

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

HOBBS OCD

JUL 19 2013

RECEIVED

OIL CONSERVATION DIVISION

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

WELL API NO. 30-041-20939
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Pep 36 State
8. Well Number 1
9. OGRID Number 1092
10. Pool name or Wildcat Wildcat G-04 5053336m; Penna

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Armstrong Energy Corporation

3. Address of Operator
P.O. Box 1973, Roswell, NM 88202-1973

4. Well Location
Unit Letter M : 990 feet from the South line and 330 feet from the West line
Section 36 Township 5S Range 33E NMPM Roosevelt County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: Perf and acidize ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Perf & Acidize ☒

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

06-25-13 RIH w/ gauge ring, OK, POH. RU 5-1/2" composite bridge plug. RIH and set CBP @ 7700', POH, RD Schlumberger. RIH w/ tbg and tag plug, PU 2' and circ the hole clean w/ treated water. PU 12' and spot 200 gals 15% NEFE acid.

06-26-13 RU Schlumberger, PU perf guns, RIH and perf 7674'-7677' and 7683'-7688', 8', 26 Connexx shots. POH and RD Schlumberger. PU 5-1/2" pkr, TIH, pump 20 bbls down annulus, on vacuum, set pkr and pump, 68 bbls to load tbg. Acidize w/ 2000 gals 15% NEFE acid and 40 ball sealers, on vacuum, balled out w/ 24 balls on @ 5000 psi, surged off, did not release balls, unseat packer, wiped balls off, pumped 25 bbls down tbg and 20 bbls down csg. POH w/ tbg and pkr, NU well head and BOP. SION. Total load 180 bbls.

Spud Date:

Rig Release Date:

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

SIGNATURE B. Stubbs TITLE Vice President - Operations DATE 07-18-2013

Type or print name Bruce Stubbs E-mail address: bastubbs@armstrongenergycorp.com PHONE: (575) 625-2222

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE MAR 03 2014

Conditions of Approval (if any):

MAR 03 2014