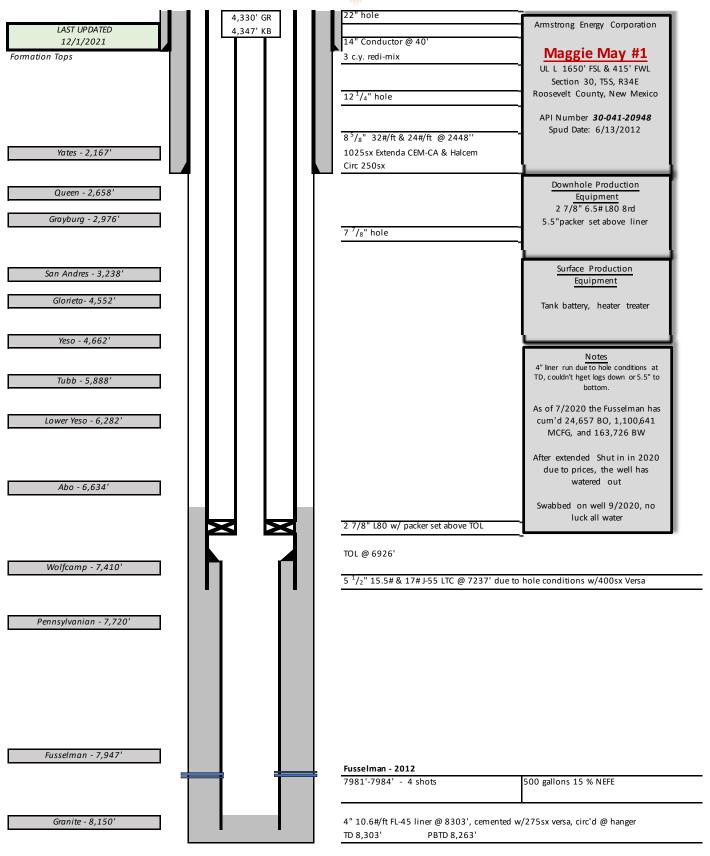
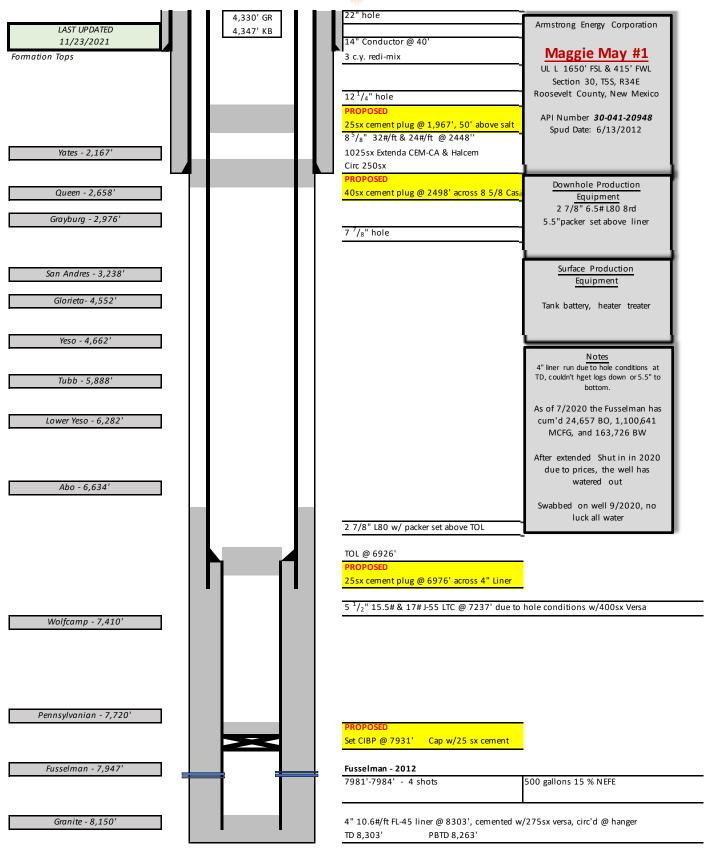
Office	P: 12/1/2021-14:14:19	PM S	State of New M	lexico		Form C-103 ¹	
<u>District I</u> – (57:	5) 393-6161 n Dr., Hobbs, NM 88240	Energy, N	Minerals and Nat	ural Resources	WELL API	Revised July 18, 2013	
District II – (57	75) 748-1283	OIL CO	NSERVATIO	N DIVISION	WELL THE	30-041-20948	
511 S. Filst St., Altesia, NW 66210			ONSERVATION DIVISION 20 South St. Francis Dr.			Type of Lease	
	os Rd., Aztec, NM 87410	Santa Fe, NM 87505			STA	TE FEE X 1 & Gas Lease No.	
1220 S. St. Fra	ncis Dr., Santa Fe, NM				0. State Of	t & Gas Lease 110.	
87505			ORTS ON WELL		7. Lease N	ame or Unit Agreement Name	
	E THIS FORM FOR PROPOS RESERVOIR. USE "APPLIC				Ms	aggie May	
	PROPOSALS.) 1. Type of Well: Oil Well x Gas Well Other					8. Well Number #1	
Name of Operator Armstrong Energy Corporation					9. OGRID		
3. Address		icigy Corporation	OII		10. Pool na	1092 ame or Wildcat	
P.O. Box 1973, Roswell, NM 88202-1973					Wildcat, Fusselman		
4. Well Loc		, , , , , , , , , , , , , , , , , , , 			· ·		
	it Letter:_			line and		eet from the <u>West</u> line	
Sec	etion 30			Range 34 E	NMPM	County Roosevelt	
			(Show whether DI R 4330'	R, RKB, RT, GR, etc	·.)		
	12. Check A	Appropriate B	ox to Indicate I	Nature of Notice	, Report or C	Other Data	
	NOTICE OF IN	TENTION T	<u>O:</u>	l QUE	RSEOLIENT	T REPORT OF:	
PERFORM	REMEDIAL WORK	PLUG AND A		REMEDIAL WOR		☐ ALTERING CASING ☐	
