

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
		Approved By: Paul Kautz	
Printed Name: Electronically filed by Irma Cunningham		Title: Geologist	
Title: Geo Tech		Approved Date: 5/24/2010	Expiration Date: 5/24/2012
Email Address: icunningham@armstrongenergycorp.com			
Date: 5/19/2010	Phone: 575-625-2222	Conditions of Approval Attached	

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 114201

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-041-20940	2. Pool Code 58067	3. Pool Name TANNEYHILL;FUSSELMAN, EAST
4. Property Code 37814	5. Property Name PEP "36" STATE	6. Well No. 002
7. OGRID No. 1092	8. Operator Name ARMSTRONG ENERGY CORP	9. Elevation 4267

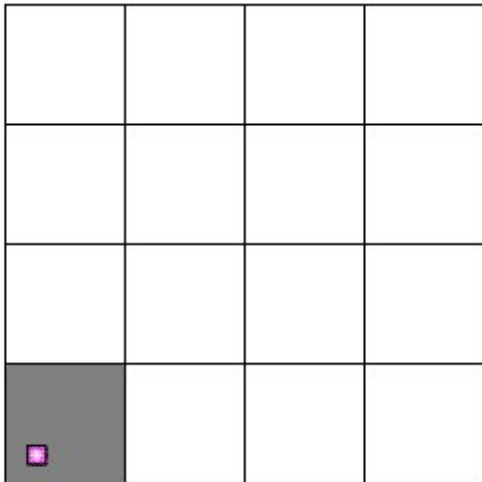
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	36	05S	33E		330	S	330	W	ROOSEVELT

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	13. Joint or Infill	14. Consolidation Code	15. Order No.						

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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>	
	E-Signed By: Irma Cunningham Title: Geo Tech Date: 5/19/2010	
	SURVEYOR CERTIFICATION	
<i>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.</i>		
Surveyed By: Ronald Eidson Date of Survey: 3/25/2010 Certificate Number: 3239		

Permit Comments

Operator: ARMSTRONG ENERGY CORP , 1092

Well: PEP "36" STATE #002

API: 30-041-20940

Created By	Comment	Comment Date
DMULL	OCD Hobbs has received form C-144 "Pit Registration". OCD Permit Number P1-02035.	5/24/2010

Permit Conditions of Approval

Operator: ARMSTRONG ENERGY CORP , 1092

Well: PEP "36" STATE #002

API: 30-041-20940

OCD Reviewer	Condition
DMULL	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string