

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-025-44295
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Sledgehammer State
8. Well Number 1
9. OGRID Number 1092
10. Pool name or Wildcat Reeves: Penn
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
ARMSTRONG ENERGY CORPORATION

3. Address of Operator  
P.O. Box 1973, Roswell, NM 88202-1973

4. Well Location  
 Unit Letter J : 2310 feet from the South line and 2310 feet from the East line  
 Section 23 Township 18S Range 35E NMPM Lea County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

- |  |   |  |  |
|--|---|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>                               | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>     | COMMENCE DRILLING OPNS. <input type="checkbox"/>                     | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL. <input type="checkbox"/>  | CASING/CEMENT JOB <input type="checkbox"/>                           |  |
| DOWNHOLE COMMINGLE <input type="checkbox"/>    |   |  |  |
| CLOSED-LOOP SYSTEM <input type="checkbox"/>    |   |  |  |
| OTHER: <input type="checkbox"/>                |   | OTHER: <b>Perf &amp; Acidize</b> <input checked="" type="checkbox"/> |  |

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 3-27-18 RU Crane Acidizing. Pump 1000 gal 15% acid down tubing @ 1 BPM and flush w/65 bbl 2% KCL. Reverse and pump 100 bbl 2% KCL down casing @ 1 BPM. Spot 250 gal 15% NeFe acid @ 11,115'. RD.
- 3-28-18 RU Capitan Wireline. TIH, perf 11,110' to 11,115', 2 SPF, 90° phasing, 12 shots. RD. TIH w/ 2 7/8" SN, 2 7/8"x5 1/2" Arrowset Packer, on/off tool (2.313x profile), 344 jts 2 7/8" P-110 (10,978.05'). NDBOP, NU WH. RU Crane Acidizing. Load backside w/ 2 bbl. Reverse 10 bbls, pick up and set packer @ 11,009'. Pressure tubing to 6000psi. SD
- 3-30-18 RU Crane, pressure BS to 750#. Acidize w/2000gal 15% NEFE, 24 balls. 750 gal lead, 1000gal w/24 balls (4 sets of 6), 250 gal tail. Loaded w/62bbls, 4bbls shorts of perfs. Sweat 7600psi to 7800psi until acid on perfs. Broke back to 7400psi @ 0.9bpm w/ 28 bbls acid, zone balled out @ 8100psi. SD.

\*\*\*Cont'd on Page 2\*\*\*

Spud Date:

Rig Release Date:

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

SIGNATURE [Signature] TITLE VP - Operations DATE 05/24/18

Type or print name Kyle Alpers E-mail address: kelpers@aecnm.com PHONE: 575-625-2222

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 02/18/19

Conditions of Approval (if any):

Sledgehammer State #1  
API #30-025-44295  
C-103 – Perf & Acidize  
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- 4-03-18 TIH, set CIBP @ 11,070' w/2 bailer runs of cement, 35'.
- 4-04-18 RU Crane Acidizing, circ hole w/250 bbl 2% KCL water @ 11,027'. Test CIBP to 800psi, held ok. Spot 250 gal 15% NEFE acid @ 10,856' with 340 jts (10,849'), 10' out. RD.
- 4-05-18 RU Devine Wireline. TIH, perf 10,850' to 10,857', 2 SPF, 16 holes. RD. TIH w/ 2-7/8" SN, 2-7/8"x5-1/2" Arrowset 1 Packer, on/off tool, 2.313x Profile Nipple and 336 jnts 2-7/8" P-110 tbg. RU Crane Acidizing, load and reverse 10 bbls to tubing. Trouble setting pkr, PU 1 jnt and set pkr @ 10,784' w/ 20 points. Pressure backside to 500#, held OK.
- 4-06-18 RU Crane Acidizing. Pressure BS to 500psi, held ok. Acidize down tubing w/2,000gal 15% NEFE and 32 ball sealers. Pumping into zone @ 2.4bpm @ 4400psi. Balled out w/18 balls 7500psi, no breaks. Surge balls off. Put remaining acid away @ 2.5bpm @ 4500psi.
- 4-10-18 RU Crane, pressure BS to 750psi, acidize down tubing with 5,000 gallons 20% NEFE acid.