<b>A</b>		OCD Artesia									
Form 3160-5 (August 2007)	UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT						FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010				
	SUNDRY	NOTICES AND REPO	RTS ON W	ELLS			5. Lease Serial No. NMNM54865				
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.							6. If Indian, Allottee or Tribe Name				
SUBMIT IN TRIPLICATE - Other instructions on reverse side.								7. If Unit or CA/Agreement, Name and/or No.			
1. Type of Well							8. Well Name and No. PARKWAY 35 FEDERAL COM 3H				
2. Name of Operato SM ENERGY	or		VICKIE MAI Z@SM-ENE				9. API Wa 30-01	ell No. 5-40734			
3a. Address 3300 N "A" S MIDLAND, T>	3b. Phone No. (include area code) Ph: 432-688-1709 Fx: 432-688-1701				10. Field and Pool, or Exploratory PARKWAY.BONE SPRING						
	4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T19S R29E 2090FSL 330FWL						11. County or Parish, and State EDDY COUNTY, NM				
360 33 1193	R292 20901 32							COONT	Τ, ΙΝΑ	Vi	
12	. CHECK APPI	ROPRIATE BOX(ES) TO	) INDICAT	E NATURE	OF NO	OTICE, R	REPORT, C	R OTHE	ER DA	ATA	
TYPE OF SU	BMISSION	SSION TYPE OF ACTION									
□ Notice of In	tent	Acidize Alter Casing	🗖 Dé	epen cture Treat		□ Produc	tion (Start/Resume)			☐ Water Shut-Off ☐ Well Integrity	
🛛 Subsequent Report		Casing Repair		w Constructio	_				Ø	🔀 Other	
🗖 Final Aband	onment Notice	<ul> <li>Change Plans</li> <li>Convert to Injection</li> </ul>		-			oorarily Abandon r Disposal			Venting and/or Flari ng	
Attach the Bond following completesting has been determined that t SM ENERGY 3/22/13. WE FLARE A METERED VO	under which the wor etion of the involved completed. Final Ab he site is ready for fi STOPPED FLA PPROXIMATEL DLUMES WILL E DLUMES WILL E	RING ON 4/1/13. THIS IS Y 34 MCFRD BE REPORTED ON THE SUBJECT APPROVAL	the Bond No. c sults in a multip ed only after all S THE SUBS C-115 FORI	n file with BLN ble completion of requirements, i SEQUENT FO M. JU	M/BIA. or recommincludin OR EL	Required so apletion in a g reclamation ECTRON	IIC SUBMIS	orts shall b a Form 31 completed SSION 20	e filed 60-4 sh 60-4 sh , and th 02250	within 30 days hall be filed once he operator has	
14. I hereby certify	that the foregoing is	Electronic Submission #2	RGY COMPA	WNY, sent to t	the Cai	rlsbad					
Name(Printed/T)	ped) VICKIE M			1 .		ER TECH					
Signature	(Electronic Submission) Date 05/17/2013										
		THIS SPACE FO	R FEDER	AL OR STA	TEO	765	Shvr	n			
Approved By	eng	Starty		Title	Γ		NUVL			Date	
certify that the applica which would entitle th	n holds leght or equ applicant to condu		subject lease	Office			- 2 2013				
Title 18 U.S.C. Section States any false, ficti	n 1001 and Title 43 tious or fraudulent s	U.S.C. Section 1212, make it a tatements or representations as	crime for any p to any matter v	erson knowingl vithin its jurisdi					r agenc	ey of the United	
	** OPERAT	OR-SUBMITTED ** O	PERATOR	∟ SUBMITTI-			TOR-SUB		 ) **		

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## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

## 7/2/2013 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.
- 8. Approval not to exceed 90 days for date of approval.
- 9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared.
- 10. If flaring is still required past 90 days submit new request for approval.
- 11. If a portable unit is used to flare gas it must be monitored at all times.
- 12. Comply with any restrictions or regulations when on State or Fee surface.

JDB722013