State of New Mexico

Form C-101 Permit 125288

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

	r Name and Address NG ENERGY CORP	OGRID Number 1092
P.O. Box 1973	3. API Number	
Roswell, NM 88202	30-041-20943	
4. Property Code	5. Property Name	6. Well No.
38445	MUSTANG SALLY	001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	19	05S	34E	N	461	S	2085	W	ROOSEVELT

8. Pool Information

WILDCAT; FUSSLEMAN	97836
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Additional Well Information

	N/I	III dillion and III cit I	21011111111		
9. Work Type New Well	10. Wett Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 4332	
14. Multiple N			16. Formation 17. Contractor Fussleman		
Depth to Ground	water	Distance from nearest fre	sh water well	Distance to nearest surface water	
Pit: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54	40	20	0
Surf	12.25	8.625	24	2470	1100	0
Prod	7.875	5.5	17	8100	340	6000

Casing/Cement Program: Additional Comments

Drill to 2470' with fresh water and set 8 5/8" casing. Drill to 8100' with cut brine and set 5 ½" casing. Test Fusselman Zones. BOP Program: 2470-8100', Double ram B.O.P., 3000 psi W.P., 1000 psi test pressure. Maximum S.I. pressure 500 psi, frac gradient .7 PSI/FT. at the 8 5/8" casing shoe.

Proposed Blowout Prevention Program

Γ	Type	Working Pressure	Test Pressure	Manufacturer
	DoubleRam	3000	1000	

I hereby certify that the information given above is true and complete to of my knowledge and belief. I further certify that the drilling pit will be constructed according to the construct	OIL CONSERVATION DIVISION		
NMOCD guidelines , a general permit , or an (attached) altern OCD-approved plan .	Approved By: Paul Kautz		
Printed Name: Electronically filed by Irma Cunningham	Title: Geologist		
Title: Geo Tech	Approved Date: 1/14/2011 Expiration Date: 1/14/2013		
Email Address: icunningham@armstrongenergycorp.com			
Date: 1/5/2011 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

Form C-102 Permit 125288

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

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-041-20943	2. Pool Code 97836	3. Pool Name WILDCAT:FUSSLEMAN
4. Property Code	5. Property N	
38445	MUSTANG S	ALLY 001
7. OGRID No.	8. Operator Name 9. E	
1092	ARMSTRONG ENERGY CORP 4332	

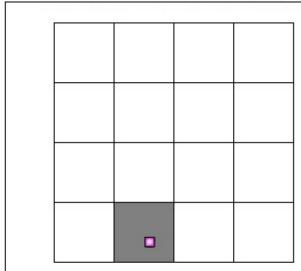
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	19	05S	34E		461	S	2085	W	ROOSEVELT

11. Bottom Hole Location If Different From Surface

			Dottom						m ourmer		
UL - Lot	Section	Township	Range	Lot I	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
F. 100 100 100 100 100 100 100 100 100 10	cated Acres	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 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: Irma Cunningham

Title: Geo Tech Date: 1/5/2011

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: Ronald Eidson Date of Survey: 12/13/2010 Certificate Number: 3239

Permit Comments

Operator: ARMSTRONG ENERGY CORP , 1092 Well: MUSTANG SALLY #001

API: 30-041-20943

Created By	Comment	Comment Date
pkautz	Land P/P	1/5/2011
DMULL	OCD Hobbs office has received form C-144CLEZ. OCD Permit Number P1-02790.	1/14/2011

Permit Conditions of Approval

Operator: ARMSTRONG ENERGY CORP , 1092 Well: MUSTANG SALLY #001

API: 30-041-20943

OCD Reviewer	Condition
pkautz	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