

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND AMANGEMENT

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
EXPIRES: MARCH 31, 2007

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.

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas
☒ Well ☐ Well ☐ Other

2. Name of Operator **ARMSTRONG ENERGY CORPORATION**

3a. Address **P.O. BOX 1973
ROSWELL, NEW MEXICO 88202**

3b. Phone No. (include area code)
505-625-2222

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
760' FSL & 2080' FEL, SEC. 24-T19S-R34E

5. Lease Serial No.

NM-0381550-C

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/ Agreement, Name and/ or No.

8. Well Name and No.

GOVERNMENT "G" #2

9. API Well No.

30-25-28571

10. Field and Pool, or Exploratory Area

LEA SAN ANDRES POOL

11. County or Parish, State

LEA COUNTY, NEW MEXICO

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Downhole Commingling

13. Describe Proposed or Completed Operations (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 recompleat 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 the completion of the involved operations. If the operation results in a multiple completion or recompleat 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 respectfully request authority to commingle production from the Pearl Queen zone and the Lea San Andres zone in the Government G #2. The #2 was completed in the Pearl Queen Pool (49780) in early August 2005 and currently produces 6 BOPD and 23 BWPD. Gas volumes on each well are too small to measure. A RBP is set at 5170' isolating the San Andres Zone. This RBP will be retrieved and the production comingled from the Queen and San Andres.

Production from each zone will be allocated based on previos production tests.

These two wells are on a common lease and are the only wells producing into the battery. Ownership of the Queen and San Andres zones are identical.

The original application has been mailed to the New Mexico Oil Conservation Division in Santa Fe, New Mexico.

The oil produced from the Pearl Queen Pool and the Lea San Andres Pool are similar in gravity and quality and commingling will have no effect on the value of the combined product.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

BRUCE A. STUBBS

Signature

B. Stubbs

Title **ENGINEER**

Date **January 30, 2006**

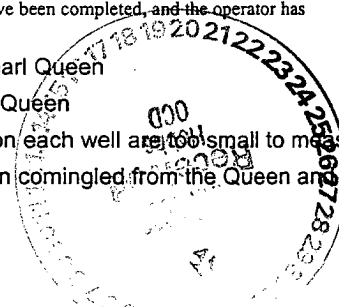
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person to 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.

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**SUBJECT TO LIKE
APPROVAL BY STATE**

APPROVED

FEB 24 2006

**LES BABYAK
PETROLEUM ENGINEER**