State of New Mexico

Form C-101 Permit 44315

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

	or Name and Address	2. OGRID Number		
ARMSTRO	1092			
	D. Box 1973 ell , NM 88202	3. API Number 30-05-63887		
10011	01,1111 00202			
4. Property Code	5. Property Name	6. Well No.		
36245	VOLLEYBALL STATE	001		

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	2	12S	26E	0	660	S	660	E	CHAVES

8. Pool Information

LEA LAKE; PRE-PERMIAN (G)	97406
LEA LAKE, FRE-FERMINAN (O)	7/400

Additional Well Information

9. Work Type New Well	10. We	11 Type AS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3675
14. Mühtiple N	1000005	osed Depth 500	16. Formation Silurian	17. Contractor	18. Spud Date 2/15/2007
Depth to Ground water 100			Distance from nearest fresh water v > 1000	well	Distance to nearest surface water > 1000
Pit: Liner: Symthetic X Closed Loop System	_	mils thick	Clay Pit Volume: 8000 bbls	Drilling Method: Fresh Water Brine	Diesel/Oil-based 🗙 Gas/Air 🗀

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	40	25	0
Surf	12.25	8.625	24	1075	700	0
Prod	7.875	5.5	17	6500	750	1000

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

	Troposed Blossode II.	o carragate a roganite	
Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	1000	

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	OIL CONSERVATION DIVISION				
NMOCD guidelines \overline{X} , a general permit Γ , or an (attached) alternative OCD-approved plan Γ .	Approved By: Bryan Arrant				
Printed Name: Electronically filed by Cynthia Landfair	Title: Geologist				
Title: Manager	Approved Date: 1/8/2007 Expiration Date: 1/8/2008				
Email Address: clandfair@zianet.com					
Date: 1/5/2007 Phone: 505-625-2222	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

<u>District III</u> 1000 Rio Brazos Rd., Azzec, 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

Form C-102 Permit 44315

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

.0.0	LDD Do cilitari i Lib i i cic	Liter Depression			
1. API Number	2. Pool Code		3. Pool Name		
30-05-63887	97406	; PRE-PERMIAN (G)			
4. Property Code	5. Property	Name	6. Well No.		
36245	VOLLEYBALL STATE		001		
7. OGRID No.	8. Operator	9. Elevation			
1092	ARMSTRONG ENERGY CORP 3675				

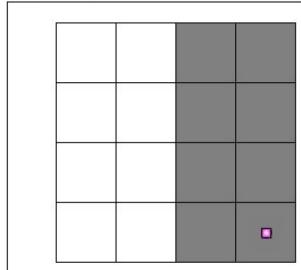
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
0	2	12S	26E		660	S	660	E	CHAVES

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	To	ownship	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
1075111071377	ated Acres 2.21		13. 1	foint 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 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.

E-Signed By: Cynthia Landfair

Title: Manager Date: 1/5/2007

SURVEYOR CERTIFICATION

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.

Surveyed By: John Jaquess Date of Survey: 11/28/2006 Certificate Number: 6290

Permit Conditions of Approval

Operator: ARMSTRONG ENERGY CORP , 1092 Well: VOLLEYBALL STATE #001

API: 30-05-63887

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted, opeartor to drill surface hole with fresh water mud.
BArrant	Please notify OCD time of spud and time to witness the cementing of the water protection string of casing.
BArrant	Opeartor to verify tie back of production string by CBL or temperature survey.