

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-101

August 1, 2011

Permit 355187

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------|
| 1. Operator Name and Address Silverback Operating II, LLC 19707 IH10 West, Suite 201 San Antonio, TX 78256 | | 2. OGRID Number 330968 |
| | | 3. API Number 30-015-54528 |
| 4. Property Code 335065 | 5. Property Name RIVER ROCK | 6. Well No. 101H |

7. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|-------------------|---------------|----------------|
| UL - Lot M | Section 36 | Township 18S | Range 25E | Lot Idn | Feet From 801 | N/S Line S | Feet From 1035 | E/W Line W | County Eddy |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|-------------------|---------------|----------------|

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|----------------|
| UL - Lot O | Section 34 | Township 18S | Range 25E | Lot Idn O | Feet From 440 | N/S Line S | Feet From 2578 | E/W Line E | County Eddy |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|----------------|

9. Pool Information

| | |
|------------------------------|-------|
| PENASCO DRAW;SA-YESO (ASSOC) | 50270 |
|------------------------------|-------|

Additional Well Information

| | | | | |
|---------------------------|-----------------------------|----------------------------------------|---------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type Private | 15. Ground Level Elevation 3500 |
| 16. Multiple N | 17. Proposed Depth 11023 | 18. Formation Yeso | 19. Contractor | 20. Spud Date 2/6/2023 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25 | 9.625 | 36 | 1269 | 281 | 0 |
| Prod | 8.75 | 7 | 32 | 3240 | 173 | 0 |
| Prod | 8.75 | 5.5 | 20 | 11023 | 2281 | 2159 |

Casing/Cement Program: Additional Comments

| |
|--|
| |
|--|

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Double Ram | 5000 | 5000 | Shaffer |

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: | OIL CONSERVATION DIVISION |
| Printed Name: Electronically filed by Matthew Alley | Approved By: Ward Rikala |
| Title: Chief Financial Officer | Title: |
| Email Address: malley@silverbackexp.com | Approved Date: 12/21/2023 Expiration Date: 12/21/2025 |
| Date: 12/8/2023 Phone: 303-513-0990 | Conditions of Approval Attached |

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1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Conditions

Permit 355187

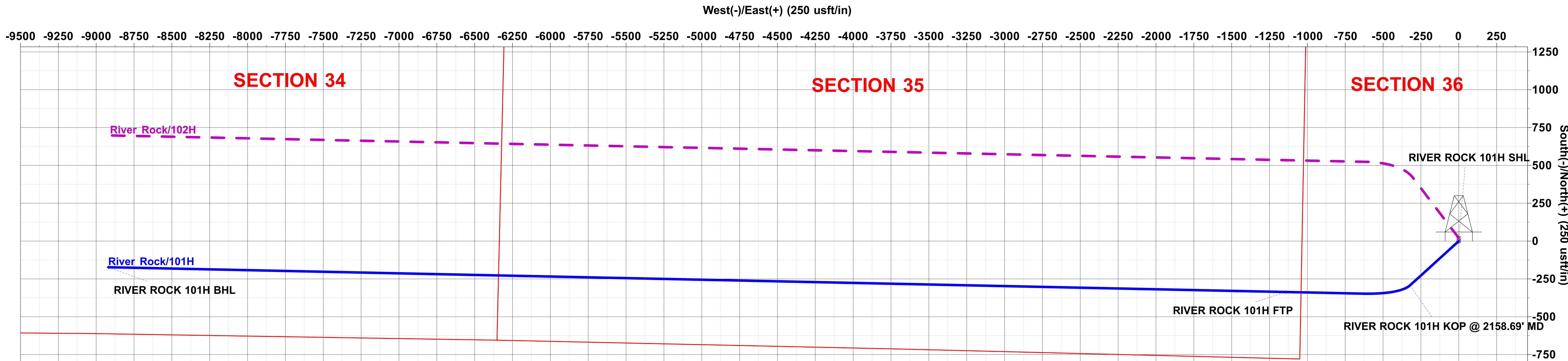
PERMIT CONDITIONS OF APPROVAL

| | |
|----------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Operator Name and Address: Silverback Operating II, LLC [330968] 19707 IH10 West, Suite 201 San Antonio, TX 78256 | API Number: 30-015-54528 |
| | Well: RIVER ROCK #101H |

| OCD Reviewer | Condition |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ward.rikala | Notify OCD 24 hours prior to casing & cement |
| ward.rikala | Will require a File As Drilled C-102 and a Directional Survey with the C-104 |
| ward.rikala | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |
| ward.rikala | Cement is required to circulate on both surface and intermediate1 strings of casing |
| ward.rikala | If cement does not circulate on any string, a CBL is required for that string of casing |
| ward.rikala | Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system |
| ward.rikala | The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud |



Project: EDDY COUNTY, NM (NAD 83 - NME)
Site: River Rock
Well: 101H
Wellbore: OH
Design: Plan 1r0



WELL DETAILS: 101H

| | | | | | | |
|-----------|-------|---------------|-------------------------------|------------|--------------|--|
| Rig Name: | | TBD | RKB = 20' @ 3520.00usft (TBD) | | | |
| | | Ground Level: | 3500.00 | | | |
| +N/-S | +E/-W | Northing | Easting | Latitude | Longitude | |
| 0.00 | 0.00 | 618173.76 | 507416.27 | 32.6993536 | -104.4436061 | |

