

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

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

WELL API NO. 30-025-32914
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-2833
7. Lease Name or Unit Agreement Name Mobil Lea State
8. Well No. 7
9. Pool name or Wildcat Lea Delaware, N.E.

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator Armstrong Energy Corporation
3. Address of Operator P.O. Box 1973, Roswell, New Mexico 88202-1973
4. Well Location Unit Letter <u>E</u> : <u>1930</u> Feet From The <u>North</u> Line and <u>330</u> Feet From The <u>West</u> Line Section <u>2</u> Township <u>20S</u> Range <u>34E</u> NMMPM <u>Lea</u> County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>3677 GR</u>

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Cement squeezed the following perfs in 5 1/2" casing: 7322'-7338', 200 sx, 6158'-6172', 200 sx. Drilled out to original TD of 8320': Ran 4" 11.34 # K-55 casing liner from 6988'-8320', cmt. with 370 sx class "H" cement, bumped plug w/2100#, held press. 5 min. ok. Rel.press. Check floats ok. Test top of liner to 1000# for 15 min. ok. Ran CBL, good cmt. from TD to top of liner.

Perforate 8096', 8101', 8114', 8120', 8150', 8186', 8190', 8204', 8217', and 8219', 1SPF. Treat w/ 2000 gal acid, frac with 35,000 #gal gelled water and 96,300# 16/30 sand. Put on pump. Zone uneconomic. CIBP set at 8080'.

Perforate 8016', 8017', 8018', 8020', 1 SPF. Treat w/850 gal. acid. CIBP set at 8000'.

(continued on back of page)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Thomas K. Scroggin TITLE Operations Supervisor DATE 1-3-97
TYPE OR PRINT NAME Thomas K. Scroggin TELEPHONE NO. 623-8726

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

JAN 15 1997

Perforate 7922', 7927', 7930', 7935', 7941', 7944', 7948', and 7950', 1 SPF.
Treat with 1200 gal. acid. CIBP set at 7800'.
Perforate 7565'-7580', 2 SPF. Acidize with 1200 gal acid.
Set 5 1/2" cement retainer @ 6935', 50' above liner and pump cmt. plug from
6935' to 7950'.
Set CIBP @ 6146' over previously squeezed perfs.
Perforate 6012'-6032', 1 SPF. Treat w/ 1500 gal acid. Frac with 20,000 gal.
gelled water and 47,000 # 16/30 sand. Put well on pump 12-23-96.
This producing zone is still in the Lea Delaware N.E. pool.