

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOIL CONSERVATION
ARTESIA DISTRICT

JUL 14 2014

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.*5. Lease Serial No.
NMNM67102

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM131078 ✓8. Well Name and No.
Multiple--See Attached9. API Well No.
Multiple--See Attached10. Field and Pool, or Exploratory
PARKWAY11. County or Parish, and State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
SM ENERGY COMPANY
Contact: VICKIE MARTINEZ
E-Mail: VMARTINEZ@SM-ENERGY.COM3a. Address
3300 N A ST BLDG 7 STE 200
MIDLAND, TX 79705
3b. Phone No. (include area code)
Ph: 432-688-1709
Fx: 432-688-17014. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Multiple--See Attached**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
	<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.)

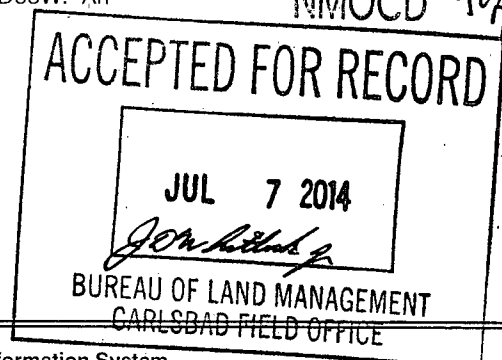
SM is attaching information information BLM requested on Notice of Written Order #14CD53W. An extension date of 6/14/14 was given to SM by BLM.

This also includes the well below:

Lease Name UL:Sec:Township:Range API Number Location
PARWAY 35 FEDERAL COM 5H P-34-19S-29E 30-015-41377 530 FSL & 15 FEL (SL)

See attached.

Submit Sundry For WATER Disposal



14. I hereby certify that the foregoing is true and correct.

Electronic Submission #249567 verified by the BLM Well Information System
For SM ENERGY COMPANY, sent to the Carlsbad
Committed to AFMSS for processing by CATHY QUEEN on 06/19/2014 (14CQ0513SE)

Name (Printed/Typed) VICKIE MARTINEZ

Title ENGINEER TECH II

Signature (Electronic Submission)

Date 06/13/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____
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.

