

Armstrong
ENERGY CORPORATION

500 NORTH MAIN STREET, SUITE 1000
P. O. BOX 1973
ROSWELL, NEW MEXICO 88202-1973
505/625-2222
FAX 505-622-2512

October 19, 2005

RECEIVED
OCT 24 2005
OIL CONSERVATION
DIVISION

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Attention: Mark E. Fesmire

Re: Government G #2
T19S, R34E, Section 24
Lea County, NM

Dear Mr. Fesmire:

Enclosed is a original of a Form C-103, Sundry Notices and Report on Wells for the well listed above. Armstrong Energy Corporation respectfully request authority to commingle production from the Government G #1 and the Government G #2.

If you have any questions, please feel free to contact me.

Sincerely,

ARMSTRONG ENERGY CORPORATION

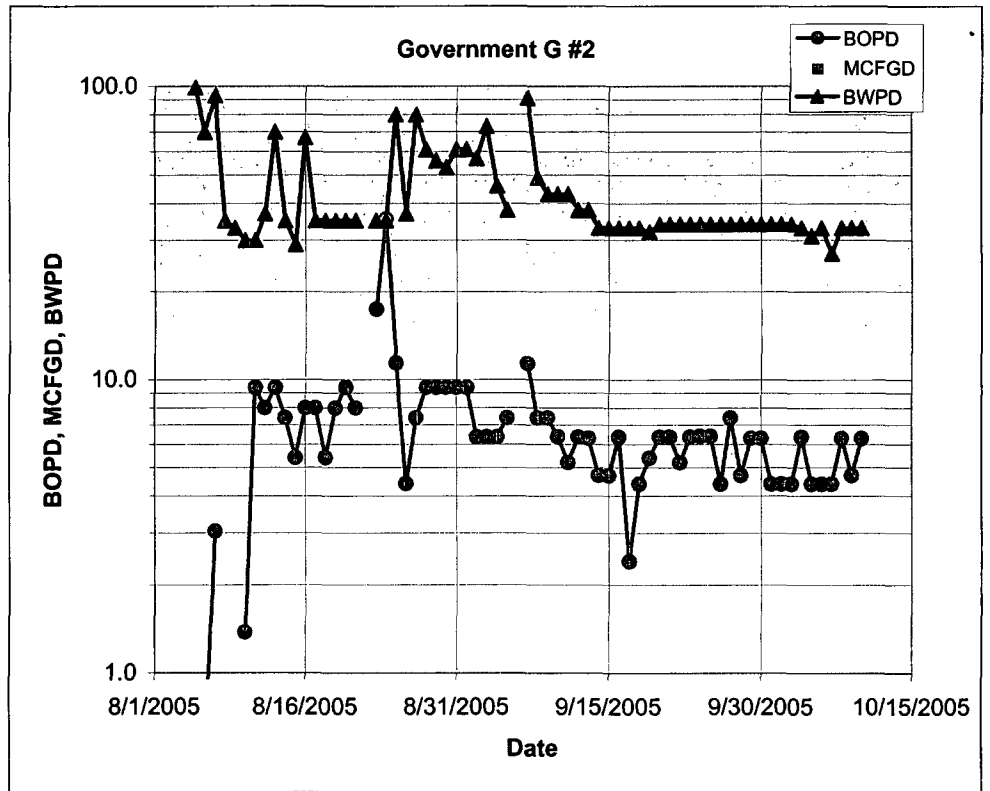
By: Bruce A. Stubbs/ce
Bruce A. Stubbs, Engineer

