

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.

J. Lease Serial No.

NMNM67987

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

SM ENERGY COMPANY

3a. Address

6301 Holiday Hill Rd, Bldg 1 Midland TX 79707

3b. Phone No. (include area code)

(432)848-4833

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 19 T18S R32E 2250 FNL 1700 FWL

7. If Unit of CA/Agreement, Name and/or No.

NMNM101361X

8. Well Name and No.

ESDU 32

9. API Well No.

30-025-41321

10. Field and Pool or Exploratory Area

Shugart; Delaware, East

11. County or Parish, State

Lea Co, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Acidize☐ Deepen☐ Production (Start/Resume)☐ Water Shut-Off☐ Alter Casing☐ Fracture Treat☐ Reclamation☐ Well Integrity☐ Subsequent Report☐ Casing Repair☐ New Construction☐ Recomplete☒ Other Variance in paint scheme☐ Final Abandonment Notice☐ Change Plans☐ Plug and Abandon☐ Temporarily Abandon☐ Convert to Injection☐ Plug Back☐ 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

SM Energy requests a variance to the BLM paint scheme. We requests the use of Carlsbad Canyon instead of Shale Green for the surface equipment due to the existing us of Carlsbad Canyon in the immediate and surrounding areas.

Accepted for record
NMOCD

NM OIL CONSERVATION

ARTESIA DISTRICT

JAN 08 2016

RECEIVED

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

LISA HUNT

Title REGULATORY TECHNICIAN

Signature

Lisa Hunt

Date 12/03/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

James R. Davis

Title

SAET

Date

1-5-16

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

CFD

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.

(Instructions on page 2)

MAR 10 2016

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