SECTION DETAILS

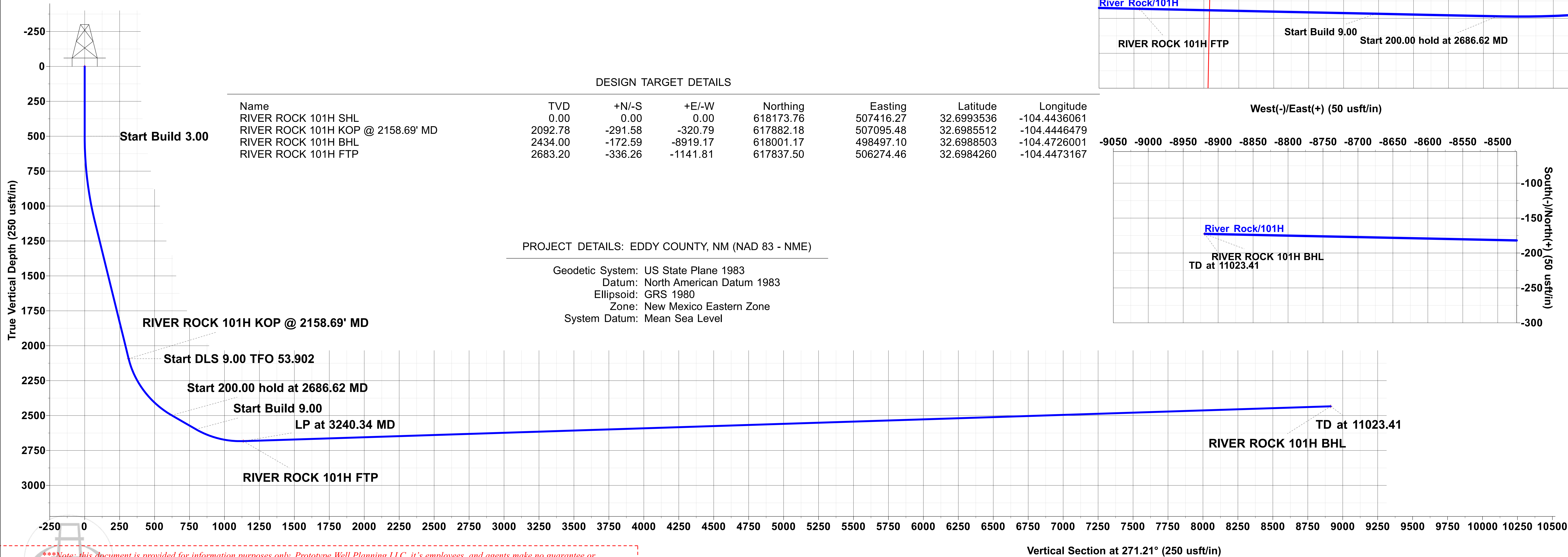
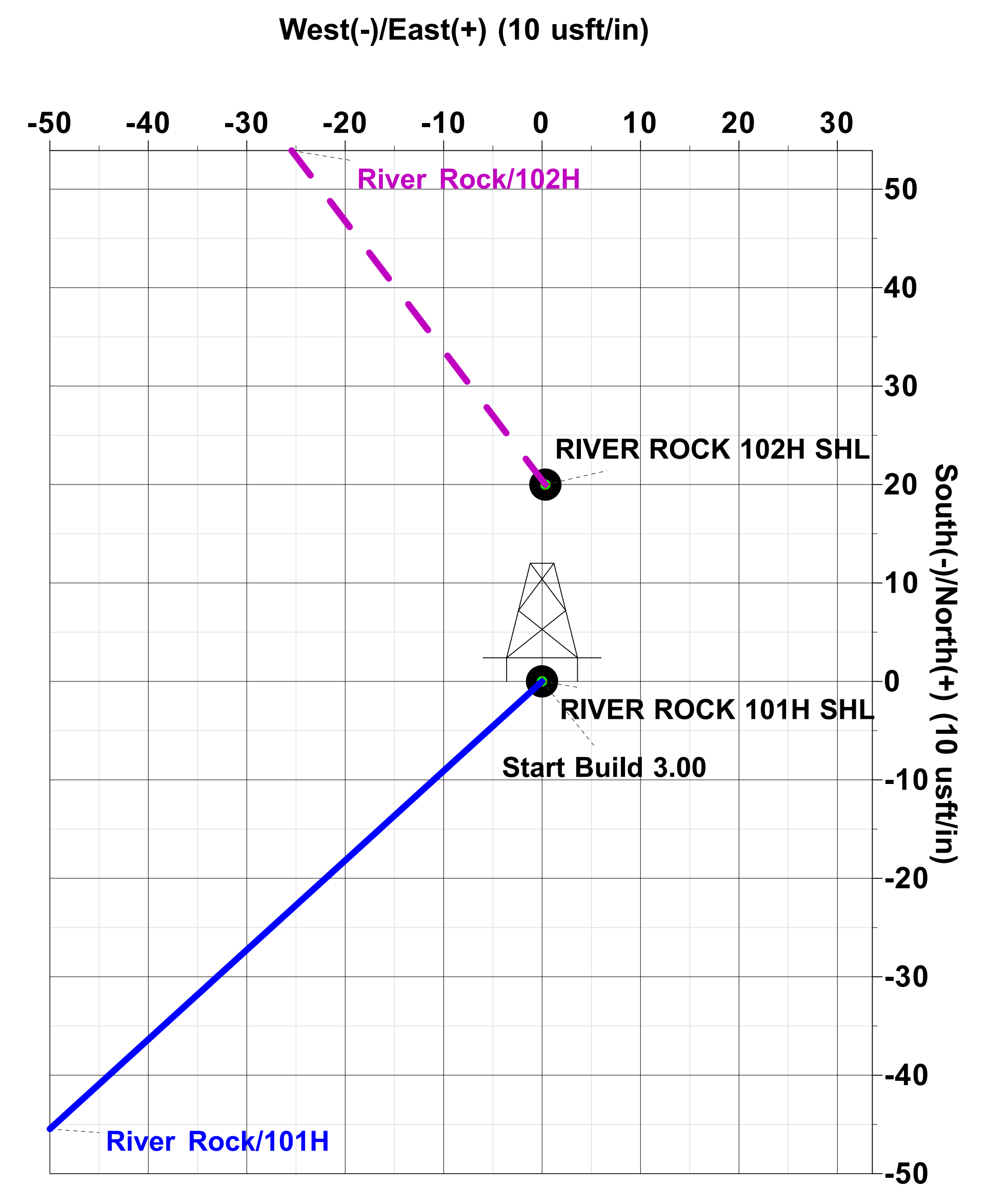
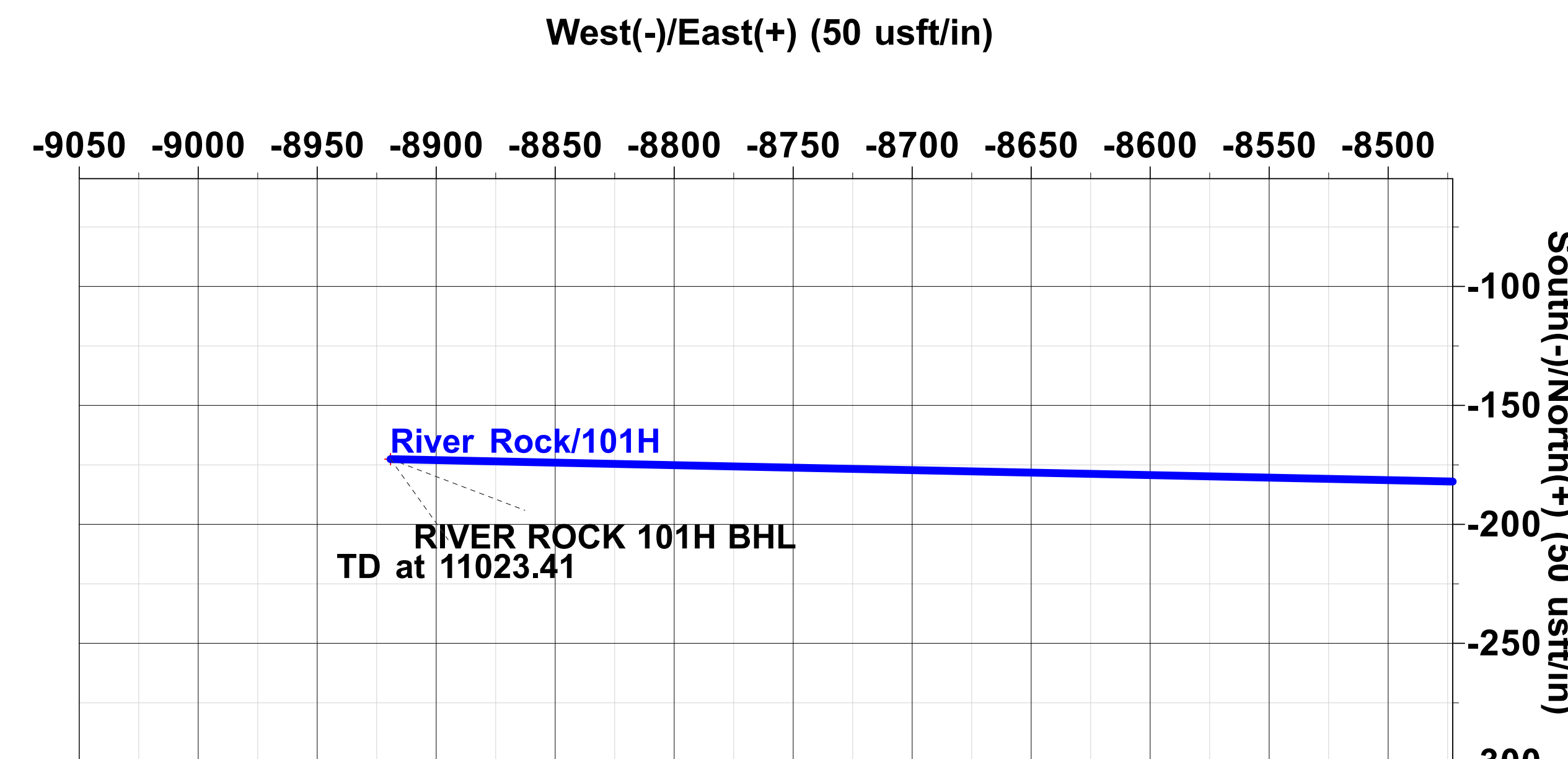
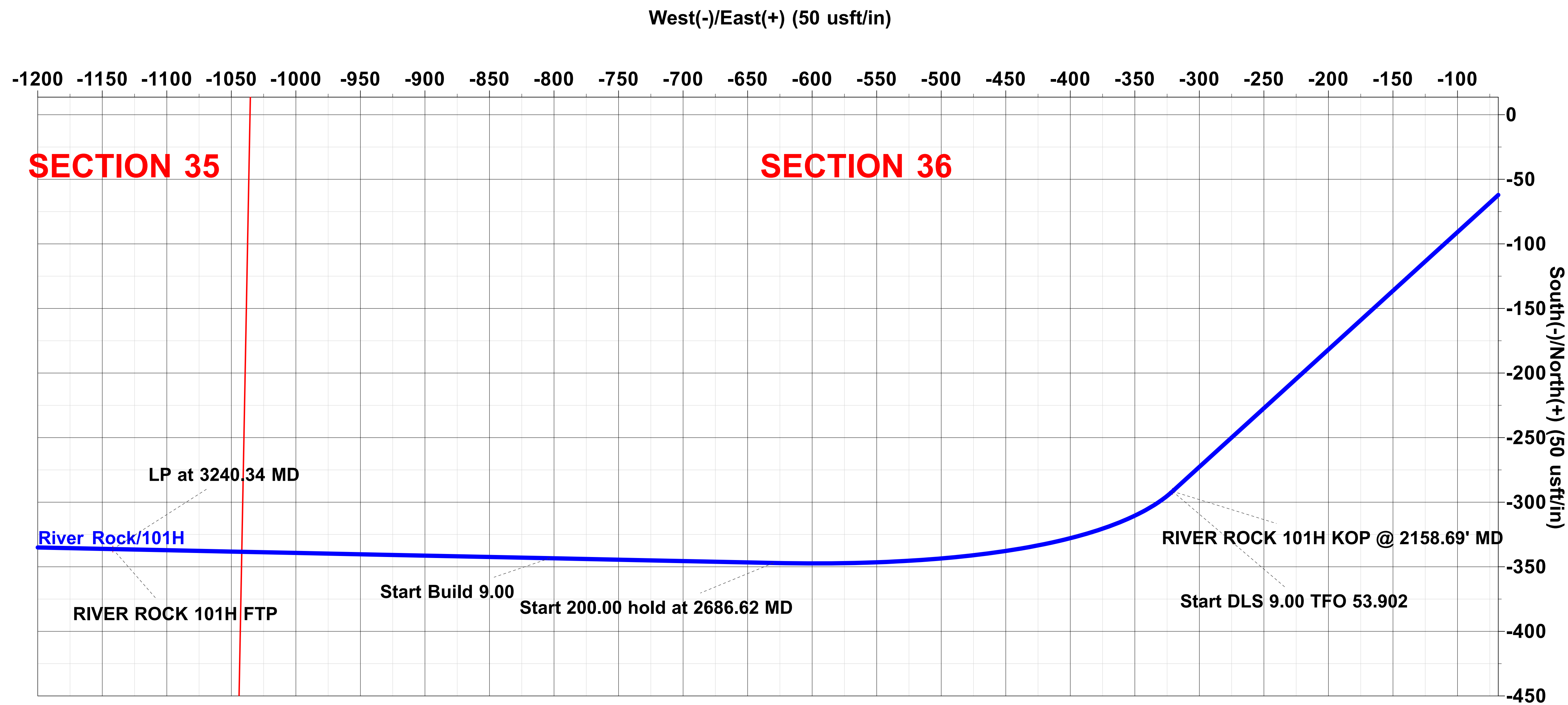
| Sec | MD | Inc | Azi | TVD | +N/-S | +E/-W | Dleg | VSect | Target |
|-----|----------|-------|--------|---------|---------|----------|------|---------|---------------------|
| 1 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2 | 500.00 | 0.00 | 0.00 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 3 | 1124.75 | 18.74 | 227.73 | 1113.67 | -68.12 | -74.94 | 3.00 | 73.49 | |
| 4 | 2158.69 | 18.74 | 227.73 | 2092.78 | -291.58 | -320.79 | 0.00 | 314.56 | |
| 5 | 2686.62 | 60.00 | 271.21 | 2498.24 | -347.03 | -630.02 | 9.00 | 622.56 | |
| 6 | 2886.62 | 60.00 | 271.21 | 2598.24 | -343.39 | -803.19 | 0.00 | 795.76 | |
| 7 | 3240.34 | 91.83 | 271.21 | 2683.20 | -336.26 | -1141.81 | 9.00 | 1134.45 | RIVER ROCK 101H FTP |
| 8 | 11023.41 | 91.83 | 271.21 | 2434.00 | -172.59 | -8919.17 | 0.00 | 8913.54 | RIVER ROCK 101H BHL |

