

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
1220 St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. Armstrong Energy Corporation P.O. Box 1973 Roswell, New Mexico 88202-1973		² OGRID Number 001092
		³ API Number 30-025-35962
⁴ Property Code 001578	⁵ Property Name Mobil Lea State	⁶ Well No. 8

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	20S	34E		330	South	1650	West	Lea

⁸ Proposed 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
⁹ Proposed Pool 1 Northeast Lea Delaware (37584)					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code I	¹³ Cable/Rotary C	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3664
¹⁶ Multiple N	¹⁷ Proposed Depth 6100	¹⁸ Formation Delaware	¹⁹ Contractor L & M Drilling, Inc.	²⁰ Spud Date August 1, 2002

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	9 5/8"	36	1700	1100	Circ.
8 3/4" & 7 7/8"	5 1/2"	15.5	6100	450 + 1600	Circ.

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Drill 14 3/4" hole to 1700', run 9 5/8"-36 #/ft. J-55 casing to T.D. and circulate cement with 1100 sx.
2. Nipple up 3000 psi W.P. double ram B.O.P., test at 1000 psi.
3. Drill 8 3/4" and 7 7/8" hole to T.D. at 6100'. Run 5 1/2"-15.5 #/ft. casing with D.V. Tool at 5200', Cement 1st stage with 450 sx. and 2nd stage with 1600 sx., circ. cement.
4. Perforate 5930-5990' w/ 2 jspf, acidize w/ 3000 gallons 7 1/2% NEFE acid, frac w/ 20,000 gallons carrying 45,000 lbs. 20-40 sand.
5. TIH with nickel plated packer and plastic coated 2 3/8" tubing, set packer at 5880', load annulus with packer fluid and test at 500 psi for 30 minutes.
6. Start injection, max. rate 700 BWPD, max. pressure 1186 psi.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: Bruce A. Stubbs

Title: Consulting Engineer

Date: July 8, 2002

Phone: 505-624-2800

OIL CONSERVATION DIVISION

Approved by:

ORIGINAL SIGNED BY
PAUL F. KAUTZ
PETROLEUM ENGINEER

Title:

Approval Date:

AUG 01 2002

Expiration Date:

Conditions of Approval:

Attached

Permit Expires 1 Year From Approval Date Unless Drilling Underway

SEA

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

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

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

OIL CONSERVATION DIVISION

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

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35962		Pool Code 37584	Pool Name Northeast Lea Delaware
Property Code 001578	Property Name MOBIL LEA STATE		Well Number 8
OGRID No. 001092	Operator Name ARMSTRONG ENERGY CORPORATION		Elevation 3664'

Surface Location

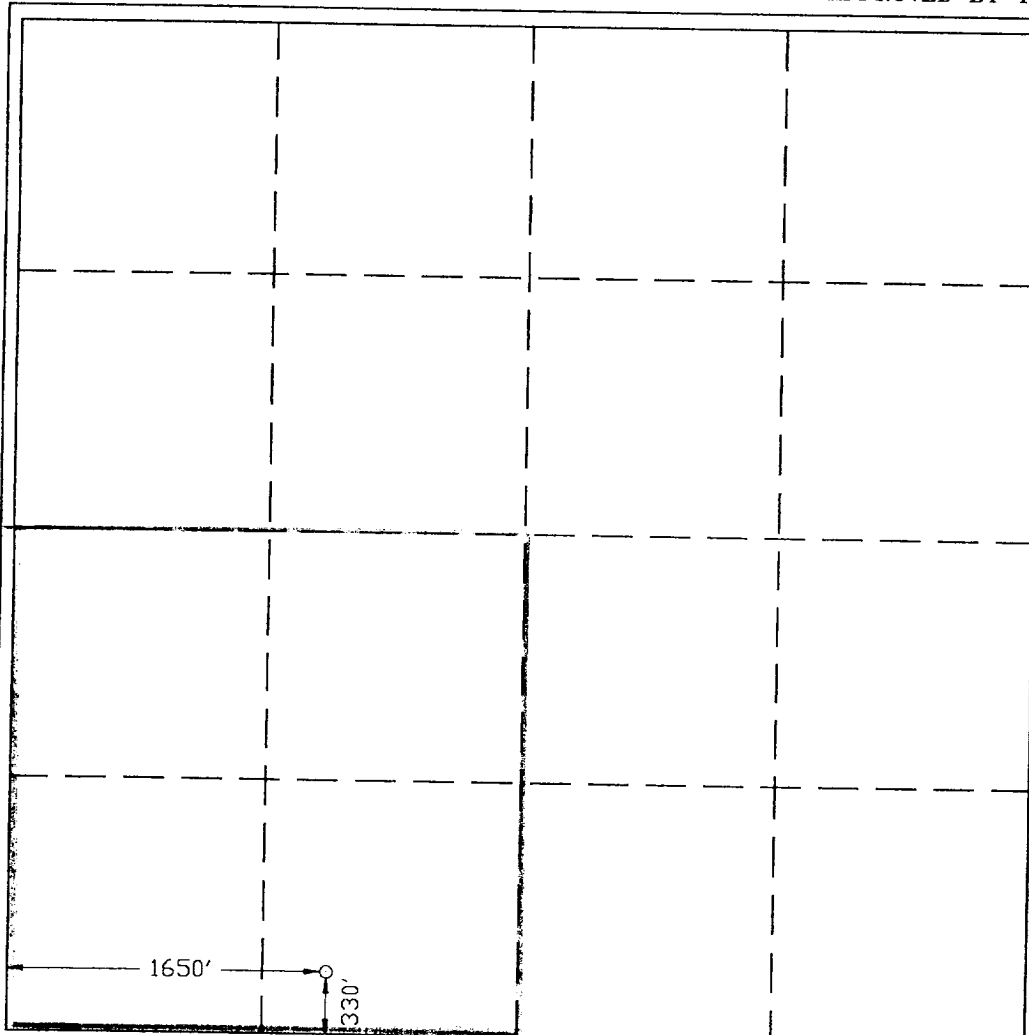
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	20-S	34-E		330	SOUTH	1650	WEST	LEA

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 160	Joint or Infill	Consolidation Code	Order No. R-10541-A
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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 the the information contained herein is true and complete to the best of my knowledge and belief.

Bruce A. Stubbs
Signature

Bruce A. Stubbs
Printed Name

Engineer
Title

July 26, 2002
Date

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.

JULY 02, 2002
Date Surveyed

A.W.B.
Signature & Seal

Professional Surveyor

Ronald E. Fildson
7/2/02

82-11-0492

Certificate No. RONALD E. FILDSON 3239
GARY FOSTER 12641