

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87411

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
APR 27 2010
HOBBS

CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

| |
|-------------------------------------------------------------------------------------------------------|
| WELL API NO. 30-041-20939 ✓ |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓ |
| 6. State Oil & Gas Lease No. VB 1609 |
| 7. Lease Name or Unit Agreement Name Pep 36 State ✓ |
| 8. Well Number 1 ✓ |
| 9. OGRID Number 1092 ✓ |
| 10. Pool name or Wildcat Wildcat Penn |

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 M : 990 feet from the South line and 330 feet from the West line
Section 36 Township 5S Range 33E NMPM Roosevelt County 1

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

03-23-10 Set CIBP @ 7840', dumped 20' cmt on CIBP, PBTD 7820', perf 7751'-7754', 4 JSPF, 12 holes. Acidize w/ 1,250 gals 15% NEFE Acid. RU swab, rec'd load, no show. Set cement retainer @ 7740', squeeze perfs w/ 75 sx Class "H" w/ .5% H-322 and 25 sx Class "H" Neat. Squeezed to 2000 psi, reverse out 35 sx cmt, 65 sx in formation. Perf 7721-7723', 7712'-7718' and 7705'-7707', 2 JSPF, 20 holes. Acidize w/ 250 gals 15% NEFE Acid.

03-31-10 Ran BHP Gauges

04-05-10 Set Test Unit. Prep to test.

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 B. Stubbs TITLE Vice President - Operations DATE 04/26/10Type or print name Bruce Stubbs E-mail address: bastubbs@armstrongenergycorp.com PHONE: (575) 625-2222

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE APR 29 2010

Conditions of Approval (if any):



500 North Main Street, Suite 200
P.O. Box 1973
Roswell, New Mexico 88202-1973
(575) 625-2222
Fax (575) 622-2512

April 26, 2010

RECEIVED

APR 27 2010

HOBBS CO

Oil Conservation Division
1625 N. French Drive
Hobbs, New Mexico 88240

Re: Pep 36 State #1
Township 5 South, Range 33 East, NMPM
Section 36
Roosevelt County, New Mexico

Dear Sir/Madam:

Enclosed are the Sundry Notices and Reports on Wells (in triplicate) for the captioned well to be filed with your office.

If you have any questions, please contact Bruce Stubbs at 575-625-2222.

Sincerely,

ARMSTRONG ENERGY CORPORATION

By: Irma Cunningham
Irma Cunningham, Geo Tech

Enclosures