DESIGN TARGET DETAILS

| Name | TVD | +N/-S | +E/-W | Northing | Easting | Latitude | Longitude |
|-----------------------------------|---------|---------|----------|-----------|-----------|------------|--------------|
| RIVER ROCK 101H SHL | 0.00 | 0.00 | 0.00 | 618173.76 | 507416.27 | 32.6993536 | -104.4436061 |
| RIVER ROCK 101H KOP @ 2158.69' MD | 2092.78 | -291.58 | -320.79 | 617882.18 | 507095.48 | 32.6985512 | -104.4446479 |
| RIVER ROCK 101H BHL | 2434.00 | -172.59 | -8919.17 | 618001.17 | 498497.10 | 32.6988503 | -104.4726001 |
| RIVER ROCK 101H FTP | 2683.20 | -336.26 | -1141.81 | 617837.50 | 506274.46 | 32.6984260 | -104.4473167 |

PROJECT DETAILS: EDDY COUNTY, NM (NAD 83 - NME)

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level



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Plan: Plan 1r0 (101H/OH)

Created By: PROTOTYPE WELL PLANNING / Date: 13:28, November 11 2023



SILVERBACK EXPLORATION

EDDY COUNTY, NM (NAD 83 - NME)

River Rock

101H

OH

Plan: Plan 1r0

Standard Planning Report

11 November, 2023



Planning Report

| | | | |
|------------------|--------------------------------|-------------------------------------|-------------------------------|
| Database: | EDM 5000.1.13 Single User Db | Local Co-ordinate Reference: | Well 101H |
| Company: | SILVERBACK EXPLORATION | TVD Reference: | RKB = 20' @ 3520.00usft (TBD) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3520.00usft (TBD) |
| Site: | River Rock | North Reference: | Grid |
| Well: | 101H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | Plan 1r0 | | |

| | | | |
|--------------------|--------------------------------|----------------------|----------------|
| Project | EDDY COUNTY, NM (NAD 83 - NME) | | |
| Map System: | US State Plane 1983 | System Datum: | Mean Sea Level |
| Geo Datum: | North American Datum 1983 | | |
| Map Zone: | New Mexico Eastern Zone | | |

| Site | River Rock | | | | |
|-----------------------|------------|--------------|-----------------|-------------------|--------------|
| Site Position: | | Northing: | 618,173.76 usft | Latitude: | 32.6993536 |
| From: | Map | Easting: | 507,416.27 usft | Longitude: | -104.4436060 |
| Position Uncertainty: | 0.00 usft | Slot Radius: | 13-3/16 " | Grid Convergence: | -0.060 ° |

| | | | | | | |
|----------------------|-----------|-----------|---------------------|-----------------|---------------|---------------|
| Well | 101H | | | | | |
| Well Position | +N/-S | 0.00 usft | Northing: | 618,173.76 usft | Latitude: | 32.6993536 |
| | +E/-W | 0.00 usft | Easting: | 507,416.27 usft | Longitude: | -104.4436060 |
| Position Uncertainty | 0.00 usft | | Wellhead Elevation: | 0.00 usft | Ground Level: | 3,500.00 usft |

| | | | | | |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | OH | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2020 | 11/10/23 | 6.704 | 60.125 | 47,433 |

| | | | | |
|--------------------------|--------------------------------|---------------------|----------------------|----------------------|
| Design | Plan 1r0 | | | |
| Audit Notes: | | | | |
| Version: | Phase: | PLAN | Tie On Depth: | 0.00 |
| Vertical Section: | Depth From (TVD) (usft) | +N/-S (usft) | +E/-W (usft) | Direction (°) |
| | 0.00 | 0.00 | 0.00 | 271.21 |

| Plan Sections | | | | | | | | | | |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|------------------------|-----------------------|---------|-----------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 500.00 | 0.00 | 0.00 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 1,124.75 | 18.74 | 227.73 | 1,113.67 | -68.12 | -74.94 | 3.00 | 3.00 | 0.00 | 227.731 | |
| 2,158.69 | 18.74 | 227.73 | 2,092.78 | -291.58 | -320.79 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 2,686.62 | 60.00 | 271.21 | 2,498.24 | -347.03 | -630.02 | 9.00 | 7.82 | 8.24 | 53.902 | |
| 2,886.62 | 60.00 | 271.21 | 2,598.24 | -343.39 | -803.19 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 3,240.34 | 91.83 | 271.21 | 2,683.20 | -336.26 | -1,141.81 | 9.00 | 9.00 | 0.00 | 0.000 | RIVER ROCK 101H |
| 11,023.41 | 91.83 | 271.21 | 2,434.00 | -172.59 | -8,919.17 | 0.00 | 0.00 | 0.00 | 0.000 | RIVER ROCK 101H |



Planning Report

| | | | |
|------------------|--------------------------------|-------------------------------------|-------------------------------|
| Database: | EDM 5000.1.13 Single User Db | Local Co-ordinate Reference: | Well 101H |
| Company: | SILVERBACK EXPLORATION | TVD Reference: | RKB = 20' @ 3520.00usft (TBD) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3520.00usft (TBD) |
| Site: | River Rock | North Reference: | Grid |
| Well: | 101H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | Plan 1r0 | | |