BAS/cl
Enclosure
cc: Chris Williams, OCD - Hobbs



GOVERNMENT "G" #2

	<u>OIL</u>	<u>GAS</u>	<u>WATER</u>
8/5/2005	No Oil		99.0
8/6/2005	0.6		70.0
8/7/2005	3.0		93.0
8/8/2005	No Oil		35.0
8/9/2005	No Oil		33.0
8/10/2005	1.4		30.0
8/11/2005	9.4		30.0
8/12/2005	8.0		37.0
8/13/2005	9.4		70.0
8/14/2005	7.4		35.0
8/15/2005	5.4		29.0
8/16/2005	8.0		67.0
8/17/2005	8.0		35.0
8/18/2005	5.4		35.0
8/19/2005	8.0		35.0
8/20/2005	9.4		35.0
8/21/2005	8.0		35.0
8/22/2005	Production to water tank		
8/23/2005	17.4		35.0
8/24/2005	35.4		35.0
8/25/2005	11.4		80.0
8/26/2005	4.4		37.0
8/27/2005	7.4		80.0
8/28/2005	9.4		61.0
8/29/2005	9.4		56.0
8/30/2005	9.4		53.0
8/31/2005	9.4		61.0
9/1/2005	9.4		61.0
9/2/2005	6.4		57.0
9/3/2005	6.4		73.0
9/4/2005	6.4		46.0
9/5/2005	7.4		38.0
9/6/2005	Down Electrical		
9/7/2005	11.3		91.0
9/8/2005	7.4		49.0
9/9/2005	7.4		43.0
9/10/2005	6.4		43.0
9/11/2005	5.2		43.0
9/12/2005	6.4		38.0
9/13/2005	6.3		38.0
9/14/2005	4.7		33.0
9/15/2005	4.7		33.0
9/16/2005	6.4		33.0
9/17/2005	2.4		33.0
9/18/2005	4.4		33.0
9/19/2005	5.4		32.0
9/20/2005	6.4		34.0
9/21/2005	6.4		34.0
9/22/2005	5.2		34.0
9/23/2005	6.4		34.0
9/24/2005	6.4		34.0
9/25/2005	6.4		34.0
9/26/2005	4.4		34.0
9/27/2005	7.4		34.0
9/28/2005	4.7		34.0
9/29/2005	6.3		34.0
9/30/2005	6.3		34.0
10/1/2005	4.4		34.0
10/2/2005	4.4		34.0
10/3/2005	4.4		34.0
10/4/2005	6.4		33.0
10/5/2005	4.4		31.0
10/6/2005	4.4		33.0
10/7/2005	4.4		27.0
10/8/2005	6.3		33.0
10/9/2005	4.7		33.0
10/10/2005	6.3		33.0
10 Day Average			32.5



LEA NM
GOVERNMENT G 1
ARMSTRONG ENERGY CORPORATION
ACTIVE

Production Report

Lease Name:	GOVERNMENT G	Well Number:	1
Lease Number:	001576	Cum Oil:	38,932
Operator Name:	ARMSTRONG ENERGY CORPORA	Cum Gas:	3,383
State:	NEW MEXICO	Cum Water:	45,676
County:	LEA	First Production Date:	OCT 1984
Field:	LEA	Last Production Date:	MAY 2005
Sec Twn Rng:	24O 19S 34E	Spot:	
Latitude/Longitude:	32.63926 -103.51027	Lat/Long Source:	US
Regulatory #:		Completion Date:	
API:	30025243900000	Total Depth:	
Production ID:	1300210252439037585	Upper Perforation:	
Reservoir Name:	SAN ANDRES	Lower Perforation:	
Prod Zone:	SAN ANDRES	Gas Gravity:	
Prod Zone Code:	453SADR	Oil Gravity:	
Basin Name:	PERMIAN BASIN	Temp Gradient:	
Gas Gatherer:		N Factor:	
Liquid Gatherer:		GOR:	
Status:	ACTIVE		CRUDE OIL

Annual Production			(22 years)
Year	Oil BBLs	Gas MCF	Water BBLs

Beginning
Cum:

1984	288	13	365
1985	2,849	919	1,609
1986	2,907	1,042	1,858
1987	2,755	1,155	2,297
1988	2,501	254	2,551
1989	2,230		2,502
1990	2,085		2,487
1991	1,855		2,437
1992	1,811		2,444
1993	1,755		2,405
1994	1,737		2,369
1995	1,651		2,356
1996	1,661		2,335
1997	1,707		2,278
1998	1,635		2,218
1999	1,623		2,072
2000	1,586		2,062
2001	1,501		2,071
2002	1,472		2,068
2003	1,391		2,059
2004	1,390		2,072

2005	542		761
Totals:	<u>38,932</u>	<u>3,383</u>	<u>45,676</u>

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Monthly Production		(Most recent 48 of 248 months)					
Date	Oil	Gas	Water	GOR	% Water	# of	Days
MO/YR	BBLS	MCF	BBLS	SCF/BBLS		Wells	on

