

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

<p>SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NO. 30-015-39236</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator SM ENERGY COMPANY</p>		<p>6. State Oil & Gas Lease No. V-1576</p>
<p>3. Address of Operator 3300 N "A" STREET, BLDG 7-200 MIDLAND, TX 79705</p>		<p>7. Lease Name or Unit Agreement Name PARKWAY 36 STATE</p>
<p>4. Well Location Unit Letter L : 1750 feet from the SOUTH line and 330 feet from the WEST line Section 36 Township 19S Range 29E NMPM County EDDY</p>		<p>8. Well Number 3H</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3334 GL</p>		<p>9. OGRID Number 154903</p>
		<p>10. Pool name or Wildcat PARKWAY BONE SPRING</p>

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☒
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

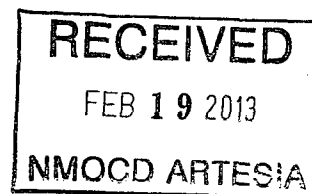
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SM ENERGY COMPANY IS REQUESTING TO BUILD PAD SIZE 300' X 325' TO ACCOMMODATE OUR RIG AND NEW PRODUCTION FACILITY. PLEASE SEE ATTACHED.



Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Vickie Martinez

TITLE ENGINEER TECH II

DATE 02/15/2013

Type or print name VICKIE MARTINEZ

E-mail address: VMARTINEZ@SM-ENERGY.COM PHONE: (432)688-1709

For State Use Only

APPROVED BY:

J. C. Shepard

TITLE

Geologist

DATE

2/19/2013

Conditions of Approval (if any):

Parkway 36 State 3H Pad 300' X 325'

