

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM 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.*5 Lease Serial No
NMNM90807

6 If Indian, Allottee or Tribe Name

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

8. Well Name and No
OSAGE FEDERAL 0089. API Well No
30-015-2608910 Field and Pool, or Exploratory
PARKWAY;BONE SPRING11 County or Parish, and State
EDDY COUNTY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

SM ENERGY COMPANY

Contact: VICKIE MARTINEZ

E-Mail: VMARTINEZ@SM-ENERGY.COM

3a. Address

3300 N "A" STREET BLDG 7-200
MIDLAND, TX 79705

3b. Phone No (include area code)

Ph: 432-688-1709
Fx: 432-688-1701

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

Sec 34 T19S R29E 1980FNL 1980FEL

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

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Venting and/or Flaring

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 shall 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 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.)

5/10/12 SM ENERGY IS NO LONGER FLARING AT THE REFERENCED WELL, AS WELL AS, THE FOLLOWING:

Lease Name UL:Sec:Township:Range API Number Location

OSAGE FEDERAL #010 H-34-19S-29E 30-015-26178 1980 FNL & 660 FEL

OSAGE FEDERAL #013 C-34-19S-29E 30-015-26216 660 FNL & 1980 FWL

OSAGE FEDERAL #015 F-34-19S-29E 30-015-26271 1650 FNL & 2310 FWL

OSAGE FEDERAL #016 J-34-19S-29E 30-015-26283 2310 FSL & 1650 FEL

METERED VOLUMES WILL BE REPORTED ON THE C-115 FORM. THIS IS IN REFERENCE TO NO. SUNDRY SUBMITTED ON 4/19/12.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****RECEIVED**

JUN 07 2012

NMOCD ARTESIA

14. Thereby certify that the foregoing is true and correct

**Electronic Submission #138099 verified by the BLM Well Information System
For SM ENERGY COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 05/24/2012 ()**

Name (Printed/Typed) VICKIE MARTINEZ

Title ENGINEER TECH II

Signature

(Electronic Submission)

Date 05/15/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

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

APPROVED

JUN 4 2012

BUREAU 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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Osage Federal 8,10,13,15,16

SM Energy Company

June 4, 2012

Condition of Approval to Flare Gas

1. Report all volumes on OGOR reports.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. Flared volumes will still require payment of royalties
5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.