

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505	Form C-103 August 1, 2011 Permit 334079 WELL API NUMBER 30-015-53274 5. Indicate Type of Lease P 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name MARGARET																				
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)																						
1. Type of Well: O		8. Well Number 103H																				
2. Name of Operator Silverback Operating II, LLC		9. OGRID Number 330968																				
3. Address of Operator IH10 West Suite 201, San Antonio, TX 78257		10. Pool name or Wildcat																				
4. Well Location Unit Letter <u>P</u> : <u>1115</u> feet from the <u>S</u> line and feet <u>238</u> from the <u>E</u> line Section <u>22</u> Township <u>18S</u> Range <u>26E</u> NMPM _____ County <u>Eddy</u>																						
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3317 GR																						
Pit or Below-grade Tank Application ☐ or Closure ☐ Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																						
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2" style="text-align: center;">NOTICE OF INTENTION TO:</td> <td colspan="2" style="text-align: center;">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK ☐</td> <td>PLUG AND ABANDON ☐</td> <td>REMEDIAL WORK ☐</td> <td>ALTER CASING ☐</td> </tr> <tr> <td>TEMPORARILY ABANDON ☐</td> <td>CHANGE OF PLANS ☐</td> <td>COMMENCE DRILLING OPNS. ☐</td> <td>PLUG AND ABANDON ☐</td> </tr> <tr> <td>PULL OR ALTER CASING ☐</td> <td>MULTIPLE COMPL ☐</td> <td>CASING/CEMENT JOB ☐</td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: Spud ☒</td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTER CASING ☐	TEMPORARILY ABANDON ☐	CHANGE OF PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDON ☐	PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐		Other: _____		Other: Spud ☒	
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. 2/8/2023 Spudded well. Spud Well																						
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐ .																						
SIGNATURE _____ Type or print name <u>Matthew Alley</u>		TITLE _____ E-mail address <u>malley@silverbackexp.com</u>																				
Chief Financial Officer _____ DATE <u>2/9/2023</u>		Telephone No. <u>303-513-0990</u>																				
For State Use Only:																						
APPROVED BY: <u>Sarah K McGrath</u>		TITLE <u>Petroleum Specialist - A</u>																				
		DATE <u>2/13/2023</u>																				