

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

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

**CASE NO. 23175**

**NOTICE OF FILING SUPPLEMENTAL EXHIBITS**

Silverback Operating II, LLC (“Applicant”) (OGRID No. 330968), through its undersigned attorney, hereby submits for filing the following supplemental exhibits:

Supplemental Exhibit C-1a, which is the Notice letter sent out to all interest owners via certified mail, return receipt requested.

Supplemental Exhibit C-1b which is a copy of the returned envelope from Charles Cline Moore received on 11/30/22. Next is the returned certified green card signed for by J. Frederick Van Vranken on 11/30/22. As of the time of submitting the Exhibits, it had not been returned to the undersigned, and in fact was not received until 12/06/22.

Respectfully submitted,

HOLLIDAY ENERGY LAW GROUP, PC

/s/ Benjamin B. Holliday

Benjamin B. Holliday  
4040 Broadway, Suite 350  
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*Counsel for Silverback Operating II, LLC*



**HOLLIDAY ENERGY LAW GROUP**

November 4, 2022

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

TO: ALL INTEREST OWNERS ON ATTACHED LIST

RE: Case No. 23175 – Application of Silverback Operating II, LLC for Compulsory Pooling, Eddy County, NM – Boyd X State Com 1H, 2H, 3H Wells

Dear Interest Owner:

This will advise that pursuant to NMSA 1978 § 70-2-17, Silverback Operating II, LLC (“Silverback”) has filed an application with the New Mexico Oil Conservation Division for an order regarding the wells and proposed wells described below. You are receiving this notice because you may have an interest in this well.

Case No. 23175. Application of Silverback Operating II, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted interests in the North Seven Rivers Glorieta Yeso formation in a standard 320-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the S/2 Section 16, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico. The HSU is to be dedicated to the following wells:

- a. **Boyd X State Com 101H**, API No. 30-015-49792, which is an oil well that has been horizontally drilled from a surface hole location in the SW4 SW4 of Section 15, Township 19 South, Range 25 East, to a bottom hole location in the SW4 SW4 of Section 16, Township 19 South, Range 25 East;
- b. **Boyd X State Com 102H**, which is an oil well that has been horizontally drilled from a surface hole location in the SW4 SW4 of Section 15, Township 19 South, Range 25 East, to a bottom hole location in the SW4 SW4 of Section 16, Township 19 South, Range 25 East;
- c. **Boyd X State Com 103H** (“Wells”), which is an oil well that will be horizontally drilled from a surface hole location in the NW4 SW4 of Section 15, Township 19 South, Range 25 East, to a bottom hole location in the NW4 SW4 of Section 16, Township 19 South, Range 25 East.

The first and last takepoints for the Wells meet the setback requirements set forth in the statewide rules for horizontal oil wells. The completed laterals for the 101H, 102H, do and 103H will comply with the standard setbacks. Also to be considered will be the cost of drilling and completing the wells and the allocation of costs, the designation of Silverback as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells.

The attached Application has been continued from its original November 4, 2022 date to December 1, 2022 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 December 1, 2022 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 November 23, 2022, and serve the Division, counsel for Applicant, and other parties with a pre-hearing statement by November 24, 2022, in accordance with Division Rule 19.15.4.13.

Please feel free to contact me if you have any questions about these Applications.

Regards,

**Benjamin Holliday**

**Holliday ENERGY Law Group**

4040 Broadway, Suite 350

San Antonio, Texas 78209

O: 210.469.3187 M: 210.219.9126

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

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

**CASE NO. \_\_\_\_\_**

**APPLICATION**

Pursuant to NMSA § 70-2-17, 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”) for an order (1) creating a standard 320-acre, more or less, overlapping horizontal well spacing unit (“Unit”) comprised of the S2 Section 16, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico (“Unit”), and (2) pooling all uncommitted interest within the North Seven Rivers Glorieta Yeso Formation, designated as an oil pool, underlying said Unit. In support of its Application, Applicant states the following:

1. Applicant is a working interest owner in the Unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced Unit to the following wells, referred to collectively as the Wells:
  - a. **Boyd X State Com 101H**, API No. 30-015-49792, which is an oil well that has been horizontally drilled from a surface hole location in the SW4 SW4 of Section 15, Township 19 South, Range 25 East, to a bottom hole location in the SW4 SW4 of Section 16, Township 19 South, Range 25 East;
  - b. **Boyd X State Com 102H**, which is an oil well that has been horizontally drilled from a surface hole location in the SW4 SW4 of Section 15, Township 19 South, Range 25 East, to a bottom hole location in the SW4 SW4 of Section 16, Township 19 South, Range 25 East;
  - c. **Boyd X State Com 103H** (“Wells”), which is an oil well that has been horizontally drilled from a surface hole location in the NW4 SW4 of Section 15, Township 19 South, Range 25 East, to a bottom hole location in the NW4 SW4 of Section 16, Township 19 South, Range 25 East.

3. The completed interval of the Wells will be orthodox and remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed Unit under NMAC 19.15.16.15(B)(1)(6).
4. The Unit will overlap the following existing vertical well spacing units covering portions of the subject acreage:
  - a. A compulsory pooling order dated April 8, 1993, issued in Case No. 10709, Order No. R-9883, forming a standard 160-acre spacing unit and pooling all mineral interests from the Surface to the Base of the Canyon Formation underlying the SW4 Section 16, Township 19 South, Range 25 East, NMPM;
  - b. A compulsory pooling order dated August 10, 1995, issued in Case No. 11310, Order No. R-10520, forming a standard 160-acre spacing unit and pooling all mineral interests from the Surface to the Base of the Canyon Formation underlying the SE4 Section 16, Township 19 South, Range 25 East, NMPM.
5. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Wells but has been unable to obtain voluntary agreements from all interest owners.
6. The approval of this overlapping Unit and pooling of uncommitted interests within the Unit will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
7. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Wells and Unit.

