

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.*FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 20075. Lease Serial No.
NM-0560397
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well OffWell ☐ Gas Well ☒ Other

2. Name of Operator Armstrong Energy Corporation

JUN 20 2007

3a. Address P.O. Box 1973, Roswell, NM 88202

3b. Phone No. (include area code)
505-625-22224. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 660' FEL, Unit I
Section 25-T15S-R28E8. Well Name and No.
Brunner Federal #1
9. API Well No.
30-005-00396
10. Field and Pool, or Exploratory Area
Round Tank Queen (Assoc.)
11. County or Parish, State
Chaves County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

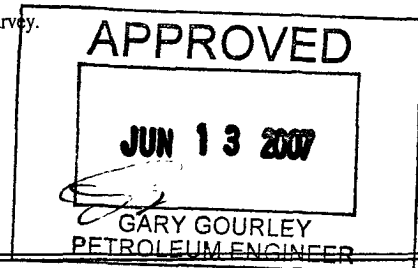
TYPE OF SUBMISSION	TYPE OF ACTION			
X Notice of Intent Subsequent Report Final Abandonment Notice	Acidize	Deepen	Production (Start/Resume)	Water Shut-Off
	Alter Casing	Fracture Treat	Reclamation	Well Integrity
	Casing Repair	New Construction	Recomplete	Other Hook up Gas Sales & 3-D Seismic Shoot
	Change Plans	Plug and Abandon	Temporarily Abandon	
	Convert to Injection	Plug Back	Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. if the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Armstrong Energy Corporation has been in discussions with Duke Energy Company, as to setting a meter to produce the Brunner Federal #1. Due to the high nitrogen content of the gas (45-50%), Duke cannot take any more high nitrogen gas at this time. We are investigating selling this gas through an off lease meter. This will involve cooperation of the BLM and NM State Land Office.

We also plan a 3-D seismic shoot over this area in late 2007 or early 2008. Pending the interpretation of the seismic, additional wells are planned for this area.

Armstrong respectfully requests a one year extension to connect this well to gas sales and shoot the seismic survey.

APPROVED FOR 12 MONTH PERIOD
ENDING 06-13-0814. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
Bruce A. Stubbs

Title: Vice President

Signature

Date 5-23-07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

✓ Submit Subsequent upon completion of work.

**BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
505-627-0272**

**Off-Lease Measurement, Storage, and Surface Commingling
Conditions of Approval**

Approval of surface commingling and off lease storage and/or measurement is subject to the following conditions of approval:

1. This agency shall be notified of any change in sales method or location of the facility.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. Thi approval is subject to like approval by the New Mexico Oil Conservation Division (NMOCD).
5. Additional wells and/or leases require additional commingling approvals.
6. This approval does not constitute right-of-way approval for any off lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.