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**RECEIVED**  
 NEW MEXICO OIL CONSERVATION COMMISSION  
**APR 25 1983**  
**O. C. D.**  
**ARTESIA, OFFICE**

Form C-101  
 Revised 1-1-65  
 5A. Indicate Type of Lease  
 STATE  FEE   
 5. State Oil & Gas Lease No.  
**LH-1774**

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				7. Unit Agreement Name	
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>				8. Farm or Lease Name	
2. Name of Operator <b>Armstrong Energy Corporation</b>				State "29"	
3. Address of Operator <b>P.O. Box 1973, Roswell, New Mexico 88201</b>				9. Well No. <b>1</b>	
4. Location of Well UNIT LETTER <b>L</b> LOCATED <b>990</b> FEET FROM THE <b>West</b> LINE AND <b>1,980</b> FEET FROM THE <b>South</b> LINE OF SEC. <b>29</b> TWP. <b>24S</b> RGE. <b>12E</b> NMPM				10. Field and Pool, or Wildcat <b>Wildcat</b>	
				12. County <b>Otero</b>	
		19. Proposed Depth <b>5,500'</b>	19A. Formation <b>Bliss</b>	20. Rotary or C.T. <b>CT</b>	
21. Elevations (show whether DT, RT, etc.) <b>4,954.5 GL</b>	21A. Kind & Status Plug. Bond <b>1 Well-\$10,000</b>	21B. Drilling Contractor <b>Nuevo Drilling Co.</b>		22. Approx. Date Work will start <b>May 1, 1983</b>	

**PROPOSED CASING AND CEMENT PROGRAM**

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15 1/2"	13-3/8"	48 lb.	400'	250 sx.	Circulated
12 1/2"	10-3/4"	40.5 lb.	1,300'	400 sx.	Circulated
10"	8-5/8"	24lb.&32lb.	2,500'	200 sx.	1,200'
8"	7"	23 lb.	5,500'	290 sx.	2,400'

We propose to drill through the Bliss formation to the top of the Pre-Cambrian. If any intermediate formations show potential commercial production, the rig will be removed, casing run and the well will be production tested.

APPROVAL VALID FOR 180 DAYS  
 PERMIT EXPIRES 12-7-83  
 UNLESS DRILLING UNDERWAY

**BOP PROGRAM:**

A Type B Control Head will be attached commencing with the 10-3/4" casing. A description of the Type B Control Head is attached as Exhibit B.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Robert Blum Title President Date April 22, 1983

(This space for State Use)

APPROVED BY Mr. Walker TITLE OIL AND GAS INSPECTOR DATE JUN 07 1983

CONDITIONS OF APPROVAL, IF ANY:  
 Notify N.M.O.C.C. in sufficient time to witness cementing the 13 3/8 & 10 3/4 casing

Printed by  
 O.C.D. Artesia  
 6-10-83

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-102  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

