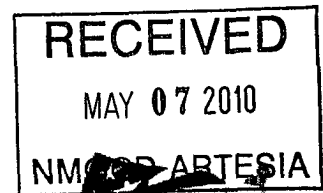




United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Pecos District  
Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201-2019  
www.nm.blm.gov



TAKE PRIDE  
IN AMERICA

In Reply Refer To:  
NM-118110  
3160 (P0130)

MAY 04 2010

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

Gentlemen:

30-005-63994

Your Application for Permit to Drill (APD), approved September 20, 2007, for the Starr "B" Federal Well No. 1, located 1650 feet FNL and 330 feet FEL (SE $\frac{1}{4}$ NE $\frac{1}{4}$ ) Sec. 19, T. 13 S., R. 29 E., Chaves County, New Mexico, Federal lease NM-118110 has expired September 20, 2009 because drilling has not commenced within two years of the approval date.

If drilling operations have not commenced on the referenced well, please contact David Glass, Petroleum Engineer, Lands and Minerals at (575) 627-0275 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies) so we may correct our records.

If the well has not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill this well at a later date, please submit a complete application (1 original and 5 copies). Since the original APD has expired, the resubmitted APD will be subject to all of the processing requirements including the 30-day posting requirement. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will expedite the processing.

Sincerely,

/s/ Angel Mayes

Angel Mayes  
Assistant Field Manager,  
Lands and Minerals

cc: ~~N~~MOCD-Artesia

DB 5-5-10