MAY 2001	123		176		58.86	1	31
JUN 2001	119		170		58.82	1	30
JUL 2001	130		176		57.52	1	31
AUG 2001	122		176		59.06	1	31
SEP 2001	109		170		60.93	1	30
OCT 2001	126		176		58.28	1	31
NOV 2001	136		170		55.56	1	30
DEC 2001	126		176		58.28	1	31
Totals:	<u>1,501</u>	<u></u>	<u>2,071</u>				
2001							
JAN 2002	121		176		59.26	1	31
FEB 2002	131		159		54.83	1	28
MAR 2002	133		176		56.96	1	31
APR 2002	114		170		59.86	1	30
MAY 2002	119		176		59.66	1	31
JUN 2002	126		170		57.43	1	30
JUL 2002	120		176		59.46	1	31
AUG 2002	112		176		61.11	1	31
SEP 2002	115		170		59.65	1	30
OCT 2002	127		175		57.95	1	31
NOV 2002	124		169		57.68	1	30
DEC 2002	130		175		57.38	1	31
Totals:	<u>1,472</u>	<u></u>	<u>2,068</u>				
2002							
JAN 2003	129		175		57.57	1	31
FEB 2003	85		158		65.02	1	28
MAR 2003	140		175		55.56	1	31
APR 2003	120		169		58.48	1	30
MAY 2003	120		175		59.32	1	31
JUN 2003	123		169		57.88	1	30
JUL 2003	114		175		60.55	1	31
AUG 2003	105		175		62.50	1	31
SEP 2003	122		169		58.08	1	30
OCT 2003	108		175		61.84	1	31
NOV 2003	121		169		58.28	1	30
DEC 2003	104		175		62.72	1	31
Totals:	<u>1,391</u>	<u></u>	<u>2,059</u>				
2003							
JAN 2004	145		175		54.69	1	31
FEB 2004	96		164		63.08	1	29
MAR 2004	120		175		59.32	1	31
APR 2004	99		169		63.06	1	30

MAY 2004	136	175	56.27	1	31
JUN 2004	92	170	64.89	1	30
JUL 2004	134	176	56.77	1	31
AUG 2004	86	176	67.18	1	31
SEP 2004	121	170	58.42	1	30
OCT 2004	124	176	58.67	1	31
NOV 2004	89	170	65.64	1	30
DEC 2004	148	176	54.32	1	31
Totals:					
2004	1,390	2,072			
JAN 2005	106	176	62.41	1	31
FEB 2005	114	159	58.24	1	28
MAR 2005	120	143	54.37	1	31
APR 2005	105	139	56.97	1	30
MAY 2005	97	144	59.75	1	31
Totals:					
2005	542	761			

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PEGASUS PLACE
125 WEST FOURTH STREET
POST OFFICE BOX 298
ROSWELL, N.M. 88202-0298

Phil Brewer
ATTORNEY & COUNSELOR

TELEPHONE: 505-625-0298
FACSIMILE: 505-625-0299
E-MAIL: pbrewer@pegasusplace.com

September 28, 2005

Armstrong Energy Corporation
P.O. Box 1973
Roswell, NM 88202-1973

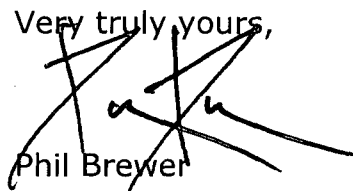
Attention: Robert G. Armstrong, President

RE: Certification of Identical Ownership
Government "G" No. 1 and No. 2 Wells
SE/4 Section 24, Township 19 South, Range 34 East, NMPM
Lea County, New Mexico

Dear Mr. Armstrong:

At your request, I have examined such title materials as I deem to be necessary to certify that production from the San Andres and Queen formations underlying the wells identified in the caption hereof are owned by the royalty, overriding royalty, and working interest owners in identical percentages. This certification is rendered pursuant to NMOCD Rule 19.15.5.303.B(3)(iii).

Very truly yours,


Phil Brewer

PB:cp

STATE OF NEW MEXICO)

COUNTY OF CHAVES)

) ss.

Subscribed, sworn to, and certified before me this 28th day of September, 2005 by Phil Brewer, Attorney.



Notary Public

My commission expires:

11-17-2007



ConocoPhillips Company
1020 Plaza Office Building
Bartlesville, OK 74004

FACILITY
STATEMENT
OF RUNS

FACILITY NAME: GOVERNMENT G #1
FACILITY/BATTERY NUMBER: 2018072 / 68766

DATE: SEPTEMBER 2005
PAGE: 2

OPERATOR: ARMSTRONG ENERGY CORPORAT STATE: NM COUNTY: LEA
PRICE SCHEDULE: CONOCOPHILLIPS WTI +P+ +MWTI -CWTI

1240861000
ARMSTRONG ENERGY CORPORATION
P. O. BOX 1973
ROSWELL NM
88202

SAN ANDRES OIL

CURRENT MONTH PRICE REFLECTS:
MARKETING DEDUCTION OF 0.9900 PER BBL
PRICING IS BASED ON A 40.0 GRAVITY BASIS
PRICING METHOD: WEIGHTED AVERAGE

BARRELS	GROSS VALUE	TRANSPORTATION	TAX	NET VALUE
168.64	10,739.15	.00	895.96	9,843.19

DATE	TKT NO.	TRN TKT TYP TYP	GRAV	PRICE	BARRELS	GROSS VALUE
09/26/05	LQ400466	0 TK	34.60	63.681	168.64	10,739.15
TANK NO: 6876601						
					168.64	10,739.15
RUN MONTH TOTAL					168.64	10,739.15
FACILITY TOTAL					168.64	10,739.15

