

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

HOBBS OCD

JAN 15 2014

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM67987
2. Name of Operator SM ENERGY		6. If Indian, Allottee or Tribe Name
3a. Address 3300 N A ST BLDG 7 STE 200 MIDLAND, TX 79705		7. If Unit or CA/Agreement, Name and/or No. NMNM101361X
3b. Phone No. (include area code) Ph: 432-688-1709 Fx: 432-688-1701		8. Well Name and No. ESDU 32
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 19 T18S R32E SENW 2250FNL 1700FWL 32.440301 N Lat, 103.483196 W Lon		9. API Well No. 30-025-41321-00-X1
		10. Field and Pool, or Exploratory SHUGART UNKNOWN
		11. County or Parish, and State LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

11/12/13 to 11/21/13: Ran GR/CNL/CCL from 5402 Ft to surface. RIH to 5414 Ft (PBTD). TOOH. Pressure test wellbore, tbg head and frac valve to 4300 psi for 15 min. Perforated 5053-5226 Ft. Stimulate w/ 80 bbls 15% HCL, 1,836 bbls gelled fluid, 80,278 lbs 16/30 mesh and 30,080 lbs 16/30 SLC. MIRU PU cleaned down to PBTD. TIH w/ 166 jts 2-7/8 in J-55 tbg and set at 5286 Ft. Set TAC at 4993 Ft. TIH w/ rods and pump and placed well on production.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #228517 verified by the BLM Well Information System For SM ENERGY, sent to the Carlsbad Committed to AFMSS for processing by JOHNNY DICKERSON on 12/12/2013 (14JLD1707SE)	
Name (Printed/Typed) VICKIE MARTINEZ	Title ENGINEER TECH II
Signature (Electronic Submission)	Date 12/04/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 01/11/2014
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

JAN 21 2014