

(April 2004)

UNITED STATES

DEPARTMENT OF THE INTERIOR

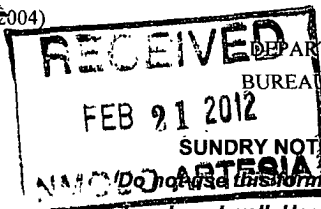
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED

OMB No. 1004-0137

Expires: March 31, 2007



1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM90807
2. Name of Operator SM Energy Company		6. If Indian, Allottee or Tribe Name
3a. Address 3300 N. A St., Bldg 7, Ste. 200, Midland, TX 79705		7. If Unit of CA / Agreement, Name and/or No.
3b. Phone No. (include area code) 432-688-1789		8. Well Name and No. Osage Federal 09
4. Location of (Footage, Sec, T, R, or Survey Description) Sec. 34-T19S-R29E 990' FNL & 1980' FEL (UL:B)		9. API Well No. 30-015-26157
		10. Field and Pool, or Exploratory Area Parkway; Bone Spring & Wolfcamp
		11. County or Parish, State Eddy Co., New Mexico

12. CHECK 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 checked="" 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 the BLM / BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in 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.)

1/18/2012 Sqz 300 sx cmt @ 4000' woc try pressure, no pressure up.

1/19/2012 ReSqz 300 sx cmt @ 4000' woc tag next morning.

1/20/2012 Pressure up 500psi & tag @ 3886'.

1/23/2012 Cut 5 1/2 @ 3250'. Not Free. Spot 25 sx cmt plug @ 3300'. Woc & tag @ 3096'.

1/24/2012 Cut 5 1/2 csg @ 3000' Not Free. Spot 25 sx cmt plug @ 3060' woc & tag @ 2820'.

1/25/2012 Cut 5 1/2 csg came free @ 1200'.

1/26/2012 Spot 60 sx cmt @ 1260' woc & tag @ 1189'. Respot 45 sx cmt plug. Tag @ 1090'.

1/27/2012 Perf @ 450' Break Circ 8 5/8 x 13 3/8 pump 340 bring to surface.

1/30/2012 RDMO.

Accepted as to plugging of the well bore.
 Liability under bond is retained until
 Surface restoration is completed.

RECLAMATION
DUE 7-28-12

14. I hereby certify that the following is true and correct	
Name Gary Eggleston	Title P & A Superintendant
Signature <i>[Signature]</i>	Date 1/31/12
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by <i>[Signature]</i>	Title SEAS
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.	Date 2-14-12
	Office CFD

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.

2/22/2012

Accepted for record
 NMOC

WELLBORE DIAGRAM

Osage Federal 34-9

2/1/12

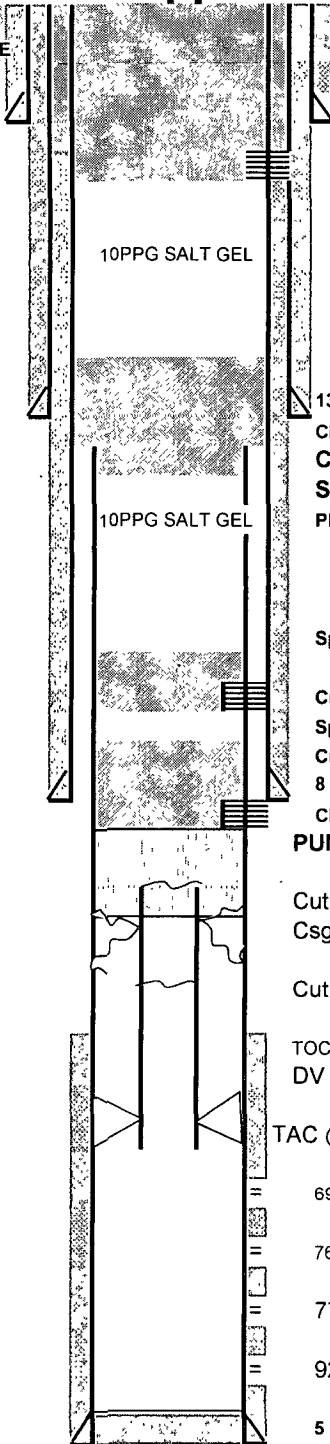
LEASE: Osage
LOCATION: 990' FNL & 1980' FEL
FIELD: Osage
CURRENT STAT. PA

WELL NO. 9
SEC: 34 T: 19S R: 29E
GL: 3319' CT/ST: EDDY,NM
KB: 3327'

API # : 30-015-26157
SPUD: 8/3/89
COMP: 9/15/90
INITIAL FROM: BoneSpring & WolfCamp

WELL HISTORY

CURRENT
WELLBORE



20" 94# J-55 @ 343'
CIRC. W/ 615SX
PERF 8-58" csg @ 450'
PUMP340 SXS TO SURF CIRC UP
8-5/8" X 13-3/8"

13 3/8" 61# J-55 @ 1141'
CIRC. W/ 1000 SX
Cut & pulled 5-1/2" csg @1200'
Spot 105 sx plug 1020-1250
Plug Tagged

Spot 25 sxs 2828-3050
Tagged plug
Cut 5-1/2" @ 3000'
Spot 25 sxs 3086-3300 tagged
Cut 5-1/2" @ 3250'
8 5/8" 61# J-55 liner @ 3200'
CIRC. W/ 1050 SX

PUMPED 600 SXS CI C NEAT @3791'
Test sqz to 500 psi
Cut tbg. @ 3973
Csg. collapse @ 4000'

Cut tbg. @ 4098'

TOC @ 4130' from CBL
DV tool @ 6491'

TAC @ 9135'

BoneSprings

6972-7188' (38 holes)

7654-7667' (17 holes)

7790-8002' (33 holes)

WolfCamp

9256-9281' 2 SPF

5 1/2" 17# J-55 @ 9400'

CMT'D W/ 700SX

CIRC 57 SXS off DV @ 6491'

CMT w/400 sx, tail in w/ 385 sx

9/7/1989 Run GR/CCL/CBL & Perf 7790-8002'
Acidize w/ 2750g 15% HCl
dropping 66 BS's balling out
3 BPM @ 1450-2000 psi
Frac w/ 72,000g 30# XL, 179,680#16/30 Ottawa
& 31,760# 16/30 RCS30BPM@ 1450 psi
10/12/1989 Perf 7654-7667 w/ 17 perfs
acidized w/2500 2500g 20% HCL
Broke at 1600 psi and 4 BPM
10/14/1989 Perf 6972-7188 w/38 perfs
Acidize w/3000g 15% NEFE
at 4 BPM and 1300 psi balled out
frac w/133,000g 30#XL, 341,000# 16/30
Ottawa, 70,000 16/30# RCS @ 49 BPM.
IPF 200 BO & 300 BW
9/15/1990 Perf Wolfcamp 9256-9281 (2 SPF)
No record of any stimulation
9/1/1991 Comingle BoneSprings and WolfCamp
2/2/2001 Change to Plunger lift
10/1/2010 5 Bo, 5 Bw, 110 Mcf
11/1/2010 shut in due to tubing blockage
12/10/2010 Unable to free TAC @ 9135'. Found tbg. Stuck @
4000'. Cut tbg @ 3973'. TOOH. Latch on to fish at
3973'. Jarred on fish for 3 hours w/o success. Cut
tbg. @ 4098' below fish. Latch on to fish @ 3973'
jarred for 3.5 hours pulling up to 50 points w/o
success.

DATE: 12/12/2010
PREPARED BY:
MHK

PBTD: 9358'
TD: 9400'