REPORT CENTER/TYPE NAME	DATE	BARRELS	TAX	NET VALUE
000286876600001 / HLCO GOVERNMENT G #1	09/05	168.64	895.96	9,843.19
HLCO TOTAL		168.64	895.96	9,843.19
FACILITY TOTAL		168.64	895.96	9,843.19

TICKET TYPE
TK OR R = TANK TICKET
MT OR T = METER TICKET
GV = GROSS TICKET
NV = NET VOLUME
RJ = REJECT TICKET
WT = WEIGHT TICKET

TRANSACTION TYPE
O = ORIGINAL
R = REVERSING
C = CORRECTING

PAYMENTS ARE BEING MAILED UNDER
SEPARATE COVER. RETAIN THIS STATEMENT
FOR TAX PURPOSES.
FOR INQUIRIES: IF YOUR LAST NAME OR
COMPANY BEGINS WITH:
A-F, CALL (918)661-0904
G-O, CALL (918)661-0905
P-Z, CALL (918)661-0906

FACILITY NAME: GOVERNMENT E #7
FACILITY/BATTERY NUMBER: 2018071 / 68765

DATE: SEPTEMBER 2005
PAGE: 1

OPERATOR: ARMSTRONG ENERGY CORPORAT STATE: NM COUNTY: LEA
PRICE SCHEDULE: CONOCOPHILLIPS WTI +P+ +MWTI -CWTI

RECEIVED OCT 17 2005

1240861000
ARMSTRONG ENERGY CORPORATION
P. O. BOX 1973
ROSWELL NM
88202

*Queen Oil
offset lease*

CURRENT MONTH PRICE REFLECTS:
MARKETING DEDUCTION OF 0.9900 PER BBL
PRICING IS BASED ON A 40.0 GRAVITY BASIS
PRICING METHOD: WEIGHTED AVERAGE

BARRELS	GROSS VALUE	TRANSPORTATION	TAX	NET VALUE
341.42	21,741.93	.00	1,813.93	19,928.00

DATE	TKT NO.	TRN TYP	TKT TYP	GRAV	PRICE	BARRELS	GROSS VALUE
09/08/05	LQ800658	0	TK	36.30	63.681	171.23	10,904.08
TANK NO: 6876502						TRANSPORTER: SENTINEL TRANSPORTATION LLC	
09/28/05	LA200755	0	TK	35.30	63.681	170.19	10,837.85
TANK NO: 6876502						TRANSPORTER: SENTINEL TRANSPORTATION LLC	
RUN MONTH TOTAL						341.42	21,741.93
FACILITY TOTAL						341.42	21,741.93

REPORT CENTER/TYPE NAME	DATE	BARRELS	TAX	NET VALUE
000286876500001 / HLCO	09/05	341.42	1,813.93	19,928.00
GOVERNMENT E #7		341.42	1,813.93	19,928.00
HLCO TOTAL		341.42	1,813.93	19,928.00
FACILITY TOTAL		341.42	1,813.93	19,928.00

RGA	SCA
WAG	JN /
BO	JB
KS	CL
COPY TO BS	
FILE	

TICKET TYPE
TK OR R = TANK TICKET
MT OR T = METER TICKET
GV = GROSS TICKET
NV = NET VOLUME
RJ = REJECT TICKET
WT = WEIGHT TICKET

TRANSACTION TYPE
O = ORIGINAL
R = REVERSING
C = CORRECTING

PAYMENTS ARE BEING MAILED UNDER
SEPARATE COVER. RETAIN THIS STATEMENT
FOR TAX PURPOSES.
FOR INQUIRIES: IF YOUR LAST NAME OR
COMPANY BEGINS WITH:
A-F, CALL (918)661-0904
G-O, CALL (918)661-0905
P-Z, CALL (918)661-0906

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management
2909 W. Second Street
Roswell, NM 88201

2. Article Number

(Transfer from service label)

7003 3110 0000 4015 6289

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

U.S. Postal Service™

CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

ROSWELL, NM 88201

OFFICIAL USE

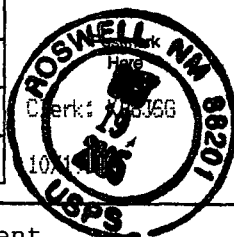
Postage \$ 0.83

UNIT ID: 0602

Certified Fee 2.30

Return Receipt Fee
(Endorsement Required) 1.75Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$ 4.88



Sent To

Bureau of Land Management

Street, Apt. No.,
or P.O. Box No. Second StreetCity, State, ZIP+4
Roswell, NM 88201

PS Form 3800, June 2002

See Reverse for Instructions

6929 5104 0000 DTLE E002