

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
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-103
Permit 117921

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-041-20940
1. Type of Well: O		5. Indicate Type of Lease S
2. Name of Operator ARMSTRONG ENERGY CORP		6. State Oil & Gas Lease No.
3. Address of Operator P.O. BOX 1973, ROSWELL, NM 88202		7. Lease Name or Unit Agreement Name PEP 36 STATE
4. Well Location Unit Letter <u>M</u> : <u>330</u> feet from the <u>S</u> line and <u>330</u> feet from the <u>W</u> line Section <u>36</u> Township <u>05S</u> Range <u>33E</u> NMPM <u>Roosevelt</u> County		8. Well Number 002
11. Elevation (Show whether DR, KB, BT, GR, etc.) 4267 GR		9. OGRID Number 1092
Pit or Below-grade Tank Application ☐ or Closure ☐ Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
 CASING/CEMENT JOB ☐
 Other: **Drilling/Cement** ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.
 07-03-10 Ran 24 jts, 735', 8-5/8"-24#/ft, 8 RD, J-55. Ran 39 jts, 1323', 8-5/8"-32#/ft, 8 RD, J-55. Cemented w/ 20 BBLs FW ahead, 365 sx w/ 3% Salt, 2% CaCl, 200 sx Halcem-C w/ 2% CaCl. Circ 258 sx. PD @ 2:00 PM, 07-03-10.

07-22-10 Ran 178 jts, 7823', 5-1/2" csg, 17#/ft, J-55, 8 RD, LT&C, USS, cemented 7821'.

07-23-10 Cemented with 340 sx Versa-Cem w/10% LAP-1, 4/10% CFR-3, 3#/sx Salt, 1/4#/sx D-Air, 13.2 PPG, 1.64 cu. ft/sx, 8.55 gals/sx. Ran 14 centralizers, float shoe and float collar. PD @ 9:30 6/30/2010 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
07/03/10	Surf	FreshWater	12.25	8.625	24	J-55	0	2128	865	1.77	HLC	1217		0	
07/03/10	Surf	FreshWater	12.25	8.625	24	J-55	0	2128	200	1.33	C	1217		0	
07/22/10	Prod	CutBrine	7.875	5.5	17	J-55	4500	7820	340	1.64	Versa-Cem	1800		0	

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed

TITLE Geo Tech

DATE 7/28/2010

Type or print name Irma Cunningham

E-mail address icunningham@armstrongenergycorp.com

Telephone No. 575-625-2222

For State Use Only:

APPROVED BY: Paul Kautz

TITLE Geologist

DATE 7/28/2010 3:14:52 PM

Drilling Comments

OGRID: [1092] ARMSTRONG ENERGY CORP

Permit Number: 117921

Permit Type: Drilling

Created By	Comment	Comment Date
pkautz	Work info page has information concerning running and pumping cement on production string. Casing info page missing data concerning production string. Please correct.	7/28/2010