

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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMNM101361X 106714
2. Name of Operator SM ENERGY COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address 3300 N "A" STREET BLDG 7-200 MIDLAND, TX 79705		7. If Unit or CA/Agreement, Name and/or No. NM 101361X
3b. Phone No. (include area code) Ph: 432-688-1709 Fx: 432-688-1701		8. Well Name and No. ESDU 023
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T18S R31E		9. API Well No. 30-015-33843
		10. Field and Pool, or Exploratory SHUGART DELAWARE; EAST
		11. County or Parish, and State EDDY COUNTY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompletion 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.)

THIS IS TO NOTIFY YOU THAT SM ENERGY COMPANY WILL BE DOING A STEP RATE TEST TO DETERMINE POSSIBLE PRESSURE INCREASE FOR EXISTING INJECTION PERMIT THE WEEK OF APRIL 9TH ON THE ESDU 023 & 017 (API 30-015-33841) IN THE SAME SECTION-TOWNSHIP AND RANGE

ONCE WE HAVE THE RESULTS OF THE STEP RATE TEST, WE WILL FOLLOW UP WITH A C108.

Accepted for record

NMOCD 105
6/21/12

RECEIVED

JUN 21 2012

NMOCD ARTESIA

accept form record
05/01/2012 ARK

Submit Subsequent Report Once work is Done

14. I hereby certify that the foregoing is true and correct	
Electronic Submission #134628 verified by the BLM Well Information System For SM ENERGY COMPANY, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 04/03/2012 ()	
Name (Printed/Typed) VICKIE MARTINEZ	Title ENGINEER TECH
Signature (Electronic Submission)	Date 04/03/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J. D. W. Whitlock</i>	Title C1E7	Date 6/19/12
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 CFU	

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 ****