

OCD Artesia

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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. NMNM101361X
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.
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 4
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T18S R31E 765FNL 1980FEL		9. API Well No. 30-015-25546
		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**

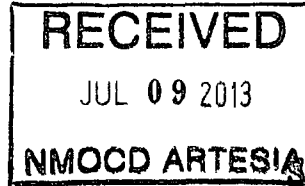
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 Venting and/or Flaring
	<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 recompleat 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.)

SM ENERGY STARTED FLARING 6/1-3/13 APPROXIMATELY 45 MCFPD ON THE REFERENCED AND FOLLOWING WELLS DUE TO A DCP LINE BREAK.

METERED VOLUMES WILL BE REPORTED ON THE C-115 FORM.

Lease Name UL:Sec:Township:Range API Number Location  
ESDU #005 B-24-18S-31E 30-015-26022 790 FNL & 1650 FEL  
ESDU #006 A-24-18S-31E 30-015-25385 890 FNL & 990 FEL  
ESDU #009 G-24-18S-31E 30-015-25723 1730 FNL & 1650 FEL  
ESDU #010 H-24-18S-31E 30-015-25457 1650 FNL & 990 FEL  
ESDU #013 J-24-18S-31E 30-015-25734 2310 FSL & 1650 FEL  
ESDU #014 I-24-18S-31E 30-015-25652 2310 FSL & 990 FEL



**SUBJECT TO LIKE CONDITIONS OF APPROVAL**  
**APPROVAL BY STATE**

Accepted for review  
7/9/13  
NMOC

14. I hereby certify that the foregoing is true and correct. Electronic Submission #210671 verified by the BLM Well Information System For SM ENERGY COMPANY, sent to the Carlsbad. Committed to AFMSS for processing by KURT SIMMONS on 06/18/2013 ()	
Name (Printed/Typed) VICKIE MARTINEZ	Title ENGINEER TECH II
Signature (Electronic Submission)	Date 06/13/2013

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
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 _____	<div style="border: 2px solid black; padding: 5px; text-align: center;"> <b>APPROVED</b>   <b>JUL - 5 2013</b> </div>	
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.		

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #210671 that would not fit on the form**

**32. Additional remarks, continued**

ESDU #028 H-24-18S-31E 30-015-40871 2280 FNL & 810 FEL

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

7/5/2013

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 to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
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.

JDB752013