Form 3160-5 (August 2007)

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

5. Lease Serial No.

NM61582

6. If Indian, Allottee or Tribe Name

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. NM88491X 1. Type of Well 8. Well Name and No. X Oil Well Gas Well Other PARKWAY DELAWARE UNIT #204 9. API Well No. 2. Name of Operator SM ENERGY COMPANY 30-015-26143 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 3a. Address 3300 N "A" ST BLDG 7-200 MIDLAND TX 79705 PARKWAY; DELAWARE (432)688-1709 4. Location of Well (Footage, Sec., T.R.,M., or Survey Description) (D) SEC 35-T19S-R29E 11. Country or Parish, State **EDDY COUNTY** NM 990' FNL & 940' FWL 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Acıdize Deepen Production (Start/Resume) Notice of Intent Reclamation Well Integrity Alter Casing Fracture Treat X Other ADDED PERFS Casing Repair New Construction Recomplete X Subsequent Report Plug and Abandon Change Plans Temporarily Abandon Convert to Injection Plug Back Water Disposal Final Abandonment Notice 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 must 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 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.) 10/31/11 - Add perfs in unitized interval and place well on rod pump TOOH w/ 131 jts 2-3/8" Salta lined injection tbg. RIH w/ CIBP and set at 4150'. Perforated 3984-3994' (10 holes) and 4018-4028' (10 holes). Acidize new perforations with 2500 gals 15% NEFE HCL acid. Flowed/swabbed well back. Frac'd new perfs w/ 21,000 gals of 20# XL gel and 38,000# 16/30 SLC sand. Flowed well back. RIH w/ bit and clean down to 4140'. RIH w/ tbg and rods. Place well on production. ACCEPTED FOR RECORD Accepted for record NOV 23 2011 NMOCD ARTESIA DEC 05 2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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.

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

Office

Title

Date 11/15/2011

Title ENGINEER TECH'I

. Date

AU OF LAND MANAGEMENT

CARLSBAD FIELD OFFICE

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.

Signature

Approved by

VICKIE MARTINEZ