

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

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.)		WELL API NO. 30-025-21370
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator ARMSTRONG ENERGY CORPORATION		6. State Oil & Gas Lease No. NM-086
3. Address of Operator P.O. Box 1973, Roswell, NM 88202-1973		7. Lease Name or Unit Agreement Name Superior Federal
4. Well Location Unit Letter <u>M</u> : <u>990</u> feet from the <u>South</u> line and <u>400</u> feet from the <u>West</u> line Section <u>25</u> Township <u>19S</u> Range <u>34E</u> NMPM <u>Lea</u> County <u>Lea</u>		8. Well Number <u>5</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 1092
10. Pool name or Wildcat Pearl Queen		

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: Rehabilitation ☒

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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.

Remediate areas that have not re-vegetated as per attached plan.

Flow line leak 7-18-05. Incident No.: nPRS 0521739386

Get report of 141

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 06/04/2015

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

For State Use Only

APPROVED BY: Accepted for Record TITLE NMOC DATE _____

Conditions of Approval (if any):

8 Jun 15 to submit work plan

dm

**Superior Federal #5
Sec. 25-T19S-R34E
Lea County, New Mexico
#5 Flowline Leak
Incident No.: nPRS0521739386**

A flow line leak occurred on 7-18-05 releasing 80 BW and 2 BO. On inspection on 5-29-15 showed that the vegetation has recovered except for areas that are crusted with weathered oil. Analysis indicates Chloride at 224-416 mg/kg, GRO C6-C10 <10-50 and DRO C10-C28 58-353. The following procedure is to be used on the remaining "crusted areas" that are not supporting vegetation.

1. Broadcast granular fertilizer at the rate of 50 lbs./1000 ft² of 13-13-13 fertilizer or equivalent.
2. Till in fertilizer and breakup crust to a depth of 6" to 12".
3. Reseed with BLM seed mixture #2 at the rate of .25 lbs./1000 ft². Drill or rake to cover seeds. Apply before July 1, 2015.
4. AT 30-60-90 day periods apply fertilizer at the rate of 5 lbs./1000 ft² of 13-13-13 fertilizer or equivalent.
5. Monitor progress and reevaluate in the spring of 2016.

The Superior Federal #5 was P & A'd this spring. The caliche has been removed, the location and road ripped and the road and location have been reseeded. The leak area is just off the northeast corner of the old location.