| Planned Survey | | | | | | | | | |
|------------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| RIVER ROCK 101H SHL | | | | | | | | | |
| 100.00 | 0.00 | 0.00 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 200.00 | 0.00 | 0.00 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 400.00 | 0.00 | 0.00 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500.00 | 0.00 | 0.00 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 600.00 | 3.00 | 227.73 | 599.95 | -1.76 | -1.94 | 1.90 | 3.00 | 3.00 | 0.00 |
| 700.00 | 6.00 | 227.73 | 699.63 | -7.04 | -7.74 | 7.59 | 3.00 | 3.00 | 0.00 |
| 800.00 | 9.00 | 227.73 | 798.77 | -15.82 | -17.40 | 17.06 | 3.00 | 3.00 | 0.00 |
| 900.00 | 12.00 | 227.73 | 897.08 | -28.07 | -30.88 | 30.28 | 3.00 | 3.00 | 0.00 |
| 1,000.00 | 15.00 | 227.73 | 994.31 | -43.77 | -48.16 | 47.22 | 3.00 | 3.00 | 0.00 |
| 1,100.00 | 18.00 | 227.73 | 1,090.18 | -62.87 | -69.17 | 67.83 | 3.00 | 3.00 | 0.00 |
| 1,124.75 | 18.74 | 227.73 | 1,113.67 | -68.12 | -74.94 | 73.49 | 3.00 | 3.00 | 0.00 |
| 1,200.00 | 18.74 | 227.73 | 1,184.93 | -84.38 | -92.84 | 91.03 | 0.00 | 0.00 | 0.00 |
| 1,300.00 | 18.74 | 227.73 | 1,279.62 | -105.99 | -116.61 | 114.35 | 0.00 | 0.00 | 0.00 |
| 1,400.00 | 18.74 | 227.73 | 1,374.32 | -127.61 | -140.39 | 137.66 | 0.00 | 0.00 | 0.00 |
| 1,500.00 | 18.74 | 227.73 | 1,469.02 | -149.22 | -164.17 | 160.98 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 18.74 | 227.73 | 1,563.72 | -170.83 | -187.94 | 184.30 | 0.00 | 0.00 | 0.00 |
| 1,700.00 | 18.74 | 227.73 | 1,658.41 | -192.44 | -211.72 | 207.61 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 18.74 | 227.73 | 1,753.11 | -214.06 | -235.50 | 230.93 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 18.74 | 227.73 | 1,847.81 | -235.67 | -259.28 | 254.24 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 18.74 | 227.73 | 1,942.50 | -257.28 | -283.05 | 277.56 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 18.74 | 227.73 | 2,037.20 | -278.89 | -306.83 | 300.87 | 0.00 | 0.00 | 0.00 |
| 2,158.69 | 18.74 | 227.73 | 2,092.78 | -291.58 | -320.79 | 314.56 | 0.00 | 0.00 | 0.00 |
| RIVER ROCK 101H KOP @ 2158.69' MD | | | | | | | | | |
| 2,200.00 | 21.14 | 236.08 | 2,131.62 | -300.20 | -331.88 | 325.47 | 9.00 | 5.80 | 20.22 |
| 2,250.00 | 24.47 | 243.92 | 2,177.71 | -309.79 | -348.67 | 342.05 | 9.00 | 6.66 | 15.68 |
| 2,300.00 | 28.11 | 249.91 | 2,222.54 | -318.39 | -369.05 | 362.24 | 9.00 | 7.28 | 11.98 |
| 2,350.00 | 31.95 | 254.60 | 2,265.83 | -325.95 | -392.87 | 385.90 | 9.00 | 7.69 | 9.37 |
| 2,400.00 | 35.93 | 258.36 | 2,307.31 | -332.43 | -420.01 | 412.90 | 9.00 | 7.96 | 7.52 |
| 2,450.00 | 40.01 | 261.46 | 2,346.72 | -337.78 | -450.29 | 443.06 | 9.00 | 8.16 | 6.19 |
| 2,500.00 | 44.16 | 264.06 | 2,383.82 | -341.97 | -483.53 | 476.20 | 9.00 | 8.30 | 5.21 |
| 2,550.00 | 48.36 | 266.30 | 2,418.38 | -344.98 | -519.51 | 512.11 | 9.00 | 8.40 | 4.48 |
| 2,600.00 | 52.60 | 268.27 | 2,450.20 | -346.78 | -558.03 | 550.58 | 9.00 | 8.47 | 3.93 |
| 2,650.00 | 56.86 | 270.03 | 2,479.07 | -347.37 | -598.83 | 591.36 | 9.00 | 8.53 | 3.51 |
| 2,686.62 | 60.00 | 271.21 | 2,498.24 | -347.03 | -630.02 | 622.56 | 9.00 | 8.57 | 3.22 |
| 2,700.00 | 60.00 | 271.21 | 2,504.93 | -346.79 | -641.61 | 634.14 | 0.00 | 0.00 | 0.00 |
| 2,800.00 | 60.00 | 271.21 | 2,554.93 | -344.96 | -728.19 | 720.75 | 0.00 | 0.00 | 0.00 |
| 2,886.62 | 60.00 | 271.21 | 2,598.24 | -343.39 | -803.19 | 795.76 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 61.20 | 271.21 | 2,604.80 | -343.14 | -814.85 | 807.42 | 9.00 | 9.00 | 0.00 |
| 2,950.00 | 65.70 | 271.21 | 2,627.14 | -342.20 | -859.55 | 852.14 | 9.00 | 9.00 | 0.00 |
| 3,000.00 | 70.20 | 271.21 | 2,645.91 | -341.23 | -905.88 | 898.47 | 9.00 | 9.00 | 0.00 |
| 3,050.00 | 74.70 | 271.21 | 2,660.98 | -340.22 | -953.53 | 946.13 | 9.00 | 9.00 | 0.00 |
| 3,100.00 | 79.20 | 271.21 | 2,672.26 | -339.20 | -1,002.21 | 994.83 | 9.00 | 9.00 | 0.00 |
| 3,150.00 | 83.70 | 271.21 | 2,679.69 | -338.16 | -1,051.63 | 1,044.26 | 9.00 | 9.00 | 0.00 |
| 3,200.00 | 88.20 | 271.21 | 2,683.21 | -337.11 | -1,101.49 | 1,094.12 | 9.00 | 9.00 | 0.00 |
| 3,240.34 | 91.83 | 271.21 | 2,683.20 | -336.26 | -1,141.81 | 1,134.45 | 9.00 | 9.00 | 0.00 |
| RIVER ROCK 101H FTP | | | | | | | | | |
| 3,300.00 | 91.83 | 271.21 | 2,681.29 | -335.01 | -1,201.43 | 1,194.08 | 0.00 | 0.00 | 0.00 |
| 3,400.00 | 91.83 | 271.21 | 2,678.09 | -332.90 | -1,301.35 | 1,294.03 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 91.83 | 271.21 | 2,674.89 | -330.80 | -1,401.28 | 1,393.98 | 0.00 | 0.00 | 0.00 |
| 3,600.00 | 91.83 | 271.21 | 2,671.68 | -328.70 | -1,501.21 | 1,493.93 | 0.00 | 0.00 | 0.00 |



