

Submit 1 Copy To Appropriate District Office
District I
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

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

WELL API NO. 30-041-20940
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1609
7. Lease Name or Unit Agreement Name PEP 36 STATE
8. Well Number 2
9. OGRID Number 1092
10. Pool name or Wildcat Wildcat; Penn

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 : 330 feet from the South line and 330 feet from the West line
Section 36 Township 05S 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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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.

1. Set 100' cement plug @ top of Abo
2. Cut and pull 4200' 5-1/2" csg
3. Set stub plug, 50' in and 50' out, 4250'-4150'
4. Set 100' plug top of Salt @ 3000'
5. Set 100' plug @ 8-5/8" shoe plug, 50' in and 50' out, 2179'-2079'
6. Set 100' plug inside 8-5/8" csg @ 400'
7. Set Surface cement plug.

See Attached
Conditions of Approval

CUT OFF Well head 3' below surface verify cement to surf all strings
Weld PLATE and INSTALL 4" dia 4' tall above ground marker

Spud Date:

6/30/2010

Rig Release Date:

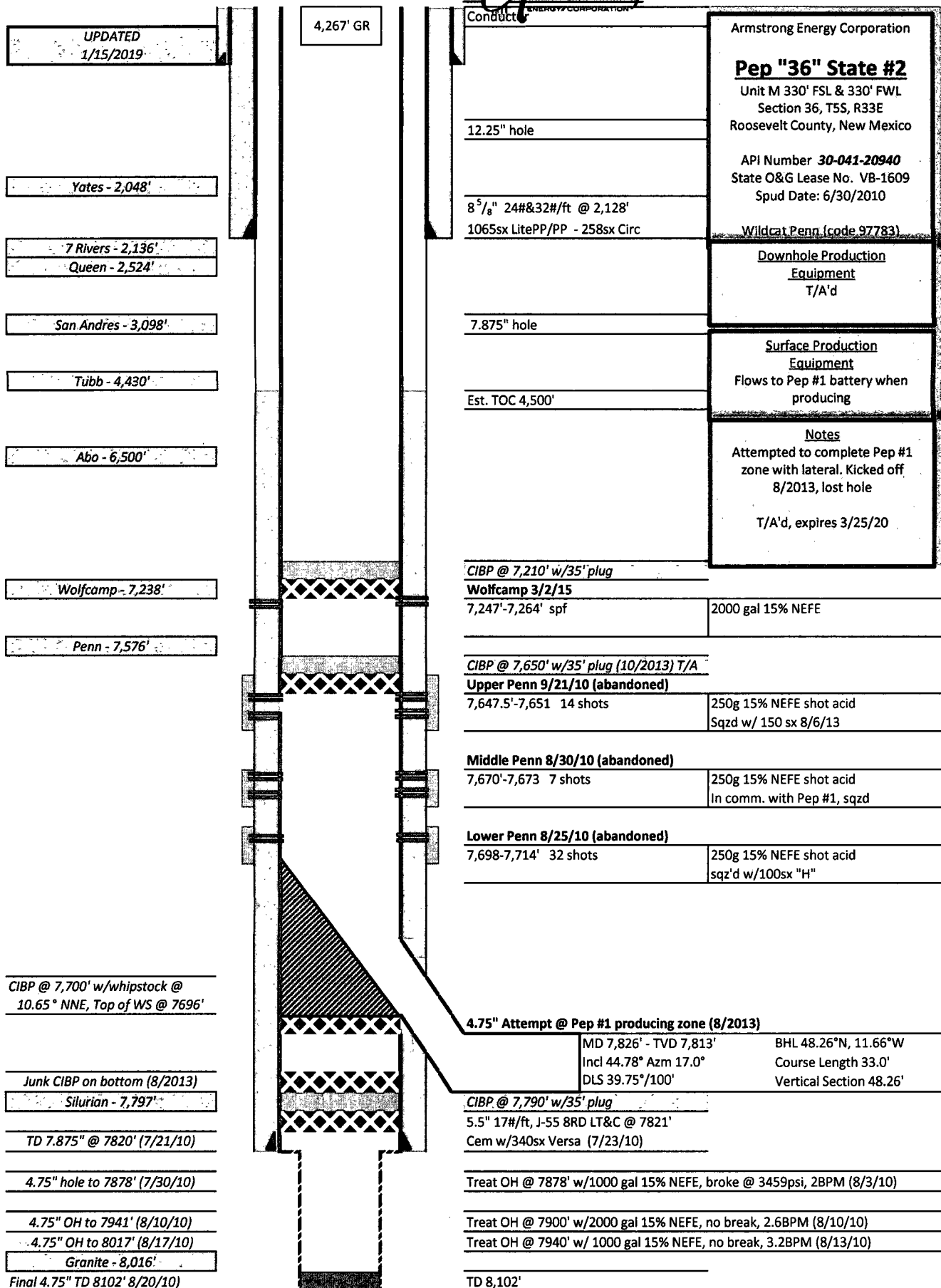
07/25/2010

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

SIGNATURE [Signature] TITLE VP - Engineering DATE 01/15/2019
Type or print name Kyle Alpers E-mail address: kalpers@aecnm.com PHONE: (575) 625-2222

For State Use Only

APPROVED BY: Kerry Foster TITLE Compliance Officer A DATE 1-18-19
Conditions of Approval (if any)



Armstrong Energy Corporation

Pep "36" State #2

Unit M 330' FSL & 330' FWL
Section 36, T5S, R33E
Roosevelt County, New Mexico

API Number **30-041-20940**
State O&G Lease No. VB-1609
Spud Date: 6/30/2010

Wildcat Penn. (code 97783)

