

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
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.

NM 67102

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well☐ Gas Well☒ Other

7. If Unit of CA/Agreement, Name and/or No.

NM88491X

8. Well Name and No.

Parkway Delaware Unit #306

2. Name of Operator

SM Energy Company

9. API Well No.

30-015-33711

3a. Address

3300 N. A Street, Bldg 7, Suite 200 Midland, TX 79701

3b. Phone No. (include area code)

(832) 688-1789

10. Field and Pool or Exploratory Area

Parkway Delaware

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec. 35-T19S-R29E
2090' FNL & 2430 FEL (UL:G)

11. Country or Parish, State

Eddy Co.

New Mexico

12. CHECK THE 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 type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" 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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

9/7/2010 - 11/4/2010 Recomplete to water injection well

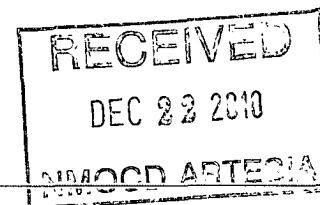
PDU 306 was converted from production to water injection. Removed production equipment. RIH w/ bit, DO CIBP @ 4190. Cleaned out to PBTD @ 4563'. Acidized existing perfs (4125-4228') w/ 2800 gals 15% NEFE HCL. Set RBP @ 4076'. Spot 750 gals 10% acetic. Perf Delaware A and B f/ 3924-3930' (7 holes), 3942-3048' (7 holes), 3956-3960' (5 holes), 3970-3978' (9 holes), 3990-3994 (5 holes), and 4024-4030 (7 holes). Broke perfs down w/ spot acid. Frac new perfs w/ 20,244 gals of 25# XL gel and 44,260# 16/30 sand. Remove RBP. Clean out to PBTD 4563'. RIH w/ after frac GR. No treatment in 4024-4030' perfs. Treated 4024-4030' perfs w/ 1000 gals 15% NEFE Acid. RIH w/ 5 1/2" arrowset IX nickel plated packer on 120 jts. New 2-3/8" J55 IPC (TK70) tbq. Set packer @ 3907'. Pressure tested casing to 570 psig for 50 minutes. OK. RDMO. Well ready for injection.

11/8/2010 Successful MIT. Chart attached.

Accepted for record

NMOCB

12/27/10



14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Donna Huddleston

Title Engineering Tech

Signature

Date 12/03/2010

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

DEC 18 2010

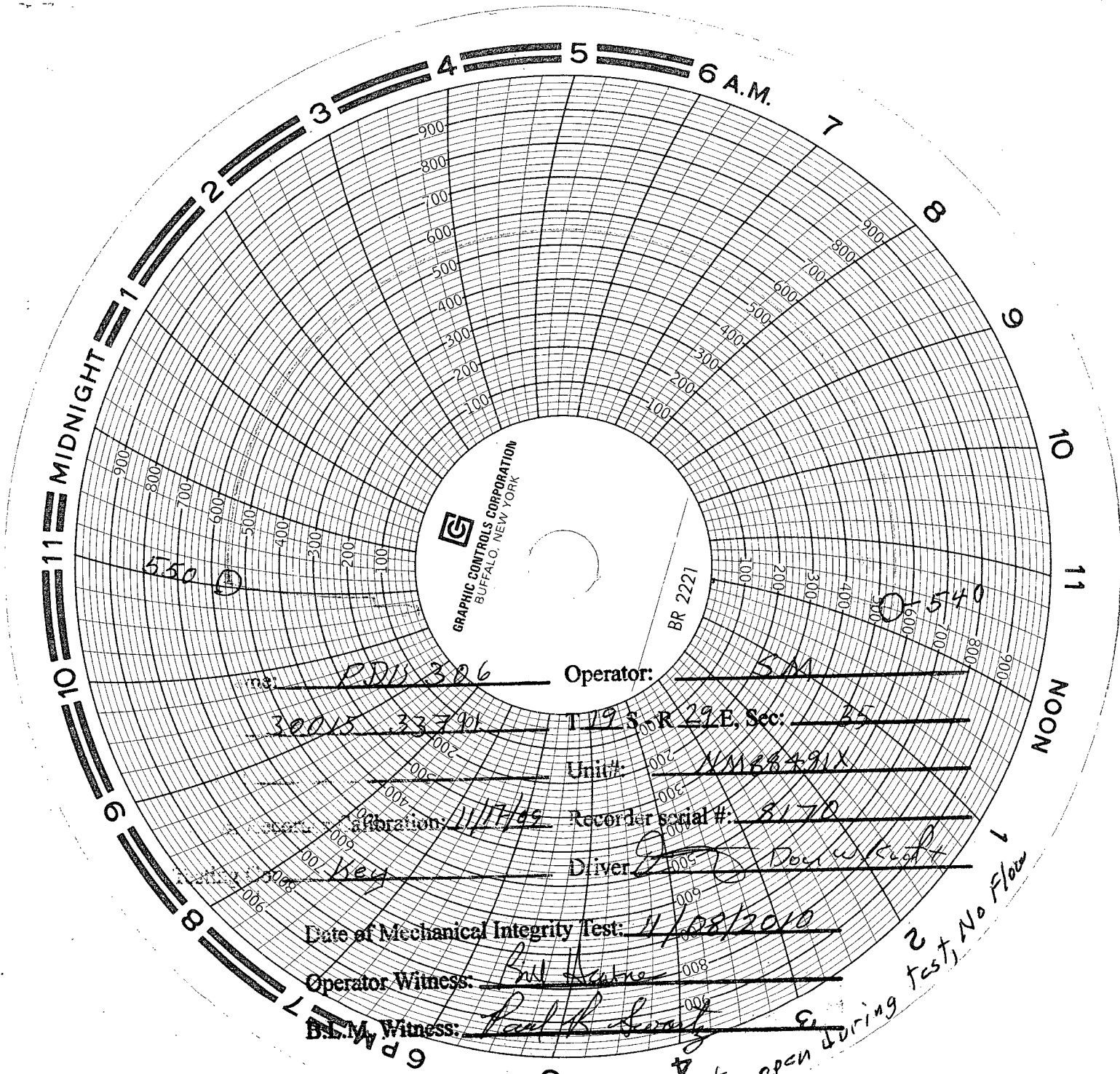
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 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.

(Instructions on page 2)

CARLSBAD FIELD OFFICE

bct



no: PDU 306 Operator: SM

30015 33791 T19 S-R 29 E, Sec: B5

Unit#: 002 NM88491X

Calibration: 11/17/99 Recorder serial #: 8178

Key: Key Driver: Don W. Kraft

Date of Mechanical Integrity Test: 11/08/2010

Operator Witness: Paul H. Smith

B.L.M. Witness: Paul H. Smith

CS9 5 annular vents open during test, No Flow