District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 **District IV**

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-101 August 1, 2011

Permit 185407

		APPLIC/	ATION FOR PER	MIT TO DRILL,	RE-ENTER, DEE	EPEN, PLUGE	BACK, OR ADD	AZONE	
	me and Address ISTRONG ENER	GY CORP		000	300	2	0810	2. OGRID Number 1092	
	. Box 1973 well, NM 88202							3. API Number 30-041	-20960
4. Property Code 5. Property Name TOUCH OF GREY STATE								6. Well No. 001	
				7.	Surface Location	97			
JL - Lot L	Section 15	Township 065	Range S 34E	Lot Idn	Feet From 1940	N/S Line S	Feet From 976	E/W Line W	County Roosevelt
				8. Propos	sed Bottom Hole Loc	cation			
									_
JL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County

Additional Well Information						
11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 4353		
16. Multiple 17. Proposed Depth N 8100		18. Formation Fussleman				
Depth to Ground water		Distance from nearest fresh water v	well	Distance to nearest surface water		

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	40	25	0
Surf	12.25	8.625	24	1750	990	0
Prod	7.875	5.5	17	8100	220	1550
Prod	7.875	5.5	15.5	6700	110	6000

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program							
Туре	Working Pressure	Test Pressure	Manufacturer				
Double Ram	2000	1000					

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.			OIL CONSERVATION DIVISION		
Signature:			8		
Printed Name: Electronically filed by Irma Cunningham			Approved By:	Paul Kautz	
Title:	Geo Tech		Title:	Geologist	
Email Address:	Email Address: icunningham@armstrongenergycorp.com			4/30/2014	Expiration Date: 4/30/2016
Date:	4/30/2014 Phone: 575-625-2222			oval Attached	

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State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-102 August 1, 2011

Permit 185407

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-041-20960	2. Pool Code 58067	3. Pool Name TANNEYHILL;FUSSELMAN, EAST
4. Property Code 313181	5. Property Name TOUCH OF GREY STATE	6. Well No. 001
7. OGRID No. 1092	Operator Name ARMSTRONG ENERGY CORP	9. Elevation 4353

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	15	06S	34E		1940	S	976	W	Roosevelt

11. Bottom Hole Location If Different From Surface

	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Ì	12. Dedicated Acres 40.00		13. Joint or Infill	13. Joint or Infill		14. Consolidation Code				

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

OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
E-Signed By: Irma Cunningham
Title: Geo Tech
Date: 4/30/2014
SURVEYOR CERTIFICATION 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.
Surveyed By: Ronald J. Eidson
Date of Survey: 3/26/2014
Certificate Number: 3239

Form APD Comments

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 District II

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State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Permit 185407

PERMIT COMMENTS

Operator Name and Address:	API Number:
ARMSTRONG ENERGY CORP [1092]	30-041-20960
P.O. Box 1973	Well:
Roswell, NM 88202	TOUCH OF GREY STATE #001

Created By	Comment	Comment Date
pkautz	See conditions of approval concerning changes in casing set depth and top of cement requirements	4/30/2014

Form APD Conditions

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State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Permit 185407

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
ARMSTRONG ENERGY CORP [1092]	30-041-20960
P.O. Box 1973	Well:
Roswell, NM 88202	TOUCH OF GREY STATE #001

OCD Reviewer	Condition
pkautz	1) SURFACE - Cement must circulate to surface - 2) PRODUCTION CASING - Cement must tie back into surface casing
pkautz	Surface casing must not be set more than 25' below top of Rustler Anhydrite in order to seal off protectable water from the salt zone. Approximate depth of Rustler Anhydrite is 1750'