Planning Report

| | | | |
|------------------|--------------------------------|-------------------------------------|-------------------------------|
| Database: | EDM 5000.1.13 Single User Db | Local Co-ordinate Reference: | Well 101H |
| Company: | SILVERBACK EXPLORATION | TVD Reference: | RKB = 20' @ 3520.00usft (TBD) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3520.00usft (TBD) |
| Site: | River Rock | North Reference: | Grid |
| Well: | 101H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | Plan 1r0 | | |

| Planned Survey | | | | | | | | | | |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|--|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | |
| 3,700.00 | 91.83 | 271.21 | 2,668.48 | -326.59 | -1,601.13 | 1,593.88 | 0.00 | 0.00 | 0.00 | |
| 3,800.00 | 91.83 | 271.21 | 2,665.28 | -324.49 | -1,701.06 | 1,693.83 | 0.00 | 0.00 | 0.00 | |
| 3,900.00 | 91.83 | 271.21 | 2,662.08 | -322.39 | -1,800.99 | 1,793.78 | 0.00 | 0.00 | 0.00 | |
| 4,000.00 | 91.83 | 271.21 | 2,658.88 | -320.29 | -1,900.91 | 1,893.73 | 0.00 | 0.00 | 0.00 | |
| 4,100.00 | 91.83 | 271.21 | 2,655.68 | -318.18 | -2,000.84 | 1,993.67 | 0.00 | 0.00 | 0.00 | |
| 4,200.00 | 91.83 | 271.21 | 2,652.47 | -316.08 | -2,100.77 | 2,093.62 | 0.00 | 0.00 | 0.00 | |
| 4,300.00 | 91.83 | 271.21 | 2,649.27 | -313.98 | -2,200.69 | 2,193.57 | 0.00 | 0.00 | 0.00 | |
| 4,400.00 | 91.83 | 271.21 | 2,646.07 | -311.87 | -2,300.62 | 2,293.52 | 0.00 | 0.00 | 0.00 | |
| 4,500.00 | 91.83 | 271.21 | 2,642.87 | -309.77 | -2,400.55 | 2,393.47 | 0.00 | 0.00 | 0.00 | |
| 4,600.00 | 91.83 | 271.21 | 2,639.67 | -307.67 | -2,500.47 | 2,493.42 | 0.00 | 0.00 | 0.00 | |
| 4,700.00 | 91.83 | 271.21 | 2,636.46 | -305.56 | -2,600.40 | 2,593.37 | 0.00 | 0.00 | 0.00 | |
| 4,800.00 | 91.83 | 271.21 | 2,633.26 | -303.46 | -2,700.33 | 2,693.32 | 0.00 | 0.00 | 0.00 | |
| 4,900.00 | 91.83 | 271.21 | 2,630.06 | -301.36 | -2,800.25 | 2,793.26 | 0.00 | 0.00 | 0.00 | |
| 5,000.00 | 91.83 | 271.21 | 2,626.86 | -299.26 | -2,900.18 | 2,893.21 | 0.00 | 0.00 | 0.00 | |
| 5,100.00 | 91.83 | 271.21 | 2,623.66 | -297.15 | -3,000.11 | 2,993.16 | 0.00 | 0.00 | 0.00 | |
| 5,200.00 | 91.83 | 271.21 | 2,620.46 | -295.05 | -3,100.03 | 3,093.11 | 0.00 | 0.00 | 0.00 | |
| 5,300.00 | 91.83 | 271.21 | 2,617.25 | -292.95 | -3,199.96 | 3,193.06 | 0.00 | 0.00 | 0.00 | |
| 5,400.00 | 91.83 | 271.21 | 2,614.05 | -290.84 | -3,299.89 | 3,293.01 | 0.00 | 0.00 | 0.00 | |
| 5,500.00 | 91.83 | 271.21 | 2,610.85 | -288.74 | -3,399.81 | 3,392.96 | 0.00 | 0.00 | 0.00 | |
| 5,600.00 | 91.83 | 271.21 | 2,607.65 | -286.64 | -3,499.74 | 3,492.91 | 0.00 | 0.00 | 0.00 | |
| 5,700.00 | 91.83 | 271.21 | 2,604.45 | -284.54 | -3,599.67 | 3,592.85 | 0.00 | 0.00 | 0.00 | |
| 5,800.00 | 91.83 | 271.21 | 2,601.24 | -282.43 | -3,699.59 | 3,692.80 | 0.00 | 0.00 | 0.00 | |
| 5,900.00 | 91.83 | 271.21 | 2,598.04 | -280.33 | -3,799.52 | 3,792.75 | 0.00 | 0.00 | 0.00 | |
| 6,000.00 | 91.83 | 271.21 | 2,594.84 | -278.23 | -3,899.45 | 3,892.70 | 0.00 | 0.00 | 0.00 | |
| 6,100.00 | 91.83 | 271.21 | 2,591.64 | -276.12 | -3,999.37 | 3,992.65 | 0.00 | 0.00 | 0.00 | |
| 6,200.00 | 91.83 | 271.21 | 2,588.44 | -274.02 | -4,099.30 | 4,092.60 | 0.00 | 0.00 | 0.00 | |
| 6,300.00 | 91.83 | 271.21 | 2,585.24 | -271.92 | -4,199.23 | 4,192.55 | 0.00 | 0.00 | 0.00 | |
| 6,400.00 | 91.83 | 271.21 | 2,582.03 | -269.82 | -4,299.15 | 4,292.50 | 0.00 | 0.00 | 0.00 | |
| 6,500.00 | 91.83 | 271.21 | 2,578.83 | -267.71 | -4,399.08 | 4,392.44 | 0.00 | 0.00 | 0.00 | |
| 6,600.00 | 91.83 | 271.21 | 2,575.63 | -265.61 | -4,499.00 | 4,492.39 | 0.00 | 0.00 | 0.00 | |
| 6,700.00 | 91.83 | 271.21 | 2,572.43 | -263.51 | -4,598.93 | 4,592.34 | 0.00 | 0.00 | 0.00 | |
| 6,800.00 | 91.83 | 271.21 | 2,569.23 | -261.40 | -4,698.86 | 4,692.29 | 0.00 | 0.00 | 0.00 | |
| 6,900.00 | 91.83 | 271.21 | 2,566.02 | -259.30 | -4,798.78 | 4,792.24 | 0.00 | 0.00 | 0.00 | |
| 7,000.00 | 91.83 | 271.21 | 2,562.82 | -257.20 | -4,898.71 | 4,892.19 | 0.00 | 0.00 | 0.00 | |
| 7,100.00 | 91.83 | 271.21 | 2,559.62 | -255.10 | -4,998.64 | 4,992.14 | 0.00 | 0.00 | 0.00 | |
| 7,200.00 | 91.83 | 271.21 | 2,556.42 | -252.99 | -5,098.56 | 5,092.09 | 0.00 | 0.00 | 0.00 | |
| 7,300.00 | 91.83 | 271.21 | 2,553.22 | -250.89 | -5,198.49 | 5,192.03 | 0.00 | 0.00 | 0.00 | |
| 7,400.00 | 91.83 | 271.21 | 2,550.02 | -248.79 | -5,298.42 | 5,291.98 | 0.00 | 0.00 | 0.00 | |
| 7,500.00 | 91.83 | 271.21 | 2,546.81 | -246.68 | -5,398.34 | 5,391.93 | 0.00 | 0.00 | 0.00 | |
| 7,600.00 | 91.83 | 271.21 | 2,543.61 | -244.58 | -5,498.27 | 5,491.88 | 0.00 | 0.00 | 0.00 | |
| 7,700.00 | 91.83 | 271.21 | 2,540.41 | -242.48 | -5,598.20 | 5,591.83 | 0.00 | 0.00 | 0.00 | |
| 7,800.00 | 91.83 | 271.21 | 2,537.21 | -240.38 | -5,698.12 | 5,691.78 | 0.00 | 0.00 | 0.00 | |
| 7,900.00 | 91.83 | 271.21 | 2,534.01 | -238.27 | -5,798.05 | 5,791.73 | 0.00 | 0.00 | 0.00 | |
| 8,000.00 | 91.83 | 271.21 | 2,530.80 | -236.17 | -5,897.98 | 5,891.68 | 0.00 | 0.00 | 0.00 | |
| 8,100.00 | 91.83 | 271.21 | 2,527.60 | -234.07 | -5,997.90 | 5,991.62 | 0.00 | 0.00 | 0.00 | |
| 8,200.00 | 91.83 | 271.21 | 2,524.40 | -231.96 | -6,097.83 | 6,091.57 | 0.00 | 0.00 | 0.00 | |
| 8,300.00 | 91.83 | 271.21 | 2,521.20 | -229.86 | -6,197.76 | 6,191.52 | 0.00 | 0.00 | 0.00 | |
| 8,400.00 | 91.83 | 271.21 | 2,518.00 | -227.76 | -6,297.68 | 6,291.47 | 0.00 | 0.00 | 0.00 | |
| 8,500.00 | 91.83 | 271.21 | 2,514.80 | -225.65 | -6,397.61 | 6,391.42 | 0.00 | 0.00 | 0.00 | |
| 8,600.00 | 91.83 | 271.21 | 2,511.59 | -223.55 | -6,497.54 | 6,491.37 | 0.00 | 0.00 | 0.00 | |
| 8,700.00 | 91.83 | 271.21 | 2,508.39 | -221.45 | -6,597.46 | 6,591.32 | 0.00 | 0.00 | 0.00 | |
| 8,800.00 | 91.83 | 271.21 | 2,505.19 | -219.35 | -6,697.39 | 6,691.26 | 0.00 | 0.00 | 0.00 | |
| 8,900.00 | 91.83 | 271.21 | 2,501.99 | -217.24 | -6,797.32 | 6,791.21 | 0.00 | 0.00 | 0.00 | |
| 9,000.00 | 91.83 | 271.21 | 2,498.79 | -215.14 | -6,897.24 | 6,891.16 | 0.00 | 0.00 | 0.00 | |



