

Submit To Appropriate District Office Two Copies District I 1625 N French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S St Francis Dr., Santa Fe, NM 87505		<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>		<b>Form C-105</b> July 17, 2008																							
		<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>RECEIVED</b>  <b>APR 28 2010</b>  <b>HOBBS OGD</b> </div>																									
		<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>																									
4 Reason for filing: <input checked="" type="checkbox"/> <b>COMPLETION REPORT</b> (Fill in boxes #1 through #31 for State and Fee wells only)  <input type="checkbox"/> <b>C-144 CLOSURE ATTACHMENT</b> (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)		5. Lease Name or Unit Agreement Name Pep 36 State  6 Well Number: 1																									
7 Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER		8 Name of Operator Armstrong Energy Corporation		9. OGRID 001092																							
10 Address of Operator P.O. Box 1973, Roswell, NM 88202-1973		11 Pool name, or Wildcat Wildcat Tamey Hill, Penn		<div style="border: 1px solid black; padding: 5px; display: inline-block; transform: rotate(-5deg);"> <b>&lt;97783&gt;</b> </div>																							
12. Location <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Surface:</td> <td>M</td> <td>36</td> <td>5S</td> <td>33E</td> <td></td> <td>990</td> <td>S</td> <td>330</td> <td>W</td> <td>Roosevelt</td> </tr> <tr> <td>BH:</td> <td>Same</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>	Surface:	M	36	5S	33E		990	S	330	W	Roosevelt	BH:	Same														
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BH:	Same																										
13. Date Spudded 11-19-09	14 Date T D. Reached 12-14-09	15. Date Rig Released 12-17-09		16 Date Completed (Ready to Produce) 04-12-10		17 Elevations (DF and RKB, RT, GR, etc ) 4278 GR																					
18 Total Measured Depth of Well 7956'		19. Plug Back Measured Depth .		20 Was Directional Survey Made? No		21. Type Electric and Other Logs Run CNL-GR																					
22 Producing Interval(s), of this completion - Top, Bottom, Name 7705'-7723', Pennsylvanian																											
<b>23. CASING RECORD (Report all strings set in well)</b>																											
CASING SIZE	WEIGHT LB /FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED																						
13-3/8"	48	40'	17 1/2"	Redi Mix	0																						
8-5/8"	24	2095'	12 1/4"	855 sx + 200 sx	0																						
5 1/2"	17	7846'	7-7/8"	450 sx	0																						
<b>24. LINER RECORD</b>				<b>25. TUBING RECORD</b>																							
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET																				
					2-7/8"	7634'	7634'																				
26. Perforation record (interval, size, and number) 7705'-7707', 7712'-7718', 7721'-7723', 20 holes 7751'-7754', 12 holes, squeezed 7846'-7956', 110', open hole, plugged back				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">DEPTH INTERVAL</td> <td style="text-align: center;">AMOUNT AND KIND MATERIAL USED</td> </tr> <tr> <td style="text-align: center;">7705' - 7723'</td> <td style="text-align: center;">250 gals 15% NEFE Acid</td> </tr> <tr> <td style="text-align: center;">7751' - 7754'</td> <td style="text-align: center;">1250 gals 15% NEFE Acid, squeezed w/ 65 sx</td> </tr> <tr> <td style="text-align: center;">7924' - 7956'</td> <td style="text-align: center;">Cement w/ Dump Bailer, 20 sx</td> </tr> </table>				DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	7705' - 7723'	250 gals 15% NEFE Acid	7751' - 7754'	1250 gals 15% NEFE Acid, squeezed w/ 65 sx	7924' - 7956'	Cement w/ Dump Bailer, 20 sx												
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<b>28. PRODUCTION</b>																											
Date First Production 03-29-10		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing			Well Status (Prod. or Shut-in) SI																						
Date of Test 04-08-10	Hours Tested 75.75	Choke Size 20/64"	Prod'n For Test Period 	Oil - Bbl 808	Gas - MCF 9692	Water - Bbl 206	Gas - Oil Ratio 11,995																				
Flow Tubing Press. 1400	Casing Pressure 0	Calculated 24-Hour Rate 	Oil - Bbl 256	Gas - MCF 3070	Water - Bbl 65	Oil Gravity - API - (Corr.) 47°																					
29. Disposition of Gas (Sold, used for fuel, vented, etc.) S.I. W.O.P.L.					30. Test Witnessed By Rocky Ray																						
31 List Attachments GR-CNL, Deviation Survey					<div style="border: 2px solid black; padding: 10px; text-align: center; font-size: 2em; font-weight: bold;">           CONFIDENTIAL         </div>																						
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit NA																											
33. If an on-site burial was used at the well, report the exact location of the on-site burial: NA																											
NA		Latitude		Longitude		NAD 1927 1983																					
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																											
Signature		Printed Name <u>Bruce Stubbs</u>		Title <u>Vice President - Operations</u>		Date <u>04/27/2010</u>																					
E-mail Address <u>bastubbs@armstrongenergycorp.com</u>																											

