

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM106714
2. Name of Operator SM ENERGY COMPANY		6. If Indian, Allottee or Tribe Name
Contact: VICKIE MARTINEZ E-Mail: VMARTINEZ@SM-ENERGY.COM		7. If Unit or CA/Agreement, Name and/or No. NMNM101361X
3a. Address 3300 N "A" STREET BLDG 7-200 MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 432-688-1709 Fx: 432-688-1701	8. Well Name and No. ESDU 028
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T18S R31E 2280FNL 810FEL		9. API Well No. 30-023-40871 215
		10. Field and Pool, or Exploratory SHUGART; DELAWARE, EAST
		11. County or Parish, and State EDDY COUNTY, NM

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

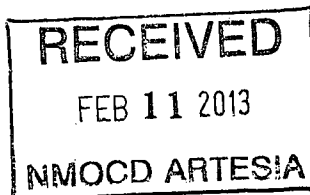
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/>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

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 recompleate 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 recompleation 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.)

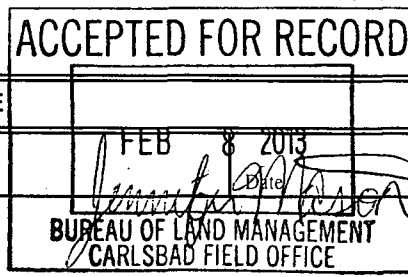
1/12/13 SPUD WELL @ 06:00
1/13/13 TD'ED 12 1/4" HOLE; RAN 8 5/8" 24# J-55 CSG; SET @ 995 FT; CMT W/310 SX CLASS C (LEAD) & 200 SXS CLASS C (TAIL) & CIRC CMT TO SURFACE
1/17/13 TESTED BOPE 3000# & ANNULAR TO 1500#. TESTED CASING TO 1500# FOR 30 MINUTES. HELD OK.
1/24/13 TD'ED 7 7/8" HOLE; RAN 5 ?? 15.5# J-55 CSG; SET @ 5,510 FT; CMT W/500 SKS CLASS C POZM (LEAD) 11.8 PPG, 2.45 YIELD & 375 SX CLASS C (TAIL) 14.8 PPG, 1.34 YIELD & CIRC 188 SKS CMT TO SURFACE
1/25/13 RIG RELEASE

Accepted for record
NMOC

RDade 2/14/13



14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #192496 verified by the BLM Well Information System For SM ENERGY COMPANY, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 02/06/2013 ()	
Name (Printed/Typed) VICKIE MARTINEZ	Title ENGINEER TECH II
Signature (Electronic Submission)	Date 01/30/2013
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By	Title
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



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 ****

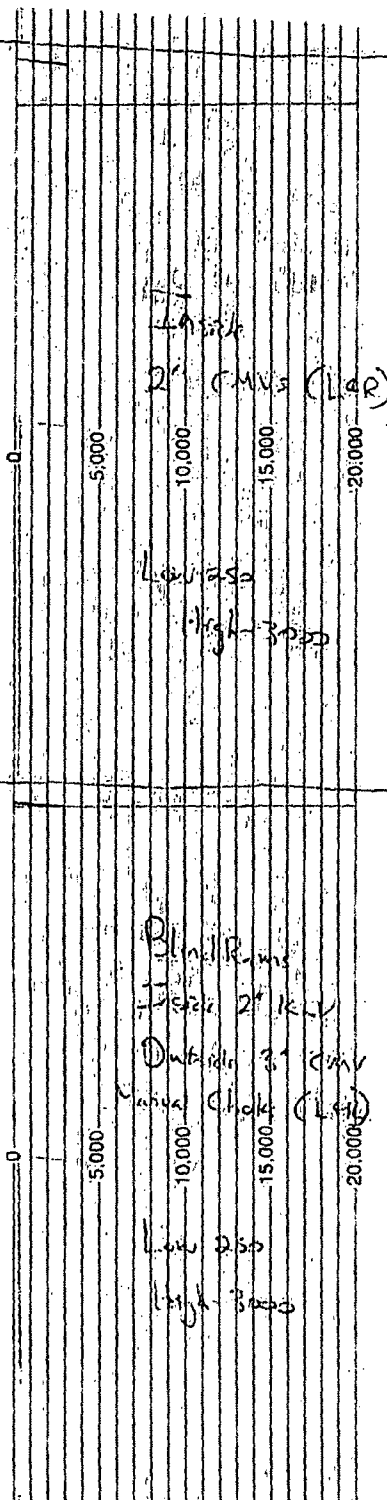
me

Monahans Nipple-Up Testing Service

Monahans Nipple-Up Testing Service

Test
#2

Test
#1



Graduation 1,000 lbs. PSI Per Line

Read Up

For Hydrostatic Testing

Max. 20,000 P.S.I.

B.O.P TESTING

Monahans Nipple-Up Testing Service

Crews - Lift Units - Tandems

Office 943-7643 • Shop 943-3618

Made in U.S.A.

Starting Time 9:15 pm Chart No. 1
Service Co. Cipstar
Company S&I Energy
State New Mexico Date 1-14-13
FCDU # 28 Well No. _____

Monahans Nipple-Up Testing Service

Monahans Nipple-Up Testing Service

Low - 2500
High - 3000

0 5,000 10,000 15,000 20,000

Test # 1

HKR

Outside 3" KLV

Low - 2500
High - 3000

0 5,000 10,000 15,000 20,000

Test # 2

Pipe Rams

3" Check Valve

Low - 2500
High - 3000

0 5,000 10,000 15,000 20,000

Monahans Nipple-Up Testing Service

Monahans Nipple-Up Testing Service

Read Up

For Hydrostatic Testing
Max. 20,000 P.S.I.