Planning Report

| | | | |
|------------------|--------------------------------|-------------------------------------|-------------------------------|
| Database: | EDM 5000.1.13 Single User Db | Local Co-ordinate Reference: | Well 101H |
| Company: | SILVERBACK EXPLORATION | TVD Reference: | RKB = 20' @ 3520.00usft (TBD) |
| Project: | EDDY COUNTY, NM (NAD 83 - NME) | MD Reference: | RKB = 20' @ 3520.00usft (TBD) |
| Site: | River Rock | North Reference: | Grid |
| Well: | 101H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | OH | | |
| Design: | Plan 1r0 | | |

| Planned Survey | | | | | | | | | |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
| 9,100.00 | 91.83 | 271.21 | 2,495.58 | -213.04 | -6,997.17 | 6,991.11 | 0.00 | 0.00 | 0.00 |
| 9,200.00 | 91.83 | 271.21 | 2,492.38 | -210.93 | -7,097.10 | 7,091.06 | 0.00 | 0.00 | 0.00 |
| 9,300.00 | 91.83 | 271.21 | 2,489.18 | -208.83 | -7,197.02 | 7,191.01 | 0.00 | 0.00 | 0.00 |
| 9,400.00 | 91.83 | 271.21 | 2,485.98 | -206.73 | -7,296.95 | 7,290.96 | 0.00 | 0.00 | 0.00 |
| 9,500.00 | 91.83 | 271.21 | 2,482.78 | -204.63 | -7,396.88 | 7,390.91 | 0.00 | 0.00 | 0.00 |
| 9,600.00 | 91.83 | 271.21 | 2,479.58 | -202.52 | -7,496.80 | 7,490.85 | 0.00 | 0.00 | 0.00 |
| 9,700.00 | 91.83 | 271.21 | 2,476.37 | -200.42 | -7,596.73 | 7,590.80 | 0.00 | 0.00 | 0.00 |
| 9,800.00 | 91.83 | 271.21 | 2,473.17 | -198.32 | -7,696.66 | 7,690.75 | 0.00 | 0.00 | 0.00 |
| 9,900.00 | 91.83 | 271.21 | 2,469.97 | -196.21 | -7,796.58 | 7,790.70 | 0.00 | 0.00 | 0.00 |
| 10,000.00 | 91.83 | 271.21 | 2,466.77 | -194.11 | -7,896.51 | 7,890.65 | 0.00 | 0.00 | 0.00 |
| 10,100.00 | 91.83 | 271.21 | 2,463.57 | -192.01 | -7,996.44 | 7,990.60 | 0.00 | 0.00 | 0.00 |
| 10,200.00 | 91.83 | 271.21 | 2,460.36 | -189.91 | -8,096.36 | 8,090.55 | 0.00 | 0.00 | 0.00 |
| 10,300.00 | 91.83 | 271.21 | 2,457.16 | -187.80 | -8,196.29 | 8,190.50 | 0.00 | 0.00 | 0.00 |
| 10,400.00 | 91.83 | 271.21 | 2,453.96 | -185.70 | -8,296.22 | 8,290.44 | 0.00 | 0.00 | 0.00 |
| 10,500.00 | 91.83 | 271.21 | 2,450.76 | -183.60 | -8,396.14 | 8,390.39 | 0.00 | 0.00 | 0.00 |
| 10,600.00 | 91.83 | 271.21 | 2,447.56 | -181.49 | -8,496.07 | 8,490.34 | 0.00 | 0.00 | 0.00 |
| 10,700.00 | 91.83 | 271.21 | 2,444.36 | -179.39 | -8,596.00 | 8,590.29 | 0.00 | 0.00 | 0.00 |
| 10,800.00 | 91.83 | 271.21 | 2,441.15 | -177.29 | -8,695.92 | 8,690.24 | 0.00 | 0.00 | 0.00 |
| 10,900.00 | 91.83 | 271.21 | 2,437.95 | -175.19 | -8,795.85 | 8,790.19 | 0.00 | 0.00 | 0.00 |
| 11,000.00 | 91.83 | 271.21 | 2,434.75 | -173.08 | -8,895.78 | 8,890.14 | 0.00 | 0.00 | 0.00 |
| 11,023.41 | 91.83 | 271.21 | 2,434.00 | -172.59 | -8,919.17 | 8,913.54 | 0.00 | 0.00 | 0.00 |
| RIVER ROCK 101H BHL | | | | | | | | | |