WHEREFORE, Applicant requests this Application be set for hearing November 3, 2022, and that after notice and hearing, the Division enter an order

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Designating Applicant as operator of the Unit and the Wells;
- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the Wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

- F. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the Wells against any working interest owner who does not voluntarily participate in the drilling of the Wells.

Respectfully submitted,

HOLLIDAY ENERGY LAW GROUP, PC

/s/ Benjamin B. Holliday

Benjamin B. Holliday

4040 Broadway, Suite 350

San Antonio, Texas 78209

Phone: (210) 469-3197

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

*Counsel for Silverback Operating II, LLC*

## ATTACHED OWNER LIST

**WORKING INTEREST OWNERS**

ErnieBello	1570 Alewa Drive	Honolulu	Hawaii	96817
Francis B. Bunn, Trustee, of the Francis B. Bunn Revocable Living Trust dated May 19, 1982	2493 Makiki Heights Drive	Honolulu	Hawaii	96822- 2547
J.W. Gendron Estate	380 Abbey Road	Indiana	Pennsylvania	15701- 9276
David Goodnow	17 Continental Island Road	Darien	Connecticut	06820
Joseph R. Hodge	P.O. Box 5238	Austin	Texas	78763
Sanford Hodge III	4323 Gilbert Avenue, Unit 2	Dallas	Texas	75219- 2909
EG Holden Testamentary Trust	2524 Union Street	San Francisco	California	94123
Dr. Isaac A. Kawaski	734 Kalanipuu	Honolulu	Hawaii	96825
Betsy H. Keller	228 Windsor River Road	Windsor	California	95492
Charles Cline Moore	10221 Heather Hills Road	Indianapolis	Indiana	46229- 2120
Yates Employees "87, Ltd.	P.O. Box 1394	Artesia	New Mexico	88211- 1394
Adolph Schuman Marital Trust	1870 Hoone Road, #824	Koloa	Hawaii	96756
Space Building Corp.	250 Cape Highway, Suite 2A	East Taunton	Maine	02718
J. Frederick Van Vranken	c/o Cynthia Van Vranken Keathing 80 Bradford Road	Weston	Maine	02493- 2141

Brown Brothers                    c/o Turtle Creek                    Dallas                    Texas                    75219  
 Harriman Trust                    Trust Company,  
 Company of Texas,                    Trustee  
 Successor Trustee of                    3838 Oaklawn  
 the Robert A. Oliver                    Avenue, Suite 1650  
 Trust U/W/O William  
 B. Oliver

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Brown Brothers                    c/o Turtle Creek                    Dallas                    Texas                    75219  
 Harriman Trust                    Trust Company,  
 Company of Texas,                    Trustee  
 Successor Trustee of                    3838 Oaklawn  
 the Judith C. Devine                    Avenue, Suite 1650  
 Trust U/W/O William  
 B. Oliver

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Brown Brothers                    c/o Turtle Creek                    Dallas                    Texas                    75219  
 Harriman Trust                    Trust Company,  
 Company of Texas,                    Trustee  
 Successor Trustee of                    3838 Oaklawn  
 the Brian D. Woehler                    Avenue, Suite 1650  
 Trust U/W/O William  
 B. Oliver

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Brown Brothers                    c/o Turtle Creek                    Dallas                    Texas                    75219  
 Harriman Trust                    Trust Company,  
 Company of Texas,                    Trustee  
 Successor Trustee of                    3838 Oaklawn  
 the Agnes Cluth Oliver                    Avenue, Suite 1650  
 Trust

**ADDITIONAL PARTIES**

**BAS Energy, LP**  
 PO Box 472087  
 Fort Worth, Texas 76147

**Nearburg Exploration Company**  
 3300 N. "A" St.  
 Building 2, Suite 120  
 Midland, Texas 79705

**Richard Norman**  
 Unknown

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

**CERTIFIED MAIL**

Exhibit C-1b

**Holliday Energy Law Group**  
4040 Broadway, Suite 350  
San Antonio, TX 78209-6375



7022 2410 0000 4481 6658



1000



46229

U.S. POSTAGE PAID  
FCM LG ENV  
SAN ANTONIO, TX  
78246  
NOV 04, 22  
AMOUNT  
**\$8.69**  
R2305H127059-27

Charles Cline Moore  
10221 Heather Hills Road  
Indianapolis, Indiana 46229-2120

*rec'd 11/30/22*

NIXIE 462 DE 1 0611/21/22

UNDELIVERABLE TO SENDER  
UNDELIVERABLE AS ADDRESS  
UNABLE TO FORWARD USE

**USPS TRACKING #**

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**First-Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-10**

**United States  
Postal Service**

\* Sender: Please print your name, address, and ZIP+4® in this box\*

Holiday Energy Law Group  
4040 Broadway St, Suite 350  
San Antonio, TX 78209-6375

*Rec'd 12/06/22*

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p>
<p>1. Article Addressed to:</p> <p>J. Frederick Van Vranken "c/o Cynthia Van Vranken Keathing 80 Bradford Road" Weston, Maine 02493-2141</p> <p>9590 9402 7314 2028 0513 99</p>	<p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p><i>40 VIRGINIA ZIOBRO 17 NORQUITT AVE SOUTH DARTMOUTH, MA 02748</i></p>
<p>2. Article Number (Transfer from service label)</p> <p>7022 2410 0000 4481 6689</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®  <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™  <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery  <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation™  <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery  <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Mail Restricted Delivery (DD)</p>
<p>PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt</p>	