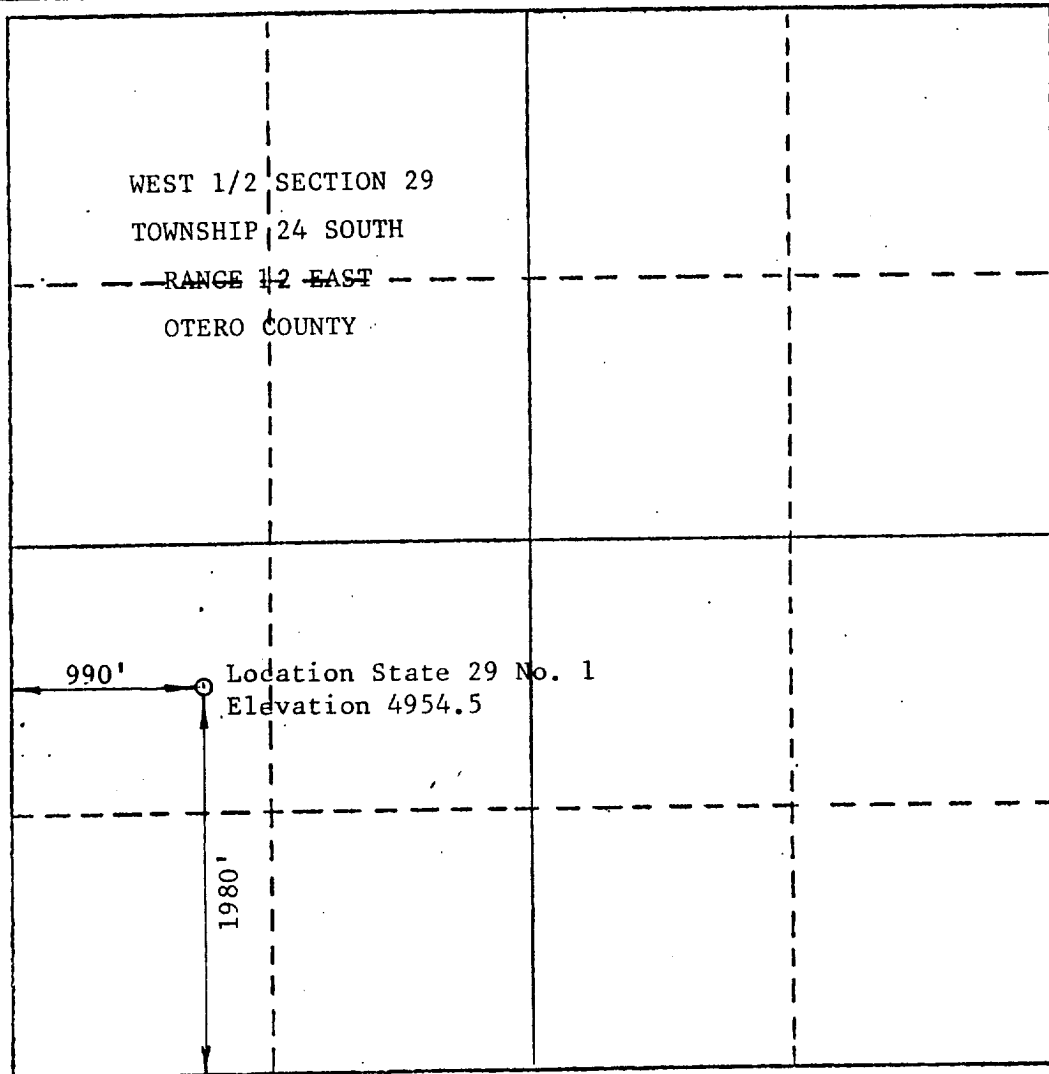
Operator Armstrong Energy Corporation		Lease State of New Mexico			Well No. 1
Unit Letter L	Section 29	Township 24 South	Range 12 East	County Otero	
Actual Footage Location of Well: 1980 feet from the South line and 990 feet from the West line					
Ground Level Elev. 4954.5	Producing Formation		Pool Wildcat	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

*Robert G. Armstrong*  
Name  
Robert G. Armstrong

Position  
President

Company  
Armstrong Energy Corp.

Date  
April 22, 1983

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 knowledge and belief.

*Robert L. ...*  
Date Surveyed  
March 31, 1983

Registered Professional Engineer  
and/or Land Surveyor

Registered Land Surveyor

Certificate No.  
6846

EXHIBIT "B"

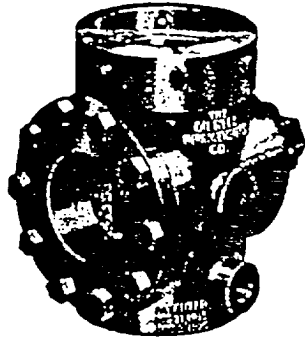


Fig. B-163

**Type B Control Heads**

By-pass opening below valve seat permits mudding of well to kill gas; steaming of flow line melts paraffin or prevents fire in flow tank. Will relieve or build up pressure. Eccentric bore reduces load on valve seat and increases seal. Anchor lugs secure head, etc. The 6 $\frac{5}{8}$  and 7-inch O.D. Type B Control Heads are made in steel only. All other sizes and pressures are made of semi-steel.

Size, Inches		Each	Press. Test Lbs. per Sq. In.	Weight Pounds
A.P.I.	Nominal			
4 $\frac{3}{4}$ -5 $\frac{3}{4}$	4 $\frac{1}{4}$ -5 $\frac{3}{16}$	\$108.00	2000	295
6 $\frac{5}{8}$ -7	6-6 $\frac{5}{8}$	150.00	2000	470
8 $\frac{1}{8}$ -8 $\frac{5}{8}$ -9	8 $\frac{1}{4}$ -8 $\frac{5}{8}$	180.00	2000	680
10 $\frac{3}{4}$	10	315.00	1000	855
13 $\frac{3}{8}$	12 $\frac{1}{2}$	506.00	1000	1355