

Submit 1 Copy To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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.)		WELL API NO. 30-015-34128
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other Injection		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator SM Energy Company		6. State Oil & Gas Lease No.
3. Address of Operator 3300 N. A Street, Bldg 7, Suite 200 Midland, TX 79705		7. Lease Name or Unit Agreement Name Parkway Delaware Unit
4. Well Location Unit Letter <u>B</u> : <u>1000</u> feet from the <u>N</u> line and <u>2452</u> feet from the <u>E</u> line Section <u>35</u> Township <u>19S</u> Range <u>29E</u> NMPM County <u>Eddy</u>		8. Well Number 206
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 154903
		10. Pool name or Wildcat Parkway; Delaware

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Convert to Injector ☒

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.

PDU 206

9/22/2010-11/30/2010 Recomplete to water injection well and casing leak repair

PDU 206 was converted from production to water injection. Removed production equipment. RIH w/ bit DO CIBP @ 4029' and 4112'. Clean out to 4516' PBTD. Perf 4128-4136' (9 holes) and 4142-4152' (11 holes). Acidize new and existing perfs w/ 4000 gals. 15% NEFE HCL and 400 gals Xylene. Set RBP @ 4081'. Wellbore failed to hold pressure. Found leak at 3869'-3902'. Set retainer @ 3770'. Squeezed leak with 300 sxs. Cmt. DO cement and retainer. Pressure test to 1730#. No bleed off. Perf 3950-3966 (17 holes), 3996-4000' (5 holes), and 4026-4042' (17 holes). Broke down new perfs w/ 24 bbls 2% KCL. Frac new perfs w/ 25,452 gals 25# XL gel and 30,087# 16/30 sand. Remove RBP and clean out. Run after frac GR. No treatment in lower perfs. Set RBP @ 4080 and pkr @ 3980. Acidized 3996-4000' and 4026-4042 perfs w/ 2200 gals 15% NEFE HCL and 300 gals Xylene. Remove RBP and pkr. Set RBP @ 3938' and set pkr @ 3865'. Test previously cmt. Squeezed csg. Leak to 2100# for 15 min. No bleed off. TOH w/ RBP and pkr. TIH w/ 4 1/2" arrowset 1X pkr. and 120 jts. 2 3/8" IPC (TK-70) tbg. Pressure test csg. To 520# for 30 min. No pressure loss. Well ready for injection.

Spud Date: 11/30/2010 Successful MIT. Chart attached.

Rig Release Date:

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

SIGNATURE Donna Huddleston

TITLE Engineering Tech

DATE 12/13/2010

Type or print name Donna Huddleston

E-mail address: dhuddleston@sm-energy.com

PHONE: (432)688-1789

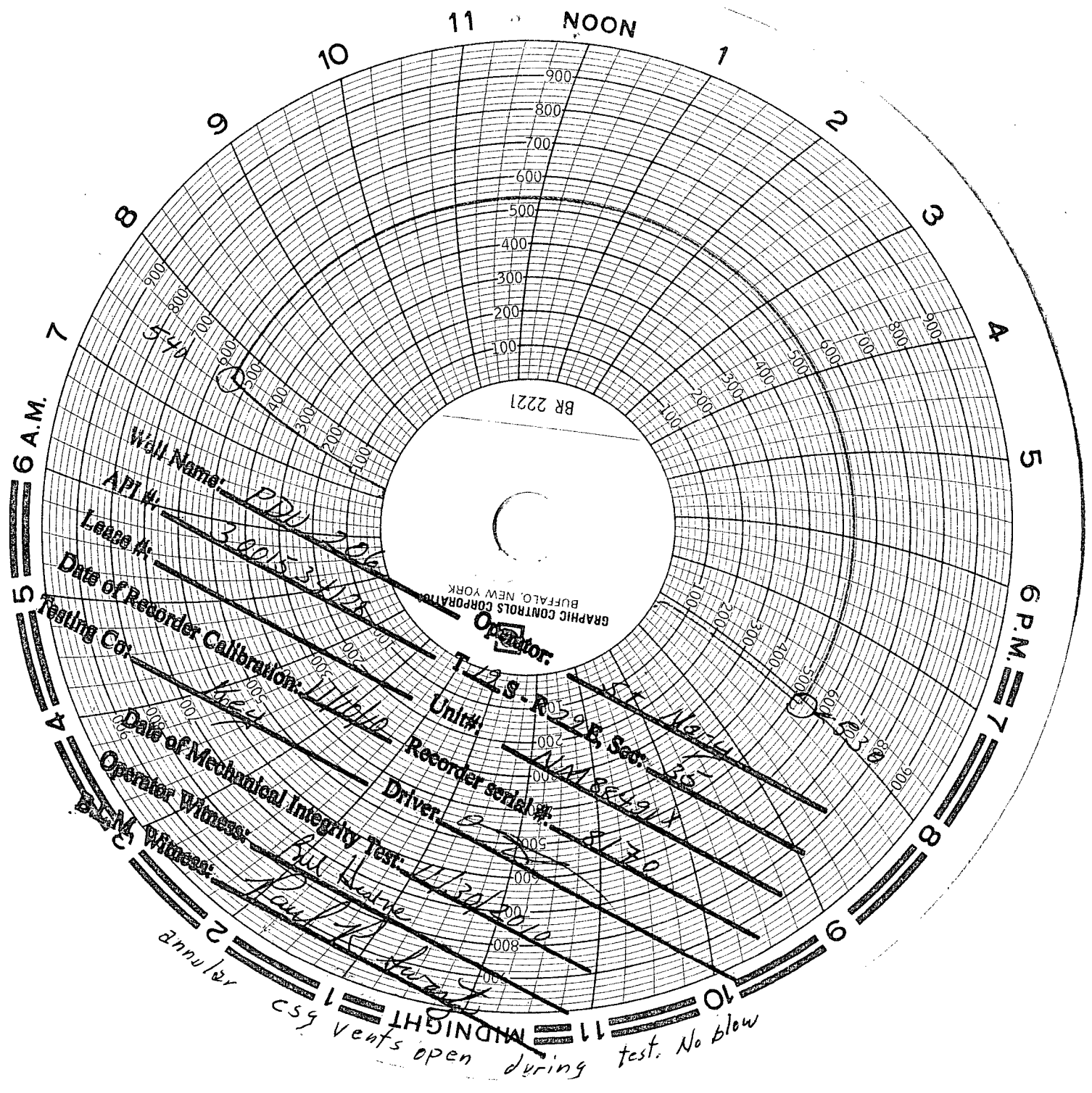
For State Use Only

APPROVED BY: Richard Innes

TITLE COMPLIANCE OFFICER

DATE 12/15/10

Conditions of Approval (if any):



BR 2221

GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK

Operator: T. J. S. R.

Unit: 155

Recorder serial #: NA18491A

Driver: 2

Well Name: PDU 206

API #: 3001534128

Lease #: 111010

Date of Recorder Calibration: Key

Testing Co: Key

Date of Mechanical Integrity Test: 11/30/2010

Operator Witness: Paul K. [Signature]

Witness: [Signature]

annular

CSG vents open during test. No blow