

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (505) 393-6161 Fax: (505) 393-6780

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-6780

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6179

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-	Pool Code 49622	Pool Name PARKWAY; BONE SPRING
Property Code 38981	Property Name OSAGE "34" FEDERAL	Well Number 1H
OGRID No. 154903	Operator Name SM ENERGY	Elevation 3309'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	19 S	29 E		450	NORTH	330	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	34	19 S	29 E		330	NORTH	330	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°37'24.82" Long - W 104°04'12.85" NMSPC - N 590683.2 E 622337.5 (NAD-83)</p> <p>SURFACE LOCATION Lat - N 32°37'23.45" Long - W 104°03'18.73" NMSPC - N 590555.658 E 626966.608 (NAD-83)</p>	<p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>Brian Wood</u> Date: <u>2-6-13</u> BRIAN WOOD brian@permitswest.com Email Address: _____</p>
	<p>SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date Surveyed: <u>January 2013</u> Signature: <u>[Signature]</u> Professional Surveyor Seal: <u>7977</u> Certificate No. Gary L. Jones 7977 BASIN SURVEYS 27870</p>

NMOCD CASE NO. 15018
JULY 11, 2013
SM ENERGY EX. NO. 1

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

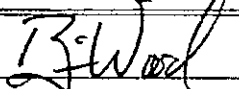

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. N/A
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. OSAGE 34 FEDERAL 1H
2. Name of Operator SM ENERGY COMPANY		9. API Well No. 30-015-
3a. Address 3300 N. A STREET, BLDG. 7-200 MIDLAND, TX 79705	3b. Phone No. (include area code) 432 688-1700	10. Field and Pool, or Exploratory PARKWAY; BONE SPRING
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 450' FNL & 330' FEL At proposed prod. zone 330' FNL & 330' FWL		11. Sec., T. R. M. or Blk. and Survey or Area NENE 34-19S-29E NMPM
14. Distance in miles and direction from nearest town or post office* 17 AIR MILES NE OF CARLSBAD, NM		12. County or Parish EDDY
15. Distance from proposed* 330' location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		13. State NM
16. No. of acres in lease 1,120		17. Spacing Unit dedicated to this well N2N2
18. Distance from proposed location* 308' to nearest well, drilling, completed, applied for, on this lease, ft.		20. BLM/BIA Bond No. on file NMB000805
19. Proposed Depth TVD = 8020' MD = 12491' Pilot Hole = 10,445'		21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3,309' UNGRADED
22. Approximate date work will start* 03/01/2013		23. Estimated duration 3 MONTHS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed/Typed) BRIAN WOOD (505 466-8120)	Date 02/15/2013
Title CONSULTANT (FAX 505 466-9682)		
Approved by (Signature) 	Name (Printed/Typed)	Date 6-24-2013
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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.

(Continued on page 2)

Capitan Controlled Water Basin ^{*(Instructions on page 2)}Approval Subject to General Requirements
& Special Stipulations AttachedSEE ATTACHED FOR
CONDITIONS OF APPROVAL