

District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
RECEIVED Minerals and Natural Resources
JUL 02 2009 Oil Conservation Division
HOBBSOCD 1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
June 16, 2008

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Armstrong Energy Corporation P.O. Box 1973 Roswell, NM 88202		² OGRID Number 001092
		³ API Number 30 - 041-20913
⁴ Property Code 34602 37799	⁵ Property Name Johnston 28	⁶ Well No 1
⁹ Proposed Pool 1 Peterson, Penn <i>South Assoc <50360></i>		¹⁰ Proposed Pool 2 Peterson, East Penn

⁷ Surface Location									
UL or lot no M	Section 28	Township 5S	Range 33E	Lot Idn	Feet from the 402	North/South line South	Feet from the 330	East/West line West	County Roosevelt

⁸ Proposed Bottom Hole Location If Different From Surface									
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information				
¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 4373
¹⁶ Multiple No	¹⁷ Proposed Depth	¹⁸ Formation Penn	¹⁹ Contractor	²⁰ Spud Date Sept 15, 2009

²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	50	40	Redimix	Surface
12.25"	8.625"	24 & 32	2082	1000	Surface
7.875	5.5"	15.5	7900	300	6000'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Re-enter well and clean out to 7900'.
2. Run Repeat Formation Tester on Penn zones.
3. If tests are satisfactory, run 5½" casing to TD and cement w/300 sx, TOC @ ± 6000'.
4. Test Penn 7600' – 7800'.

BOP Program: 3000 psi W.P. Double Ram BOP, tested to 1000 psi.

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Re-Entry**

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief		OIL CONSERVATION DIVISION	
Signature <i>B. Stubbs</i>		Approved by: <i>[Signature]</i>	
Printed name Bruce A Stubbs		Title. PETROLEUM ENGINEER	
Title Vice President-Operations		Approval Date.	Expiration Date
E-mail Address bastubbs@armstrongenergycorp.com		AUG 26 2009	
Date 6-23-2009	Phone. 575-625-2222	Conditions of Approval Attached <input type="checkbox"/>	