

October 13, 2009

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 87410

District IV

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

Energy, Minerals and Natural Resources

RECEIVED

OIL CONSERVATION DIVISION

OCT 05 2010 1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBSOCD

WELL API NO.

30-041-20940

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name

PEP 36 STATE

8. Well Number

2

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 : 330 feet from the South line and 330 feet from the West lineSection 36 Township 05S Range 33E NMPM Roosevelt County

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 ☐

## SUBSEQUENT REPORT OF:

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

OTHER:

☐

OTHER:

Drill and acidize

☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

07-21-10 TD 7820' @ 1:00 PM

07-28-10 PU 4-3/4" Bit, 10 3-1/2" DC, 229 jts, 2-7/8", L-80 tbg. PBTB 7780.93'. Drill FC and 40' cement.

07-29-10 Break circ, drill 7821'-7825', 4' of cement and float shoe. Drilling 7826'-7866',

07-30-10 Drill 7866'-7878', TD @ 7878' at 11:00 AM.

08-02-10 Acidize and swab test. Pump 12 bbls 15% NEFE Acid, flush w/ 48-1/2 bbls KCL water, rec'd 45 bbls, no shows.

08-03-10 Acidize w/ 500 gals 15% NEFE Acid. Rec'd 60 bbls, no shows. TIH w/ 4-3/4" Bit, sub and 10 3-1/2" DC.

08-04-10 Finish TIH, tagged at 7878', TD 7900'.

08-08-10 Acidize w/ 1000 gals 15% NEFE Acid, show of gas.

08-09-10 Acidize w/ 1000 gals 15% NEFE Acid. Rec'd 56 bbls, swabbed dry.

(CONT'd ON PAGE 2)

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

TITLE

VICE PRESIDENT

DATE 10/04/10

Type or print name

Bruce A. Stubbs

E-mail address:

bastubbs@armstrongenergycorp.com

PHONE: (575) 625-2222

## For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

OCT 06 2010

Conditions of Approval (if any):

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08-10-10 Drill 7900'-7920', reverse drill 7920'-7941', cir clean, TD @ 7941'.  
08-12-10 Acidize w/ 1000 gals 15% NEFE Acid. Rec'd 7 bbls, trace of oil and show of gas, swabbed dry.  
08-17-10 Drill from 7941' to 7952', reverse drill 7952'-8017', TD @ 8017'. Swabbed 100 BW, no shows.  
08-20-10 Start drilling 8017' @ 9:10 AM to 8102'. TD @ 8102'.  
08-23-10 RU Schlumberger, run CBL, GR, CCL from 8095'-7820'. TIH, set CIBP @ 7790' W/ 35' cmt, PBTD 7755', RD. Spot 250 gals 15% NEFE Acid @ 7705'.