollo Permian, LLC., is the Plaintiff and you, and each of you, are named as Defendants therein; and the general object of said action is a Complaint to Quiet Title in the Plaintiff in the following described real property in Eddy County, New Mexico, to wit:

**Township 20 South – Range 28 East  
Section 4**

**Lots 3, 4, S/2 NW/4 and W/2 SW/4, 239.56 acres  
Total: Overriding royalty interest in the Subject Lease equal to an undivided 0.125%.  
Eddy County, New Mexico  
State of New Mexico Lease Serial Number NM-83580**

**Township 20 South – Range 28 East  
Section 4**

**E/2 SW/4, 80 acres  
Total: Overriding royalty interest in the Subject Lease equal to an undivided 0.125%.  
Eddy County, New Mexico  
State of New Mexico Lease Serial Number NM-82882**

You are notified that unless you file a responsive pleading or motion within thirty (30) days from the date of the last publication hereof, a judgment or other appropriate relief will be rendered in the cause against you by default. The attorney for the Plaintiff Apollo Permian, LLC. is Benjamin B. Holliday of Holliday Energy Law Group, LLC, 107 Katherine Court, Suite 100, San Antonio, Texas 78209.

WITNESS THE HAND AND SEAL of the Clerk of the District Court of Eddy County.

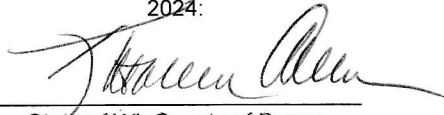
Signed this 16th day of January, 2024.

Martha Huereque  
Clerk of the Court

/s/ Gwyneth G.  
Deputy Clerk  
Lea County District Court  
#5879447, Current Argus, February 11, 18, 25, 2024

  
\_\_\_\_\_  
Legal Clerk

Subscribed and sworn before me this February 25, 2024:

  
\_\_\_\_\_  
State of WI, County of Brown  
NOTARY PUBLIC

1-7-25  
My commission expires

**KATHLEEN ALLEN  
Notary Public  
State of Wisconsin**

Ad # 0005879447  
PO #: Quiet Title  
# of Affidavits 1

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## Affidavit of Publication

Ad # 0005867940

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**HOLLIDAY ENERGY LAW GROUP**  
4040 BROADWAY # 350

**SAN ANTONIO, TX 78209-6375**

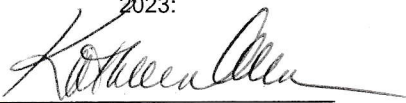
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

**12/20/2023**

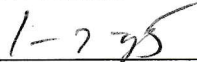


Legal Clerk

Subscribed and sworn before me this December 20, 2023:



State of WI, County of Brown  
NOTARY PUBLIC



My commission expires

**KATHLEEN ALLEN**  
Notary Public  
State of Wisconsin

Ad # 0005867940  
PO #: 0005867940  
# of Affidavits 1

This is not an invoice

This is to notify the entities, individuals, their heirs, personal representatives, trustees, successors or assigns, and any other uncommitted mineral, working interest, or royalty owners: Marathon Oil Permian LLC; Chevron USA Inc.; XTO Holdings LLC; Oxy USA Inc.; The Allar Company; CD Ray Exploration LLC; Crump Family Partnership; Sonic Oil and Gas LP; SRR Permian LLC; Ernie Grodi; GE Rogers LLC; B F Albritton LLC; T C Energy LLC; TBO Energy LLC; Pontem Energy Partners I LP; Chief Capital II LLC; Llano Natural Resources LLC; Dorchester Minerals LP; COG Operating LLC; Concho Oil & Gas LLC; Huntsman Resources LLC; Andros Minerals LLC; Breck Minerals LP; Calmetto II LTD; CD Ray Exploration LLC; Community Minerals LLC; Crown Oil Partners LP; H M Bettis Inc; Hou-Tex Exploration Inc; James Adelson and Family; John Saleh Charitable Foundation; Kenneth C Dickeson; L E Oppermann; Lanell Joy Honeyman; Leslie Robert Honeyman Trust; LJA Charitable Investments LLC; Llano Natural Resources LLC; Memorial Minerals Inc; Michael Hayes and Kathryn TTEES; Oak Valley Mineral and Land LP; Penasco Petroleum LLC; Quientesa Royalty LP; Rolla R Hinkle III; SMP Patriot Mineral Holdings LLC; Sonic Minerals LP; Stillwater Investments; Stovall Energy LTD; Tarpon Industries Corp; Teryn Daley Gonzalez; Thomas R Smith; Valerie Branson And; WT Boyle And Company; and Zunis Energy LLC. Case No. 24081, Application of Marathon Oil Permian LLC for Compulsory Pooling, of the SW/4 Section 31, Township 24 South, Range 29 East, and the W/2 Section 6 and W/2 Section 7, located in Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico, as to the Willow Lake; Bone Spring Formation is set for hearing on Thursday, January 4, 2024 at 8:15 a.m. before a Division Examiner at the New Mexico Oil Conservation Division. Hearing may be viewed online by going to <https://www.emnrd.nm.gov/ocd/hearing-info/>. Applicant's attorney is Benjamin Holliday, Holliday Energy Law Group, 107 Katherine Court, Suite 100, San Antonio, TX 78209, [ben@theenergylawgroup.com](mailto:ben@theenergylawgroup.com), and the Application is on behalf of Marathon Oil Permian LLC, whose address is 990 Town & Country Blvd., Houston, Texas 77024. Application of Marathon Oil Permian LLC for Compulsory Pooling, Eddy County, New Mexico.

Applicant seeks an order pooling all uncommitted interests in the Willow Lake; Bone Spring Formation underlying a 800-acre, more or less, standard horizontal spacing unit comprised of the SW/4 Section 31, Township 24 South, Range 29 East, and the W/2 Section 6 and W/2 Section 7, located in Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells: a) Twisted Tea BS Fed Com 551H, which is an oil well that will be horizontally drilled from a surface hole location in the SW/4 of Section 31, Township 24 South, Range 29 East, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 330 feet FWL, and approximately 100 feet FSL ("551H Well"); b) Twisted Tea BS Fed Com 552H, which is an oil well that will be horizontally drilled from a surface hole location in the SW/4 of Section 31, Township 24 South, Range 29 East, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 1,000 feet FWL, and approximately 100 feet FSL ("552H Well"); c) Twisted Tea BS Fed Com 301H, which is an oil well that will be horizontally drilled from a surface hole location in the SW/4 of Section 31, Township 24 South, Range 29 East, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 1,000 feet FWL, and approximately 100 feet FSL ("301H Well"); d) Twisted Tea BS Fed Com 553H, which is an oil well that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 1650 feet FWL, and approximately 100 feet FSL ("553H Well"); e) Twisted Tea BS Fed Com 554H, which is an oil well that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 2310 feet FWL, and approximately 100 feet FSL ("554H Well"); and f) Twisted Tea BS Fed Com 302H, which is an oil well that will be horizontally drilled from a surface hole located in the SW/4 of Section 31, Township 24 South, Range 29 East, to a bottom hole location in the SW/4 of Section 7, Township 25 South, Range 29 East, being approximately 2310 feet FWL, and approximately 100 feet FSL ("302H Well"). The 551H Well, 552H Well, 301H Well, 553H Well, 554H Well, and 302H Well are referred to collectively herein as the "Wells." The completed interval of the Wells will be orthodox. Also, to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located 8 miles southwest of the town of Loving, New Mexico; #5867940, Current Argus, December 20, 2023