TEMPORAF	RILY ABANDON	CHANGE PLA		COMMENCE DRILLING OPNS. P AND A			
	LTER CASING	MULTIPLE CO	OMPL	CASING/CEMEN	NT JOB		
	E COMMINGLE OOP SYSTEM						
OTHER:	_			OTHER:			
						ent dates, including estimated date	
	earting any proposed wo cosed completion or rec		E 19.15./.14 NMA	C. For Multiple Co	ompletions: A	ttach wellbore diagram of	
201	Lasteropio in 2	1 allow fills on the	1-: !!47 !!	- IN OF W ILE:	0==+0===74	40	
30'	Ugv'EKDR'B '9; 3 <mark>o sx</mark> Ugv'2 5th 'r nwi 'B				Spot 25 sx 74	ot 25 sx 5888 Tubb Spot 25 sx 4662 Yeso /Glorietta	
50'	Set 40sx plug th	-				pot 25 sx 3238 San Andres/grayburg Spot 25 sx 2658 Q	
60'	Ugv'2xxx''r nwi 'B	U 1	_		_		
70'	Ugv'uwthceg'r nwi	P&S 150' circ ce	ment to surface	Opocoo ox 2110 Tales and	top or suit		
80'	Kpuvcm'f t { 'j qng'c	octmgt" <mark>*6\$"f k</mark>	cogvgt."6)"\cmlc	daxg'i tawpf+			
	1 (316						
	Note changes to p	rocedure		See attached c	onditions of	f approval	
g 15	06/12/2012		D: D: D				
Spud Date:	06/13/2012		Rig Release D	Date:			
I hereby certi	fy that the information	above is true and	d complete to the	best of my knowled	ge and belief.		
SIGNATURI	E Oeffery To	- !w	TITLEOp	erations Engineer		DATE 12/01/2021	
	100						
Type or print For State Us	name <u>Jeffery Tew</u>		E-mail addre	ss: <u>jtew@aecnm</u>	com	PHONE: <u>575-625-2222</u>	
	N	1 4				4/40/00	
APPROVED		Joune		npliance Officer A	\	DATE1/12/22	
Conditions of	f Approval (if any		5	75-263-6633			









