

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

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

CASE NO. 25417

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

Benjamin B. Holliday
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San Antonio, Texas 78209
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APPLICANT'S STATEMENT OF THE CASE

In **Case No. 25417**, Silverback seeks an order pooling all uncommitted interests within the Atoka Glorieta Yeso Formation, designated as an oil pool (Pool Code 3250) underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the S/2 S/2 Section 2, and the N/2 N/2 Section 11, both in Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. Applicant seeks to initially dedicate this horizontal spacing unit to the proposed **Roche #101H, Roche #102H, and Roche #103H** wells ("Wells").

The **Roche #101H**, API No. 30-015-5439,1 is an oil well that will be horizontally drilled from the **surface hole location** in the adjacent SW/4 of Section 1, Township 19 South, Range 25 East, being approximately 165 feet FSL, and approximately 427 feet FWL of Section 1, Township

19 South, Range 25 East, with a **first take-point** located 680 feet FSL and 100 feet FEL of Section 11, Township 19 South, Range 25 East, to a **bottom hole location** in the NW/4 of Section 11, Township 19 South, Range 25 East, being approximately 680 feet FSL, and approximately 100 feet FWL of Section 11, Township 19 South, Range 25 East.

The **Roche #102H**, API No. 30-015-54390, is an oil well that will be horizontally drilled from a **surface hole location** in the adjacent SW/4 of Section 1, Township 19 South, Range 25 East, being approximately 185 feet FSL, and approximately 427 feet FWL of Section 1, Township 19 South, Range 25 East, with a **first take-point** located 120 feet FSL and 100 feet FEL of Section 2, Township 19 South, Range 25 East, to a **bottom hole location** in the SW/4 of Section 2, Township 19 South, Range 25 East, being approximately 120 feet FSL, and approximately 100 feet FWL of Section 2, Township 19 South, Range 25 East;

The **Roche #103H**, API No. 30-015-54388, is an oil well that will be horizontally drilled from a **surface hole location** in the adjacent SW/4 of Section 1, Township 19 South, Range 25 East, being approximately 205 feet FSL, and approximately 427 feet FWL of Section 1, Township 19 South, Range 25 East, with a **first take-point** located 920 feet FSL and 100 feet FEL of Section 2, Township 19 South, Range 25 East, to a **bottom hole location** in the SW/4 of Section 2, Township 19 South, Range 25 East, being approximately 920 feet FSL, and approximately 100 feet FWL of Section 2, Township 19 South, Range 25 East.

The completed interval for each well will be orthodox and comply with statewide setbacks for oil wells. All working interest owners within the proposed Spacing Unit are parties to a joint operating agreement. Silverback has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners in the subject acreage.

APPLICANTS PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Larry Coshow, Landman	Affidavit	Approximately 8
Nate Gilbertson, Geologist	Affidavit	Approximately 5

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 360771

QUESTIONS

Operator: Silverback Operating II, LLC 19707 IH10 West, Suite 201 San Antonio, TX 78256	OGRID: 330968
	Action Number: 360771
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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