

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

**APPLICATION OF SILVERBACK OPERATING II, LLC,
FOR A HORIZONTAL SPACING UNIT AND
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO**

Case No. 23316

PREHEARING STATEMENT

Silverback Operating II, LLC, (“Silverback”), OGRID No. 330968, through its undersigned attorneys, hereby files this Application with the Oil Conservation Division (“Division”).

APPEARANCES

APPLICANT

Silverback Operating II, LLC

ATTORNEY

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INTERESTED PARTIES

COG Operating LLC and
Concho Oil & Gas LLC

ATTORNEY

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APPLICANT'S STATEMENT OF THE CASE

In Case No. 23316, Silverback seeks an order (1) establishing a standard 160-acre, more or less, spacing and proration unit comprised of the S/2 S/2 of Section 22, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, and (2) pooling all uncommitted mineral interests in the Yeso formation underlying said unit. Silverback proposes and dedicates to the unit the **Krauss 22 #101H Well, Krauss 22 #201H Well, and Krauss 22 #202H Well**. The proposed 101H Well and 201H Well are orthodox in location. The proposed 202H Well is unorthodox in its location. Silverback will apply to the Division for administrative approval of the unorthodox location.

Silverback proposes the **Krauss 22 #101H Well**, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 22. Silverback proposes the **Krauss 22 #201H Well**, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 22. Silverback proposes the **Krauss 22 #202H Well**, an oil well, to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 22 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 22.

Silverback has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the wells or in the commitment of their interests to the wells for development within the proposed HSU. The pooling of all interests in the Wolfcamp formation within the proposed HSU, and establishing the spacing unit, will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

APPLICANT’S PROPOSED EVIDENCE

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Brennan West	Approx. 10 min	Approx. 6
Geologist: Nathaniel Gilbertson	Approx. 10 min	Approx. 5

PROCEDURAL MATTERS

Since the unit in this Case No. 23316 is within the same section and adjacent to the unit proposed by Silverback in Case No. 23315, Silverback requests that the two cases be consolidated. No protests or objections have been filed and Silverback does not anticipate any at this time; consequently, Silverback plans to conduct the hearing by self-affirmed statements.

Respectfully submitted,

ABADIE & SCHILL, PC

/s/ Darin C. Savage

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Attorneys for Silverback Operating II, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on January 26, 2023:

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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QUESTIONS

Action 179975

QUESTIONS

Operator: Silverback Operating II, LLC IH10 West, Suite 201 San Antonio, TX 78257	OGRID: 330968
	Action Number: 179975
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	Not answered.
Testimony time (in minutes)	Not answered.