B.O.P TESTING

Monahans Nipple-Up Testing Service

Crews - Lift Units - Tandems

Office 943-7643 • Shop 943-3618

Made in U.S.A.

Starting Time 2:00 AM Chart No. 2
Service Co. Capster
Company Shi Energy
State New Mexico Date 1-15-13
Lease ESDU #98 Well No. _____
Pipe Size 4 1/2" XH Wt. _____
Well Head Type & Size 11" C-22 3A
Type Plug 11" C-22

Inside
2" CMVs (LAR)

Low - 2500
High - 3000

0 5,000 10,000 15,000 20,000

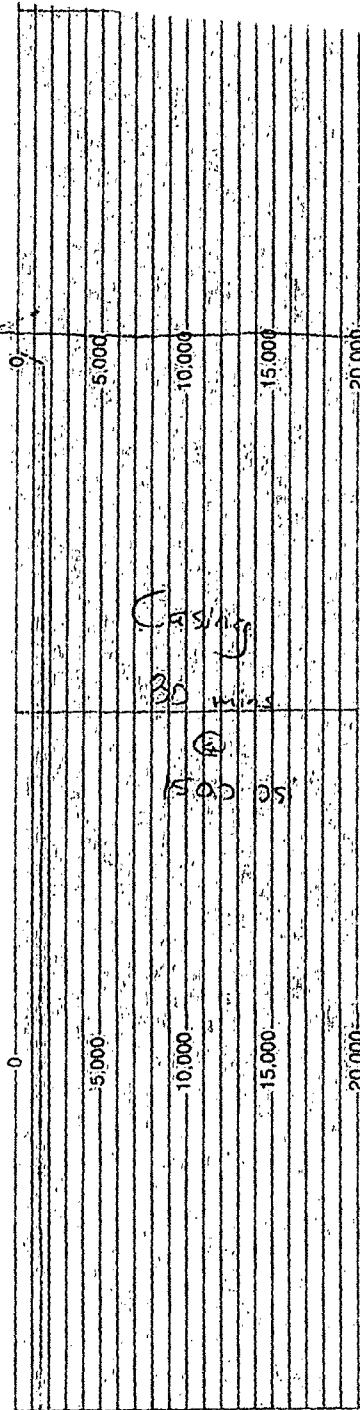
Test # 2

Monahans Nipple-Up Testing Serv

Monahans Nipple-Up Testing :

Test

7



Read Up
For Hydrostatic Testing
Max. 20,000 P.S.I.

B.O.P TESTING
Monahans Nipple-Up Testing Service
Crews - Lift Units - Tandems
Office 943-7643 • Shop 943-3618

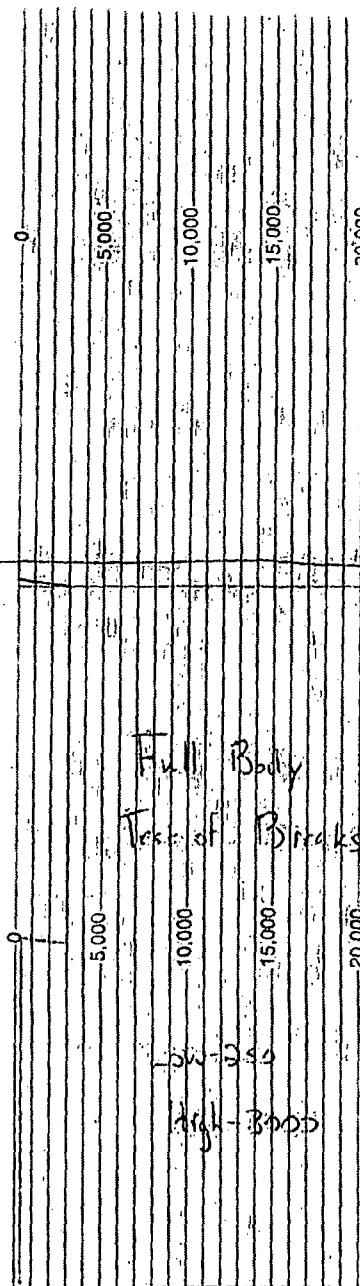
Made in U.S.A.

Starting Time 1:15 pm Chart No. 3
Service Co. Capitol
Company SM Energy
State New Mexico Date 1-15-13
Lease ESDA #28 Well No. _____
Pipe Size 4 1/2 x 11 Wt. _____
Well Head Type & Size 11" C-22 3rd
Tubing Plug 11" C-22

Monahans Nipple-Up T

Monahans Nipple-Up

Test # 1



Graduation 1,000 lbs. PSI Per Line

**Read Up
For Hydrostatic Testing
Max. 20,000 P.S.I.**

**B.O.P TESTING
Monahans Nipple-Up Testing Service**
Crews - Lift Units - Tandems
Office 943-7643 • Shop 943-3618

Made in U.S.A.

Starting Time 7:55 pm (NM) Chart No. 1
Service Co. Capstar
Company SM Energy
State New Mexico Date 1-16-13
Lease ESDU #24 Well No. _____
Pipe Size 4 1/2 XH Wt. _____
Well Head Type & Size 11" C-22 3M
Type Plug 11" C-22
Operator Jamie Delany
Unit No. 245
Test 1