

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

1092

Armstrong Energy Corporation

3a. Area Code & Phone No.

505-623-8726

3. ADDRESS OF OPERATOR

P.O. Box 1793

Roswell, New Mexico 88202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)

At surface

990' FNL & 2130' FWL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

9 miles northwest of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED *

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40.0

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED

OR APPLIED FOR, ON THIS LEASE, FT.

1998.1'

19. PROPOSED DEPTH

3600'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3464' GR

22. APPROX DATE WORK WILL START*

January 1, 1998

23. PROPOSED CASING AND CEMENTING

CARLSBAD CONTROLLED WATER BASIN

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48.00	H-40	N.A.	40	2 yds. Redi-mix, Surface
11"	8 5/8"	24.00	J-55	ST&C	1750	600 WTNSG surface
7 7/8"	5 1/2"	15.50	J-55	LT&C	3600	600 sx., Circ. to surface

Armstrong Energy Corporation proposes to drill to a depth sufficient to test the Queen formation. If productive, 5 1/2" casing will be set. If non-productive, the well will be plugged and abandoned in a manner consistent with Federal Regulations. Specific programs as set out in Onshore Oil and Gas order #1 are outlined in the following attachments:

NMOCD Form C-102 Well Location Plat and Acreage Dedication Plat

Hole Prognosis

Surface Use Plan

Exhibit "A" Equipment Description

Exhibit "B" Planned Access Roads

Exhibit "C" One Mile Radius Map

Exhibit "D" Drilling Rig Layout Plan

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventor program, if any.

24.

SIGNED

B. J. Mott

TITLE

Consulting Engineer

DATE

10/31/97

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY (ORIG. SGD.) TONY L. FERGUSON

TITLE

SDM MINERALS

DATE

12/16/97

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29977	Pool Code 10480	Pool Name Catclaw Draw Delaware
Property Code	Property Name BASIN FEDERAL	Well Number 1
OGRID No. 001092	Operator Name ARMSTRONG ENERGY CORP.	Elevation 3464

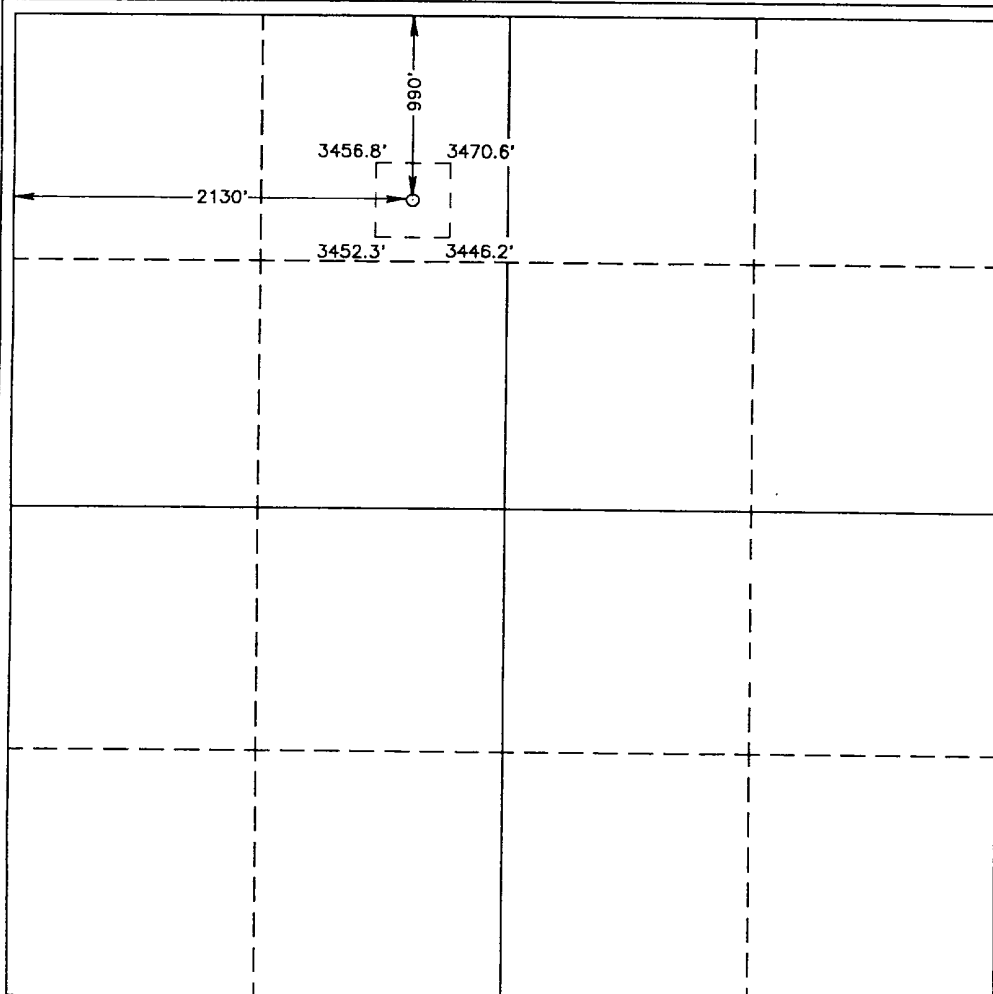
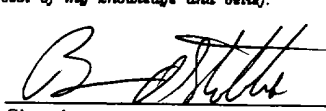
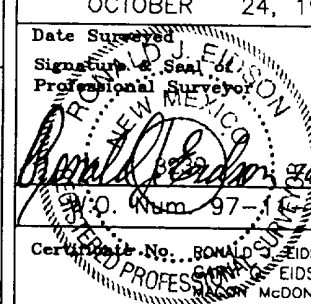
Surface Location