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn "A"
T. Salt	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates 2070	T. Miss ---	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers 2160	T. Devonian ---	T. Cliff House	T. Leadville
T. Queen 2548	T. Silurian 7858	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres 3174	T. Simpson	T. Mancos	T. McCracken
T. Glorieta	T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger	Base Greenhorn	T. Granite
T. Blinberry	T. Gr. Wash	T. Dakota	
T. Tubb 4458	T. Delaware Sand	T. Morrison	
T. Drinkard	T. Bone Springs	T. Todilto	
T. Abo 6540	T.	T. Entrada	
T. Wolfcamp 7276	T.	T. Wingate	
T. Penn 7610	T.	T. Chinle	
T. Cisco (Bough C)	T.	T. Permian	

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....  
 No. 2, from.....to.....  
 No. 3, from.....to.....  
 No. 4, from.....to.....

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
2000'	3110'	1110'	Sh, SS, Anhy				<div style="border: 1px solid black; padding: 10px; display: inline-block;"><b>CONFIDENTIAL</b></div>
3110'	4120'	1010'	Dolo, Anhy, Halite, Sh				
4120'	6536'	2410'	LS, Dolo, Sh, Anhy, SS, Halite				
6530'	7290'	760'	Sh, Sltstone, Dolo, Chrt				
7290'	7860'	570'	LS, Sh				
7860'	7960'	100'	Dolo, Chrt				

PEP 36 STATE #1  
36M-T5S-R33E  
PENN 7705-7723'

WELL TEST 4-5-2010 - 4-9-2010

DATE	ACTIVITY	TIME	FLOW HOURS	TOTAL FLUID	BBLs. OIL	MCF GAS	BBLs. WATER	OIL CUT	BO/HR	GOR	GAS RATE MCFGD
4/5/2010	POH W/ BHP GAUGES, STARTED FLOWING AT 11:30 AM	11:30 AM- 5:00 PM (5TH)				568					
4/6/2010	20/64" CHOKE, 1325-1400 PSI, 2" ORIFICE 4" METER RUN, 40" DIFF., 360 PSI STATIC	11:30 AM (5TH)-7:30 AM (6TH)	20	287.0	220.0	1,885	67.0	76.66%	11.00	11.15	2,944
		7:30 AM (6TH)-11:00 AM (6TH)	3.5	69.0	54.0	455	15.0	78.26%	15.43	8.43	3,120
4/7/2010	20/64" CHOKE, 1325-1410 PSI, 2" ORIFICE 4" METER RUN, 40" DIFF., 390 PSI STATIC	11:00 AM (6TH)-8:00 AM (7TH)	21	273.0	218.0	2,730	55.0	79.85%	10.38	12.52	3,120
		8:00 AM (7TH)-9:30 AM (7TH)	1.5	19.5	15.5	195	4.0	79.49%	10.33	12.58	3,120
	S.I. PULLED OFF WATER, CHANGED HOSES, SITP 1900 PSI	9:30 AM (7TH) -10:45 AM (7TH)	(1.25)	0.0	0.0	0	0.0				
		10:45 AM (7TH)-3:00 PM (7TH)	4.25	59.0	49.0	554	10.0	83.05%	11.53	11.31	3,128
4/8/2010	20/64" CHOKE, 1410-1390 PSI, 2" ORIFICE 4" METER RUN, 48" DIFF., 320 PSI STATIC	3:00 PM (7TH)-8:00 AM (8TH)	17	211.5	171.5	2,200	40.0	81.09%	10.09	12.83	3,106
		8:00 AM (8TH)-10:15 AM (8TH)	2.25	25.1	21.2	292	4.0	84.21%	9.41	13.81	3,119
	SI AND RIH WITH BHP GAUGES, SITP 1700 PSI	10:15 AM (8TH)- 10:45 AM (8TH)	(.50)								
	FLOWED UNTIL 5:00 pm, S.I.	10:45 AM (8TH)-5:00 PM (8TH)	6.25	69.9	58.8	812	11.0	84.21%	9.41	13.81	3,119
4/9/2010	8:00 AM 16 HRS. S.I.T.P. 1975 PSI										
	<u>S.I. END OF TEST</u>										
TOTAL			75.75	1014.0	808.0	9,692	206.0	79.68%	10.67	11.99	3,071

CONFIDENTIAL