

Armstrong Energy Corp.
P.O. Box 1973, Roswell, N.M. 88202
Site Facility Diagram
Basin Federal Well No. 1
Lease No. NM-029128
990' FNL & 2130' FWL
Sec. 22, T21S, R25E
Eddy Co., New Mexico

Production System - Closed

1. Oil sales by Tank Gauge to hauler
2. Seal requirements
3. Daily gauge and inspection by pumper

Production Phase:

1. Valves 3 & 4 - one sealed open and one sealed closed.
2. Valves 5,6,7 - normally sealed closed. Valve 5 or 6 will be sealed open when circulating tanks.
3. Valve 7 will be open to load Hot Oilier and then sealed closed.
4. Valves 8 & 9 - normally sealed closed. Valve 8 or 9 will be sealed open while rolling the tank bottom. After rolling tank bottom, the valve will be sealed closed.

Sales Phase:

1. Valves 1 & 2 - normally sealed closed.
2. Valve 1 or 2 will be open during the transfer of oil to hauler. After loading, the valve will be sealed closed with Transporter's seal.