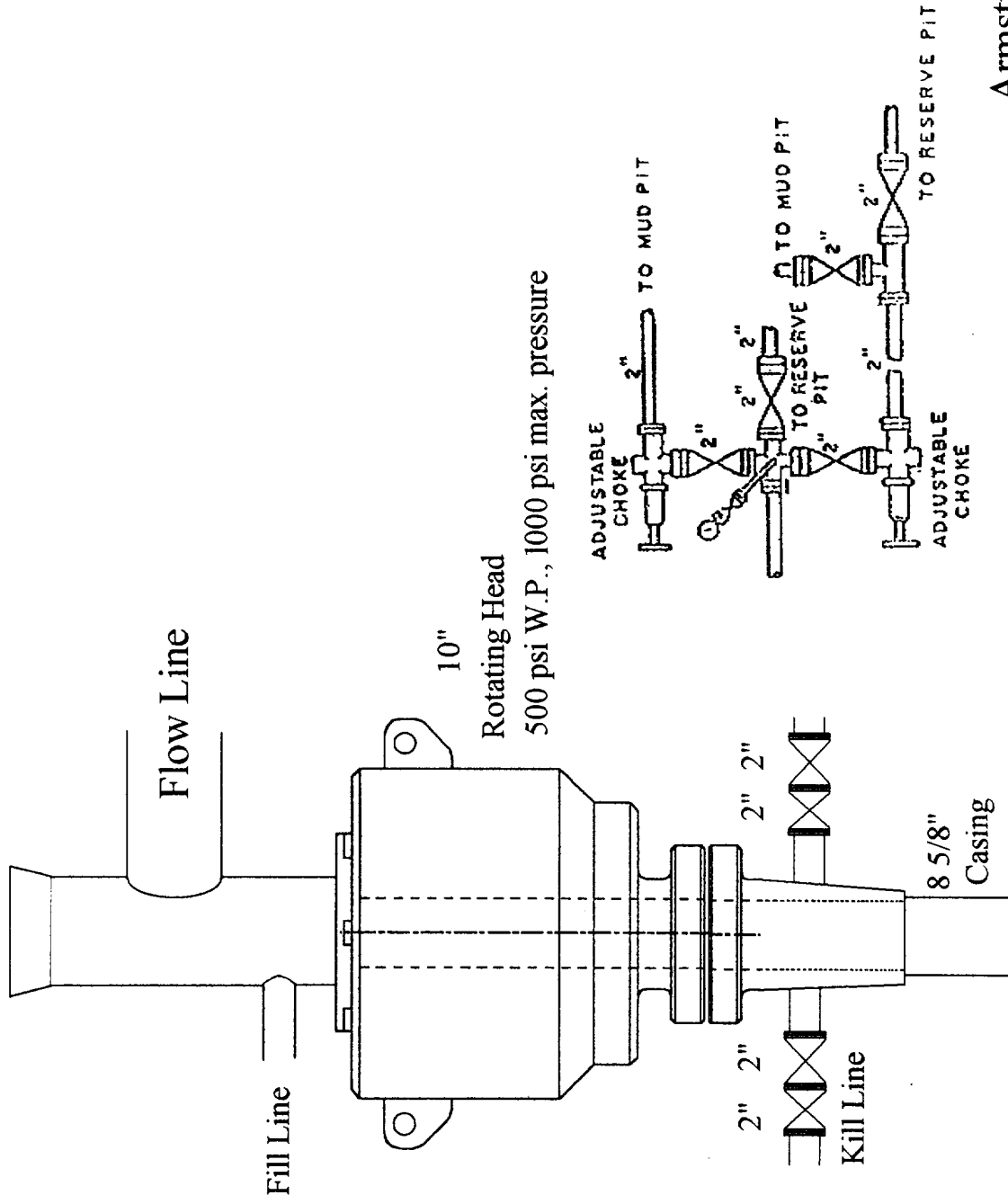
UL or lot No. C	Section 22	Township 21 S	Range 25 E	Lot Idn	Feet from the 990	North/South line NORTH	Feet from the 2130	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature Bruce A. Stubbs Printed Name Engineer Title 10/31/97 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 24, 1997</p> <p>Date Surveyed Signature and Seal of Professional Surveyor  P.O. Num 97-16723 Certification No. RONALD J. EIDSON, 3239 RONALD J. EIDSON, 12641 RONALD J. EIDSON, 12185</p>
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Armstrong Energy Corporation

B.O.P. Program

Basin Federal #1

Section 22 T21S-R25E

Eddy County, New Mexico

Exhibit A