| Design Targets | | | | | | | | | |
|---------------------------|---------------|--------------|------------|--------------|--------------|-----------------|----------------|------------|--------------|
| Target Name | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
| - hit/miss target | | | | | | | | | |
| - Shape | | | | | | | | | |
| RIVER ROCK 101H S | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 618,173.76 | 507,416.27 | 32.6993536 | -104.4436060 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |
| RIVER ROCK 101H K | 0.00 | 0.00 | 2,092.78 | -291.58 | -320.79 | 617,882.19 | 507,095.49 | 32.6985512 | -104.4446479 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |
| RIVER ROCK 101H E | 0.00 | 0.00 | 2,434.00 | -172.59 | -8,919.17 | 618,001.17 | 498,497.10 | 32.6988504 | -104.4726001 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |
| RIVER ROCK 101H F | 0.00 | 0.00 | 2,683.20 | -336.26 | -1,141.81 | 617,837.50 | 506,274.46 | 32.6984260 | -104.4473167 |
| - plan hits target center | | | | | | | | | |
| - Point | | | | | | | | | |

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Silverback Operating II, LLC **OGRID:** 330968 **Date:** 12/ 01 / 23

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name | API | ULSTR | Footages | Anticipated Oil BBL/D | Anticipated Gas MCF/D | Anticipated Produced Water BBL/D |
|-----------------|--------|--------------|----------------------|-----------------------|-----------------------|----------------------------------|
| River Rock 101H | 30-015 | M-36-18S-25E | 801' FSL & 1035' FWL | 515 | 440 | 3000 |
| River Rock 102H | 30-015 | M-36-18S-25E | 821' FSL & 1035' FWL | 515 | 440 | 3000 |
| | | | | | | |
| | | | | | | |

IV. Central Delivery Point Name: RRG CTB [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

| Well Name | API | Spud Date | TD Reached Date | Completion Commencement Date | Initial Flow Back Date | First Production Date |
|-----------------|--------|-----------|-----------------|------------------------------|------------------------|-----------------------|
| River Rock 101H | 30-015 | 5/15/2024 | 7/24/2024 | 10/1/2024 | 11/15/2024 | 11/15/2024 |
| River Rock 102H | 30-015 | 5/20/2024 | 8/6/2024 | 10/1/2024 | 11/16/2024 | 11/16/2024 |
| | | | | | | |
| | | | | | | |

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☐ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

| Well | API | Anticipated Average Natural Gas Rate MCF/D | Anticipated Volume of Natural Gas for the First Year MCF |
|------------|--------|--------------------------------------------|----------------------------------------------------------|
| ██████████ | ██████ | ██████ | ██████ |
| ██████████ | ██████ | ██████ | ██████ |

X. Natural Gas Gathering System (NGGS):

| Operator | System | ULSTR of Tie-in | Anticipated Gathering Start Date | Available Maximum Daily Capacity of System Segment Tie-in |
|------------|--------|-----------------|----------------------------------|-----------------------------------------------------------|
| ██████████ | ██████ | ██████████ | ██████████ | ██████ |
| | | | | |

XI. Map. █ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system █ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator █ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: █ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

| |
|--------------------------------------------------------------------------------------------------|
| Signature: <i>Fatma Abdallah</i> |
| Printed Name: Fatma Abdallah |
| Title: Regulatory Manager |
| E-mail Address: fabdallah@silverbackexp.com |
| Date: 12/01/2023 |
| Phone: 210-585-3316 |
| OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form) |
| Approved By: |
| Title: |
| Approval Date: |
| Conditions of Approval: |

Separation Equipment

Silverback Operating II (LLC) has sampled existing producing wells and performed laboratory testing to determine composition. Performance of existing producing wells was analyzed to predict expected production volumes. Production composition and the volumes were utilized as inputs to a process model which predicts relative amounts of gas, oil and water throughout the process. Equipment sizing is based on drop settlement and limits the amount of carry over between production phases.

Each well is brought to a manifold that will convey production to a bulk or a test separator. Gas from the separator is taken through a gas scrubber and onto the gas sales pipeline. Facility piping and pipeline were sized to allow peak volumes to flow with minimal pressure loss and deliver to midstream gatherer at an acceptable pressure. Water is conveyed directly to tankage.

Oil from 3 phase separators is comingled and conveyed to a heated separator for enhanced liquid-liquid separation and degassing. Vapors from the heater treater are routed to a Vapor Recovery Unit (VRU).

Oil and water storage tanks vapor outlets are common and utilize a closed vent vapor system to ensure all working & breathing and flashing losses are routed to the Vapor Recovery Unit (VRU). Site VRUs are sized to accommodate peak expected production volume. Gas from the VRU discharge is combined with 1st stage separation gas and sent to sales.

Venting and Flaring

Silverback Operating II, LLC will ensure pipeline connectivity before producing hydrocarbons and will operate a closed vent vapor capture system that is designed to capture all associated and evolved gas during normal operation. Venting or flaring will only occur during start up and shut down, maintenance activities or equipment failure or upset. Silverback may utilize the following from list A-I of Section 3 for its operations to minimize flaring:

- a) Power generation on lease – Natural gas driven gen set to produce power required to run supply well pad electrical loads
- b) Compression on lease – gas lift or gas compression as required
- c) Liquids removal on lease – gas pressure will be used to convey fluids as needed

Best Management Practices

Silverback utilizes automate engineering controls included in facility design to minimize venting and flaring. Additionally, operational best practices support minimization of flare and venting as described below.

If the main gas outlet becomes unavailable and pressure increases on the outlet sales line, produced gas will be routed directly to the facility flare. The facility control system will alert personnel to the need for maintenance and appropriate response to the temporary flaring event.

The facility design includes a closed vent vapor capture system to route flash or evolved

from the heater treater and tanks to the Vapor Recovery Unit (VRU) Compressor. If the VRU requires planned or unplanned maintenance, vapors will automatically be routed to the facility flare.

For maintenance activities, Silverback will utilize the facility flare to blowdown equipment and piping whenever practical to minimize venting

Silverback Exploration River Rock

