

October 21, 2009

VIA HAND DELIVERY

Mark E. Fesmire, PE, JD
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Case 14411

RECEIVED OCD
2009 OCT 22 P 3:40

Re: Application of Agua Sucia, LLC to reinstate Administrative Order SWD-559 for salt water disposal, Lea County, New Mexico.

Dear Mr. Fesmire:

The above-referenced application was filed by Agua Sucia, LLC on October 2, 2009. Armstrong Energy Corporation objected to the reinstatement of this Administrative Order when the previous operator, Louray Oil Company, sought its reinstatement. Armstrong continues to object to the application and opposes the use of this well for salt water disposal.

Armstrong has been advised that the application has not been set for hearing because of issues the Division may have with this well and the standing of the current operator. The purpose of this letter is to emphasize that, in addition to its objection to the current proposal to resume injection in the well, Armstrong has concerns about prior operations on the well and the impact of these actions on its offsetting properties. It is our intention to present these concerns to the Division when this application goes to hearing.

Armstrong believes that it should be allowed to participate in any discussions and decisions made concerning prior operations on the well that impact our rights in the subject properties. If these matters are to be considered prior to the hearing on the merits of the pending application, Armstrong asks that these issues be set for hearing so we can fully present our concerns.

HOLLAND & HART



Mark Fesmire
October 21, 2009
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Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr".

William F. Carr
Attorney for Armstrong Energy Corporation

cc: Robert G. Armstrong
Gail MacQuesten, Esq.
James Bruce Esq.