

|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   |                                              |                                     |                                                          |                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| Submit within 45 days of well completion                                                                                                             | <div>State of New Mexico</div> <div>Energy, Minerals and Natural Resources</div> <div>Oil Conservation Division</div> <div>1220 S. St Francis Dr.</div> <div>Santa Fe, NM 87505</div> | Revised November 6, 2013                                                                                                                          |                                              |                                     |                                                          |                                                          |
|                                                                                                                                                      |                                                                                                                                                                                       | 1. WELL API NO:<br>30-015-41615                                                                                                                   |                                              |                                     |                                                          |                                                          |
|                                                                                                                                                      |                                                                                                                                                                                       | 2. Well Name:<br>EAST SHUGART DELAWARE UNIT #034                                                                                                  |                                              |                                     |                                                          |                                                          |
|                                                                                                                                                      |                                                                                                                                                                                       | 3. Well Number:<br>034                                                                                                                            |                                              |                                     |                                                          |                                                          |
| <div>HYDRAULIC FRACTURING FLUID DISCLOSURE</div> <div><input checked="" type="checkbox"/>Original</div> <div><input type="checkbox"/>Amendment</div> |                                                                                                                                                                                       | 4. Surface Hole Location:<br>Unit:G   Lot:G   Section:24   Township:18S   Range:31E<br>Feet from:1500   N/S Line:N<br>Feet from:2020   E/W Line:E |                                              |                                     |                                                          |                                                          |
|                                                                                                                                                      |                                                                                                                                                                                       | 5. Bottom Hole Location:<br>Unit:G   Lot:   Section:24   Township:18S   Range:31E<br>Feet from:1500   N/S Line:N<br>Feet from:2020   E/W Line:E   |                                              |                                     |                                                          |                                                          |
|                                                                                                                                                      |                                                                                                                                                                                       | 6. latitude:<br>32.7362285791551   longitude:<br>-103.82102262094                                                                                 |                                              |                                     |                                                          |                                                          |
|                                                                                                                                                      |                                                                                                                                                                                       | 7. County:<br>Eddy                                                                                                                                |                                              |                                     |                                                          |                                                          |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   |                                              |                                     |                                                          |                                                          |
| 8. Operator Name and Address:<br>SM ENERGY COMPANY<br>3300 N. A Street, Bldg. #7<br>Suite 200<br>Midland 79705                                       |                                                                                                                                                                                       | 9. OGRID:<br>154903                                                                                                                               | 10. Phone Number:<br>432-688-1789            |                                     |                                                          |                                                          |
| 11. Last Fracture Date:    10/25/2013    Frac Performed by: CUDD ENERGY SERVICES                                                                     |                                                                                                                                                                                       | 12. Production Type:<br>O                                                                                                                         |                                              |                                     |                                                          |                                                          |
| 13. Pool Code(s):<br>56419                                                                                                                           |                                                                                                                                                                                       | 14. Gross Fractured Interval:<br>5,078 ft to 5,226 ft                                                                                             |                                              |                                     |                                                          |                                                          |
| 15. True Vertical Depth (TVD):<br>5,514 ft                                                                                                           |                                                                                                                                                                                       | 16. Total Volume of Fluid Pumped:<br>41,315 gals                                                                                                  |                                              |                                     |                                                          |                                                          |
| 17. Total Volume of Re-Use Water Pumped:<br>N/A                                                                                                      |                                                                                                                                                                                       | 18. Percent of Re-Use Water in Fluid Pumped:<br>Not Disclosed                                                                                     |                                              |                                     |                                                          |                                                          |
| 19. HYDRAULIC FLUID COMPOSITION AND CONCENTRATION:                                                                                                   |                                                                                                                                                                                       |                                                                                                                                                   |                                              |                                     |                                                          |                                                          |
| Trade Name                                                                                                                                           | Supplier                                                                                                                                                                              | Purpose                                                                                                                                           | Ingredients                                  | (CAS #) Chemical Abstract Service # | Maximum Ingredient Concentration in Additive (% by mass) | Maximum Ingredient Concentration in HF Fluid (% by mass) |
| Water                                                                                                                                                |                                                                                                                                                                                       | Carrier / Base Fluid                                                                                                                              |                                              | 7732-18-5                           | 100%                                                     | 79.71073%                                                |
| Sand                                                                                                                                                 |                                                                                                                                                                                       | Proppant                                                                                                                                          | Silicon Dioxide                              | 14808-60-7                          | 100%                                                     | 9.31548%                                                 |
| Super DC/LC TLC/THS Opti RCS                                                                                                                         | Sandtrol                                                                                                                                                                              | Proppant                                                                                                                                          | Silicon Dioxide                              | 14808-60-7                          | 97%                                                      | 6.7669%                                                  |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | P/F Novolak Resin                            | 9003-35-4                           | 5%                                                       | 0.34881%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Hexamethylenetetramine                       | 1009-7-0                            | 1%                                                       | 0.06976%                                                 |
| B-15                                                                                                                                                 | Water Science Tech                                                                                                                                                                    | Biocide                                                                                                                                           | Tetrakis (hydroxymethyl) phosphonium sulfate | 55566-30-8                          | 20%                                                      | 0.00252%                                                 |
