

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

NM OIL CONSERVATION
 State of New Mexico
 Energy, Minerals and Natural Resources
 OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised August 1, 2011

WELL API NO. 30-015-26070	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. NMNM88491X	
7. Lease Name or Unit Agreement Name PARKWAY DELAWARE UNIT	
8. Well Number 921	
9. OGRID Number 154903	
10. Pool name or Wildcat PARKWAY DELAWARE	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator SM ENERGY COMPANY	
3. Address of Operator 6301 Holiday Hill Rd, Bldg 1 Midland, TX 79707	
4. Well Location Unit Letter <u>L</u> : 1980 feet from the <u>S</u> line and <u>330</u> feet from the <u>W</u> line Section <u>36</u> Township <u>19S</u> Range <u>29E</u> NMPM County <u>EDDY</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <input type="checkbox"/>

13: Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

6/17/15 - 8/25/15

In June 2015 a casing leak was noted near surface, evident by fluid injected during a batch chemical treatment, leaking into the cellar through the 4-1/2" x 7" casing annulus. The production equipment was removed, casing leak isolated to be within 10' from surface and well TA'd with CIBP set at 3,950' with 20' cement. The cellar was dug out and the corroded surface casing, intermediate casing and production casing were removed below the identified leak at 10' and replaced.

During the post casing repair pressure test, another leak developed as communication was present between the production and intermediate casing. Subsequent repair operations consisted of the following: 1) locating the new leak between 30'-40' from surface. 2) unsuccessfully attempting to cement the production casing to surface and 3) successfully free-pointing/ backing off the 4-1/2" casing 2 jts below surface and replacing the casing jts and wellhead. The casing was successfully charted and recorded to 500 psi for 30 min and submitted to the NMOCD. The well was then returned to production.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lisa Hunt TITLE REGULATORY TECHNICIAN DATE 10/27/2015

Type or print name: LISA HUNT E-mail address: LHUNT@SM-ENERGY.COM PHONE: (432)848-4833

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 APPROVED BY: [Signature] TITLE Dir Supervisor DATE 11/3/2015

Conditions of Approval (if any):