Title

Date

Office

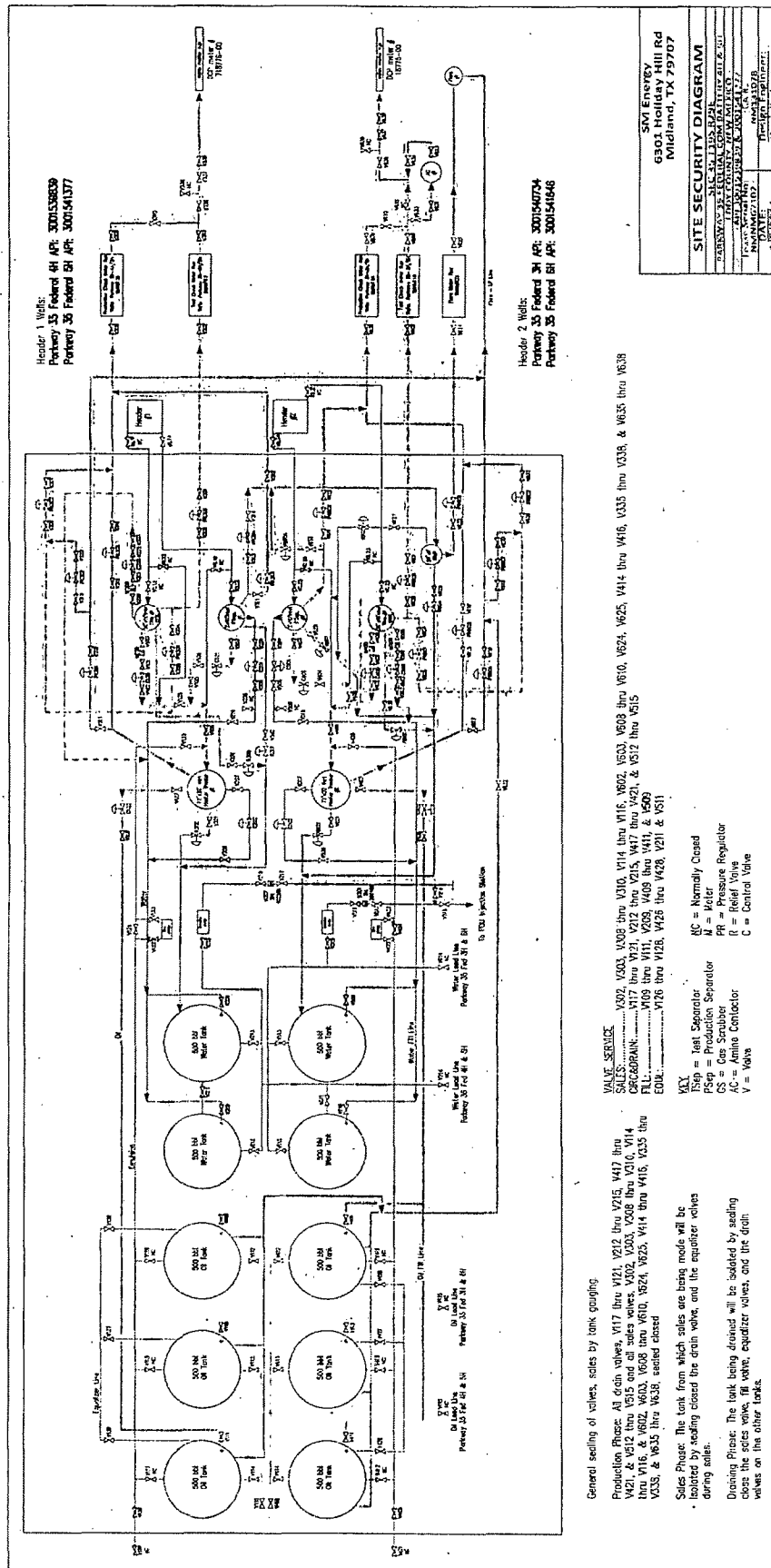
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

Additional data for EC transaction #249567 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM131078	NMNM67102	PARKWAY 35 FEDERAL COM 4H	30-015-39839-00-S1	Sec 35 T19S R29E SWSW 450FSL 330FWL
NMNM131078	NMNM67102	PARKWAY 35 FEDERAL COM 5H	30-015-41377-00-S1	Sec 34 T19S R29E SESE 530FSL 15FEL 32.364000 N Lat, 104.031500 W Lon



Orifice Meter Test Report



Meter: 718776-00 **- Parkway 35-4H/5H** **Date Performed:** September 3, 2013 09:09 Rev 2

Producer: SM Energy City: _____ State ID: _____
 Division: _____ County: Eddy Federal ID: _____
 Area: _____ State: New Mexico API Code: _____
 Closing Group: W22 Agency: BLM Latitude: 32.615780
 Last Test: 09/03/2013 Reason for Test: New Install Longitude: 104.052775 Site Elevation: _____

Flowing Conditions			
	Found	Left	Average
Differential:	0.00	0.00	0.00
Pressure:	12.20	12.70	13.00
Temperature:	67.00	85.30	85.00
EFM Flow Rate:	0.00	0.00	
Battery Voltage:			

Meter Inspection

PrimBrand: Daniel Model: Senior Ser #: 13140178
 RTU Brand: Totalflow Model: 6213 Ser #: T131010196
 DP Range: 0-250 Model: IMV Ser #: _____
 SP Range: 0-100 Model: IMV Ser #: _____
 Temp Range: 0-200 Model: RTD Ser #: _____

Static Location: Upstream Tap Type: Flange
 Replace Seal Ring: No No Flow Cutoff: 0.40

Orifice Plate

Plate Size Existing (i): 2.0000
 Plate Size Found (dr): 2.0000 Ring Inspection: Good
 Tube ID Existing (Dr): 3.0680 Tube Serial: _____

Plate Inspected: Yes Plate Clean: Yes Edge Sharp: Yes Oily: No
 Smooth: Yes Surface Flat: Yes Dirty: No
 Bevel: Yes Beveled DS: Yes Rough: No
 Bowed: No Nicked: No
 Plate Changed: Yes
 New Plate Size (dr): 2.0000