CONDITIONS OF APPROVAL FOR PLUGGING AND ABANDONMENT OCD - Southern District

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify NMOCD District Office I (Hobbs) at (575)-263-6633 at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

- **1.** A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
- **2.** Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
- **3.** Trucking companies being used to haul oilfield waste fluids to a disposal commercial or private- shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
- 4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
- **5.** A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can +be released.
- **6.** If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.
- 7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
- **8.** Produced water will not be used during any part of the plugging operation.
- 9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
- **10.** All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
- 11. Class 'C' cement will be used above 7500 feet.
- 12. Class 'H' cement will be used below 7500 feet.
- **13.** A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
- **14.** All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.
- **16.** When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
- 17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
- **18.** A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).

- 19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.
- 20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops
- A) Fusselman
- B) Devonian
- C) Morrow
- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.
- K) Potash---(In the R-111-P Area (Potash Mine Area),

A solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.

21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing.

DRY HOLE MARKER REQ.UIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

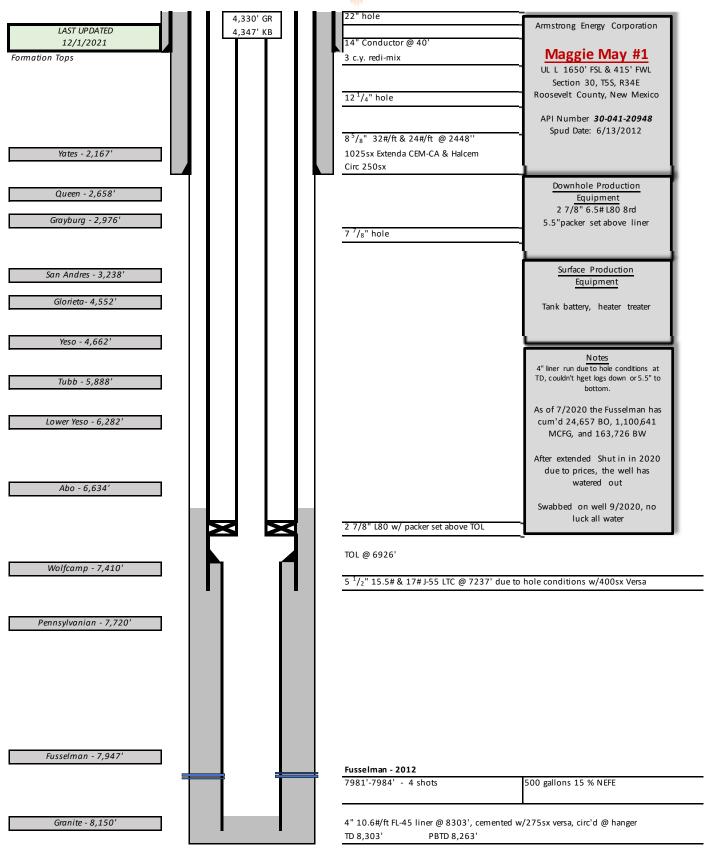
- 1. Operator name
- 2. Lease and Well Number
- 3. API Number
- 4. Unit letter
- 5. Quarter Section (feet from the North, South, East or West)
- 6. Section, Township and Range
- 7. Plugging Date
- 8. County

SPECIAL CASES ----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

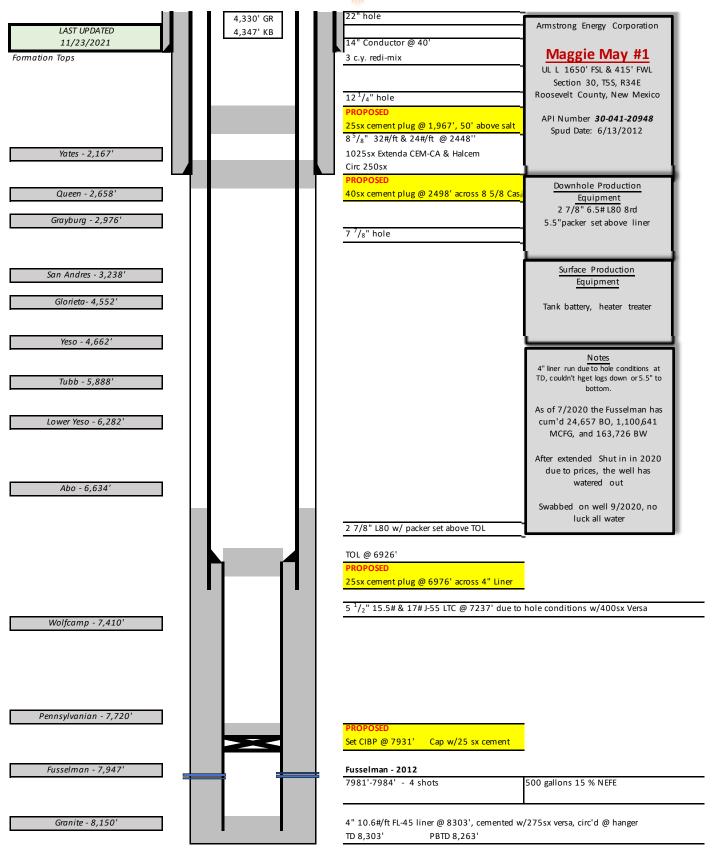
In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION









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

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**

CONDITIONS

Action 64617

CONDITIONS

Operator:	OGRID:
ARMSTRONG ENERGY CORP	1092
P.O. Box 1973	Action Number:
Roswell, NM 88202	64617
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By		Condition Date
kfortner	See attached conditions of approval Note changes to procedure	1/12/2022