

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-041-20959
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 3
9. OGRID Number 1092
10. Pool name or Wildcat Wildcat: Wolfcamp

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG A WELL IN A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	APR 10 2015
2. Name of Operator ARMSTRONG ENERGY CORPORATION	RECEIVED
3. Address of Operator P.O. Box 1973, Roswell, NM 88022-1973	
4. Well Location Unit Letter <u>M</u> : <u>990</u> feet from the <u>South</u> line and <u>430</u> feet from the <u>West</u> line Section <u>36</u> Township <u>5S</u> Range <u>33E</u> NMPM <u>Roosevelt</u> 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 ☐
CLOSED-LOOP SYSTEM ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: Perf & Acidize Comp. ☐

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

03-31-15 RU Crain Acidizing, spot 250 gals 15% NEFE acid @ 7306', RD, POH w/ tbg. RU Cased Hole Solutions, perf 7283'-7292' and 7297'-7306', 2 JSPF, 120° phasing, total 38 shots. RD Cased Hole Solutions, TIH w/ 5-1/2" pkr, on-off tool and tbg, reverse acid into tbg, set packer pressure annulus to 500 psi, pump down tbg @ .5 BPM, formation broke @ 3615 psi, 2900-3150-3400 psi, increase rate to 1.9 BPM @ 3400 psi, displace acid. ISIP 3100 psi, 5 min 2201 psi, 10 min 1776 psi, 15 min 1503 psi. RD Crain Acidizing, RU swab, blow down and RIH w/ swab. Rec'd 45 BLW, swabbed down to SN, show of gas on last run.

04-01-15 Made 2 swab runs, rec'd 9 BW, no show. RU Crain Acidizing, pump 80 BBLS (3360 gals) and 80 ball sealers, rate 4.1 BPM, 3250-3500 psi, balls on, 4200 psi, broke back to 3600 psi, problems dropping balls, did not ball out. ISIP 2950 psi, 5 min 2800 psi, 10 min 2700 psi, 15 min 2600 psi, 128 BLW plus 16 BLW from breakdown, total load 144 BBLS. Flow back, RU swab, made 10 runs, rec'd 78 BLW, show of gas and 1% oil cut. FL @ 4500', 14 runs with 96 BLW back, 5 BBLS/run, 10% oil cut, gas show, FL @ 6000', swabbing from SN. Rec'd 104 BLW, 25% oil cut, show of gas, 300' of fluid per run, 40 BLTR.

(Continued - Pg 2)

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/Engineering DATE 04/08/15
Type or print name Bruce A. Stubbs E-mail address: bastubbs@armstrongenergycorp.com PHONE: 575-625-2222

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer
Conditions of Approval (if any):

DATE 05/19/15

MAY 26 2015

API #30-041-20959
Pep 36 State #3
C-103 – Perf & Acidize
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Crain Acidizing has agreed to re-acidize the well at their cost due to malfunction with ball drops on the initial treatment.

04-03-15 RU Crain Acidizing, pump 80 BBLS (3360 gals) 15% NEFE acid with 80 ball sealers, 4.7 BPM @ 3000-3400 psi, balled out with 65 balls on, max pressure 7200 psi, released balls and displaced acid. ISIP 2800 psi, 5 min 2226 psi, 10 min 1685 psi, 15 min 1216 psi, flowed back. RU swab, 132 BLTR, swabbed 102 BLW, final run had 1% oil cut, 30 BLTR.