| 15% Hydrochloric Acid                                                                                                                                | Reagent                                                                                                                                                                               | Scale Dissolver                                                                                                                                   | Water                                        | 7732-18-5                           | 80%                                                      | 0.01009%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | 37% Hydrochloric Acid                        | 7647-01-0                           | 15%                                                      | 0.46662%                                                 |
| I-112                                                                                                                                                | Chemplex,L.C.                                                                                                                                                                         | Acid Corrosion Inhibitor                                                                                                                          | Water                                        | 7732-18-5                           | 85%                                                      | 2.64415%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Methanol                                     | 67-56-1                             | 49.6%                                                    | 0.0024%                                                  |
| SG-15G                                                                                                                                               | PFP Technology                                                                                                                                                                        | Polymer                                                                                                                                           | Propargyl Alcohol                            | 107-19-7                            | 4%                                                       | 0.00019%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Guar Gum                                     | 9000-30-0                           | 50%                                                      | 0.18043%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Petroleum Distillate (Mineral Oil)           | 64742-47-8                          | 55%                                                      | 0.19847%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Bentonite Clay                               | 14808-60-7                          | 2%                                                       | 0.00722%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Surfactant                                   | 68439-51-0                          | 2%                                                       | 0.00722%                                                 |
| XL-335                                                                                                                                               | ASK                                                                                                                                                                                   | Crosslinker                                                                                                                                       | Ethylene Glycol                              | 107-21-1                            | 25%                                                      | 0.02438%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Potassium Hydroxide                          | 1310-58-3                           | 25%                                                      | 0.02438%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Proprietary                                  | Proprietary                         | 25%                                                      | 0.02438%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Proprietary                                  | Proprietary                         | 15%                                                      | 0.01463%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Proprietary                                  | Proprietary                         | 10%                                                      | 0.00975%                                                 |
| GB-2                                                                                                                                                 | Fritz Industries, Inc.                                                                                                                                                                | Breaker                                                                                                                                           | Ammonium Persulfate                          | 7727-54-0                           | 99.9%                                                    | 0.00463%                                                 |
| GB-150                                                                                                                                               | Chemplex, L.C.                                                                                                                                                                        | Breaker                                                                                                                                           | Non-hazardous ingredients                    | NA                                  | 100%                                                     | 0.03183%                                                 |
| NE-217                                                                                                                                               | Chemplex, L.C.                                                                                                                                                                        | Non-emulsifier                                                                                                                                    | Methanol                                     | 67-56-1                             | 50%                                                      | 0.00256%                                                 |
| NE-227                                                                                                                                               | CESI                                                                                                                                                                                  | Non-emulsifier                                                                                                                                    | Isopropanol                                  | 67-63-0                             | 15%                                                      | 0.00788%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Methanol                                     | 67-56-1                             | 15%                                                      | 0.00788%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Ethoxylated Nonylphenol                      | 9016-45-9                           | 20%                                                      | 0.01051%                                                 |
| FE-4                                                                                                                                                 | Chemplex, L.C.                                                                                                                                                                        | Iron Control Additive                                                                                                                             | Citric Acid Anhydrous                        | 77-92-9                             | 55%                                                      | 0.01005%                                                 |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Water                                        | 7732-18-5                           | 55%                                                      | 0.01005%                                                 |
| SI-625                                                                                                                                               | Keltech                                                                                                                                                                               | Scale Inhibitor                                                                                                                                   | Methanol                                     | 67-56-1                             | 19.9%                                                    | 0.04371%                                                 |
| Superset W                                                                                                                                           | Santrol                                                                                                                                                                               | Resin Activator                                                                                                                                   | Methanol                                     | 67-56-1                             | 50%                                                      | 0.0395%                                                  |
|                                                                                                                                                      |                                                                                                                                                                                       |                                                                                                                                                   | Poly(oxyethylene) nonyphenol ether           | 9016-45-9                           | 54%                                                      | 0.04266%                                                 |
| 20. I, as Operator, hereby certify that the information shown on this disclosure form is true and complete to the best of my knowledge and belief.   |                                                                                                                                                                                       |                                                                                                                                                   |                                              |                                     |                                                          |                                                          |
| Signature:    Signed Electronically    Printed Name:    Vickie Martinez                                                                              |                                                                                                                                                                                       | Title:    Engineering Tech                                                                                                                        |                                              |                                     |                                                          |                                                          |
| Date:    11/14/2013                                                                                                                                  |                                                                                                                                                                                       |                                                                                                                                                   |                                              |                                     |                                                          |                                                          |
| E-mail Address:    vmartinez@sm-energy.com                                                                                                           |                                                                                                                                                                                       |                                                                                                                                                   |                                              |                                     |                                                          |                                                          |

NMOCD does not require the reporting of information beyond MSDS data as described in 29 CFR 1910.1200. NMOCD does not require the reporting or disclosure of proprietary, trade secret or confidential business information.