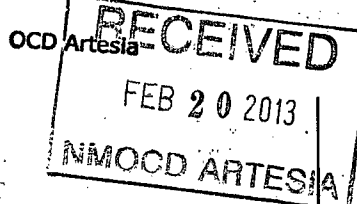


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMNM54865

- 1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator
SM ENERGY
Contact: VICKIE MARTINEZ
E-Mail: VMARTINEZ@SM-ENERGY.COM8. Lease Name and Well No.
PARKWAY 35 FEDERAL COM 3H3. Address 3300 N A ST BLDG 7 STE 200
MIDLAND, TX 797053a. Phone No. (include area code)
Ph: 432-688-17099. API Well No.
30-015-40734-00-S1

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface NWSW 2090FSL 330FWL

At top prod interval reported below NWSW 2108FSL 854FWL

At total depth NWSE 1950FSL 342FEL

10. Field and Pool, or Exploratory
PARKWAY11. Sec., T., R., M., or Block and Survey
or Area Sec 35 T19S R29E Mer NMP12. County or Parish
EDDY13. State
NM14. Date Spudded
09/28/201215. Date T.D. Reached
11/06/201216. Date Completed
☐ D & A ☒ Ready to Prod.
12/07/201217. Elevations (DF, KB, RT, GL)*
3325 GL18. Total Depth: MD 12530
TVD 823319. Plug Back T.D.: MD 12482
TVD 823520. Depth Bridge Plug Set: MD
TVD21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
COMPNEUTRON GRCC22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☐ No ☒ Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
26.000	20.000 J-55	94.0	0	257		770		0	
17.500	13.375 H-40	48.0	0	1339		1055		0	
12.250	9.625 J-55	36.0	0	3307		950		0	
8.750	5.500 P-110	17.0	0	12530		2110		0	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	7558							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) BONE SPRINGS	8440	12472	8440 TO 12472	0.370	280	OPEN
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8440 TO 12472	31,558 BBLs GELLED FLUID, 1,402,020# 20/40 SAND, 280,040 20/40 SLC

RECLAMATION
DUE 6-7-13

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/08/2012	12/27/2012	24	→	356.0	621.0	745.0	42.3		ELECTRIC-PUMP-SUB-SURFACE
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→	356	621	745		POW	

ACCEPTED FOR RECORD

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						FEB 16 2013
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #198674 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

gud

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				YATES BONE SPRING 2ND BONE SPRING	1338 7106 7960

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #198674 Verified by the BLM Well Information System.

For SM ENERGY, sent to the Carlsbad

Committed to AFMSS for processing by KURT SIMMONS on 02/13/2013 (13KMS4945SE)

Name (please print) MALCOLM KINTZING

Title RESERVOIR ENGINEER

Signature (Electronic Submission)

Date 02/12/2013

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.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****