Downhole Production

Equipment
T/A'd

Surface Production

Equipment
Flows to Pep #1 battery when
producing

Notes

Attempted to complete Pep #1
zone with lateral. Kicked off
8/2013, lost hole

T/A'd, expires 3/25/20

CIBP @ 7,210' w/35' plug

Wolfcamp 3/2/15

7,247'-7,264' spf

2000 gal 15% NEFE

CIBP @ 7,650' w/35' plug (10/2013) T/A

Upper Penn 9/21/10 (abandoned)

7,647.5'-7,651 14 shots

250g 15% NEFE shot acid
Sqzd w/ 150 sx 8/6/13

Middle Penn 8/30/10 (abandoned)

7,670'-7,673 7 shots

250g 15% NEFE shot acid
In comm. with Pep #1, sqzd

Lower Penn 8/25/10 (abandoned)

7,698-7,714' 32 shots

250g 15% NEFE shot acid
sqz'd w/100sx "H"

4.75" Attempt @ Pep #1 producing zone (8/2013)

MD 7,826' - TVD 7,813'

Incl 44.78° Azm 17.0°

DLS 39.75°/100'

BHL 48.26°N, 11.66°W

Course Length 33.0'

Vertical Section 48.26'

CIBP @ 7,790' w/35' plug

5.5" 17#/ft, J-55 8RD LT&C @ 7821'

Cem w/340sx Versa (7/23/10)

Treat OH @ 7878' w/1000 gal 15% NEFE, broke @ 3459psi, 2BPM (8/3/10)

Treat OH @ 7900' w/2000 gal 15% NEFE, no break, 2.6BPM (8/10/10)

Treat OH @ 7940' w/ 1000 gal 15% NEFE, no break, 3.2BPM (8/13/10)

TD 8,102'



Proposed Plugging WBD

UPDATED
1/15/2019

4,267' GR

Conductor

Surface Cement Plug

100' plug @ 400'

12.25" hole

100' plug @ 1695', top of salt

8 5/8" 24#&32#/ft @ 2,128'

1065sx LitePP/PP - 258sx Circ

50'in/50'out 8 5/8" shoe plug @ 2078'

7.875" hole

Cut and pull ~4200' of 5.5"

50'in/50'out stub plug @4150'-4250'

Est. TOC 4,500'

100' cement plug @ top of Abo

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Wolfcamp 3/2/15

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sqz'd w/100sx "H"

CIBP @ 7,700' w/whipstock @
10.65° NNE, Top of WS @ 7696'

Junk CIBP on bottom (8/2013)

Silurian - 7,797'

TD 7.875" @ 7820' (7/21/10)

4.75" hole to 7878' (7/30/10)

4.75" OH to 7941' (8/10/10)

4.75" OH to 8017' (8/17/10)

Granite - 8,016'

Final 4.75" TD 8102' 8/20/10)

4.75" Attempt @ Pep #1 producing zone (8/2013)

MD 7,826' - TVD 7,813'

BHL 48.26°N, 11.66°W

Incl 44.78° Azm 17.0°

Course Length 33.0'

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TD 8,102'

GENERAL CONDITIONS OF APPROVAL:

- 1) Insure all bradenheads have been exposed, identified, and valves are operational prior to rigging up on well.
- 2) Contact the appropriate NMOCD District Office no later than 24 hours prior to moving in and rigging up.
- 3) A copy of the approved C103 intent to P&A should be distributed to the onsite company and plugging representatives. Approved procedures are good for a period of one year from approved date, unless otherwise specified on the C103 intent. Approvals past this date will require the submission and approval of a new C103 intent.
- 4) A company representative is required to be present to witness all operations including setting CIBP's, circulation of mud laden fluids, perforating, squeezing or spotting cement plugs, tags, or any other operations approved on the C103 intent to P&A. Company representative should contact the NMOCD and report all operations.
- 5) Any changes that may be required during plugging operations should be approved by the NMOCD before proceeding.
- 6) A closed loop system is to be used for all plugging operations. Contents of the steel pits to be hauled to a NMOCD permitted disposal facility.
- 7) Mud laden fluids must be placed between all cement plugs mixed at 25 sacks of salt gel per 100 barrels of brine.
- 8) All cement plugs will be 100' or 25 sacks cement, whichever is greater. Class 'C' cement will be used above 7500' and Class 'H' below 7500'. Plugs should be no more than 3000' apart
- 9) Site remediation due within one year of well plugging completion.



500 North Main Street, Suite 200
P.O. Box 1973
Roswell, New Mexico 88202-1973
(575) 625-2222
Fax (575) 622-2512

January 16, 2019

HOBBS OCD
JAN 18 2019
RECEIVED

Oil Conservation Division
1625 N. French Drive
Hobbs, New Mexico 88240

Attention: Paul Kautz

Re: Pep 36 State #2
Township 5 South, Range 33 East, NMPM
Section 36M
Roosevelt County, New Mexico

Dear Mr. Kautz:

Enclosed is a C-103, Sundry Notices and Reports on Wells, Notice of Intent to Plug and Abandon, for the Pep 36 State #2. Also enclosed are two (2) Well Bore Diagrams, Current and Plugging.

If you have any questions, please contact Kyle Alpers at 575-625-2222.

Sincerely,

ARMSTRONG ENERGY CORPORATION

By: Irma Cunningham
Irma Cunningham, Geo Tech

Enclosures