Meter Constants

Calculation Method: AGA3-1992 FPM Method: AGA8-Detail
 PSIA/PSIG: PSIA Btu: 1191.60
 Contract Atmos. Pr: 13.20 Specific Gravity: 0.68370
 Pressure Base: 14.730 N2: 0.48600
 Temp. Base: 60 CO2: 0.37200

DP Calibration			
Standard	Found	Left	Flow Rate Error
Reset A.P.O.	0.11		
Reset W.P.O. No	0.11	0.00	
0.00	0.11	0.00	
50.00	50.17	50.00	0.17%
175.00	175.39	175.00	0.11%
250.00	250.55	250.00	0.11%
200.00	200.46	199.98	0.11%
125.00	125.31	125.00	0.12%
75.00	75.26	75.00	0.17%
20.00	20.18	20.00	0.45%
0.00	0.12	0.00	
4.00	4.16	4.00	1.98%

SP Calibration			
Atmos. Press. Source:	Measured	Obs. Atmos. Press:	13.10
Standard (PSIG)	Found (PSIA)	Left (PSIA)	Flow Rate Error
0.00	12.80	13.10	-1.15%
50.00	62.82	63.11	-0.22%
100.00	112.93	113.10	-0.08%

Temperature Calibration			
Standard	Found	Left	Flow Rate Error
84.00	84.00	84.00	0.00%
44.00	44.05	44.00	-0.06%
74.40	74.20	74.40	0.13%

Total Error:

Remarks:

Witness: _____ Signed: Paul Allen B

% errors stated on this report are based on spot averages and are not the values used for volume corrections. Settlement % error and volume calculations are performed in external processes.

Monthly Meter Analysis

4/1/2014



Meter #: 718776-00
Name: Parkway 35-4H/5H

Sample

Date: 03/21/2014

Type: Spot

Pressure: 40.0 H2O: lbs/mm

Temperature: 98.0 H2S: 0 ppm

Component	Mole %	Liquid Content	Mass %
Carbon Dioxide, CO2	0.3751		0.7587
Nitrogen, N2	2.2225		2.8615
Methane, C1	76.3137		56.2682
Ethane, C2	11.4422	3.0708	15.8131
Propane, C3	5.4070	1.4948	10.9582
Isobutane, iC4	0.7047	0.2314	1.8825
n-Butane, nC4	1.7545	0.5551	4.6869
Isopentane, iC5	0.4288	0.1574	1.4219
n-Pentane, nC5	0.4546	0.1654	1.5075
Hexanes Plus, C6+	0.8969	0.3928	3.8415
Water, H2O			
Hydrogen Sulfide, H2S	0.0000		0.0000
Oxygen, O2	0.0000		0.0000
Carbon Monoxide, CO			
Hydrogen, H2			
Helium, He	0.0000		0.0000
Argon, Ar			

Property	Total Sample
Pressure Base	14.730
Temperature Base	0.00
Relative Density	0.7537
HV, Dry @ Base P, T	1278.55
HV, Sat @ Base P, T	1256.17
HV, Sat @ Sample P, T	
Fws Factor	
Cricondentherm	
HCDP @ Sample Pressure	
Free Water GPM	
Stock Tank Condensate Brls/mm	
26 # RVP Gasoline	1.099
Testcar Permian	0.899
Testcar Panhandle	0.852
Testcar Midcon	0.733

Totals	100.0000	6.0677	100.0000
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*** End of Report ***

WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

1. Name(s) of formation (s) producing water on the lease.
parkway; Bone Spring
2. Amount of water produced from each formation in barrels per day.
est. 522
3. How water is stored on the lease.
Fiberglass Tanks
4. How water is moved to disposal facility.
transfer pumps
5. Operator's of disposal facility
 - a. Lease name or well name and number Parkway Delaware Unit Injection Station
 - b. Location by $\frac{1}{4}$ $\frac{1}{4}$ Section, Township, and Range of the disposal system
Unit J, NW/4SE14, Sec 35- T19S-R29E
 - c. The appropriate NMOCD permit number R-9821 and R-9822