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	UNITED STATE EPARTMENT OF THE I BUREAU OF LAND MANA	NTERIOR ARTESIA D	FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010				
SUNDRY	5. Lease Serial No. NMNM90807						
Do not use the abandoned we	6. If Indian, Allottee or Tribe Name						
SUBMIT IN TR	7. If Unit or CA/Agreement, Name and/or No.						
Type of Well     Gas Well □ Ot	8. Well Name and No. OSAGE 34 FEDERAL 5H						
Name of Operator     SM ENERGY COMPANY	9. API Well No. 30-015-41250-00-S1						
3a. Address 3300 N A ST BLDG 7 STE 20 MIDLAND, TX 79705	3b. Phone No. (include area cod Ph: 432-688-1709 Fx: 432-688-1701	le)	10. Field and Pool, or Exploratory PARKWAY				
4. Location of Well (Footage, Sec., 7	11. County or Parish, and State						
Sec 34 T19S R29E SESE 56	EDDY COUNTY, NM						
12. CHECK APP	ROPRIATE BOX(ES) TO	O INDICATE NATURE OF	NOTICE, RE	PORT, OR OTHE	R DATA		
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent	☐ Acidize	□ Deepen □ Proc		on (Start/Resume)	☐ Water Shut-Off		
_	☐ Alter Casing	Fracture Treat	☐ Reclamate	tion	■ Well Integrity		
☐ Subsequent Report	☐ Casing Repair ☐ New Construction ☐ Recomp			plete 🔀 Other			
☐ Final Abandonment Notice	Change Plans	□ Plug and Abandon	☐ Temporarily Abandon		Venting and/or Flari		
	☐ Convert to Injection ☐ Plug Back ☐ Water I		■ Water Di				
13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wo following completion of the involved testing has been completed. Final At determined that the site is ready for f	ally or recomplete horizontally, rk will be performed or provide toperations. If the operation resonation resonation in the propertion of the propertion of the properties o	give subsurface locations and meas the Bond No. on file with BLM/BI sults in a multiple completion or rec	sured and true vert A. Required substantial in a new completion in a new	tical depths of all pertine equent reports shall be we interval, a Form 316	nent markers and zones. filed within 30 days 60-4 shall be filed once		
SM ENERGY BEGAN FLARIN BEING BURNT	NG ON 2/26/14 DUE TO A	A DCP FIRE THAT STARTE	D DUE TO A L	INE LEAK AND P	OLY LINES		
SM IS FLARING APPROXIMA	ATELY 775 MCFPD.				•		

SM WILL FOLLOW UP WITH A END OF FLARING DATE AND FLARED VOLUMES ON A SUBSEQUENT SUNDRY AND WILL SUBMIT VOLUMES ON THE C-115 FORM.

AD 3/24/15'
ACCRETED IN FOLIA

## SEE ATTACHED FOR CONDITIONS OF APPROVAL

All the state of t		CONDITIONS OF APPROVAL								
14. I hereby certify that the	e foregoing is true and correct. Electronic Submission #240309 verifie For SM ENERGY COMPA Committed to AFMSS for processing by AN	NY, sei	nt to the	Carlsb	ad	•				
Name (Printed/Typed)	VICKIE MARTINEZ	Title ENGINEER TECH II								
Signature	(Electronic Submission)	Date	03/27	20TAC	EPT.	ED F	OR R	ECORI	5]	
THIS SPACE FOR FEDERAL OR STATE OFFICE/USE										
Approved By		Title			/ <del>/</del> F	$\frac{1}{2}$ B $\frac{2}{2}$	0/201	5	Date	n
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		BU	REAU CARI	OF I/A	ID MANA FIELD OF	GEMENT FICE	100	
Title 18 U.S.C. Section 1001 States any false, fictitious	and Title 43 U.S.C. Section 1212, make it a crime for any peor fraudulent statements or representations as to any matter w	rson kno ithin its j	wingly ar urisdiction	nd wi/lifui n.	lly to ma	ake to ar	ny departm	ent or agen	cy of the U	United

## Osage 34 Federal 5H 30-015-41250 SM Energy Company February 20, 2015 Conditions of Approval

- 1. Report all volumes on OGOR B as disposition code 08.
- 2. Comply with NTL-4A requirements
- 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. Include meter serial number on sundry.
- 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.

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