

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.

NM24160

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

SM Energy Company ✓

3a. Address

3300 N. A Street, Bldg 7, Suite 200 Midland, TX 79701-3268-1789

3b. Phone No. (include area code)

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

Sec. 35-T19S-R29E
1210' FSL & 2065 FEL UL 0

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

NM88491X

8. Well Name and No.

Parkway Delaware Unit #514 ✓

9. API Well No.

30-015-34130 ✓

10. Field and Pool or Exploratory Area

Parkway Delaware

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 checked="" type="checkbox"/> Other <u>Add Perfs</u>
	<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 recompletable 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 recompletable 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.)

11/22/2010-12/14/2010 Recompletion in Delaware A and B

PDU 514 had perfs added in the Delaware A and B sands. Removed production equipment. RIH w/ pkr and Acidize exsiting perfs 4168-4232 (42 holes) w/ 1700 gals. 15% NEFE HCL and 300 gals Xylene. Set RBP @ 4130'. Spotted 500 gals 15% HCL. Perf Delaware A and B 3970-3974' (3 holes), 3984-3987' (3 holes), 3994-3997' (3 holes), 4020-4023' (3 holes), 4036-4040' (4 holes), and 4070-4073' (3 holes). Broke down new perfs w/ spot acid. Treated w/ 2000 gals 15% NEFE acid. Frac w/ 24,528 gals 25# XL gel. 39000# 16/30 SLC. Remove RBP. Clean down to 4548' (PBDT). RIH w/ 132 jts. 2-3/8" J55 tbg. Set TAC @ 3963' RIH w/ production equipment. Place well back on production.

Accepted for record - NMOCD

DJA

RECEIVED

JAN 28 2011

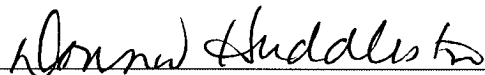
NMOCD ARTESIA

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

Donna Huddleston

Title Engineering Tech

Signature



Date 04/14/2011

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Office

JAN 23 2011

Date

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)