

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

RECEIVED

OCT 03 2010

HOBBSDO

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

October 13, 2009

WELL API NO.

30-041-20940

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & 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 line
Section 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 ☐OTHER: ☐

SUBSEQUENT REPORT OF:

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

08-24-10 RIH w/ 5-1/2" CIBP, set @ 7790', dump 35' cmt on top of plug, PBTD @ 7765', rd. circ hole clean, spot 250 gals 15% NEFE Acid @ 7714', POH,

08-25-10 Lower Penn. RU Schlumberger, perf 7698'-7714', 2 JSPF, 120° phasing, total 32 shots, POH, RD, TIH w/ SN, 2-7/8" X 5-1/2" pkr w/ profile, on-off tool and 233 jts 2-7/8" tbg. Swabbed 101 BW, no shows.

08-26-10 RIH, set 5-1/2" cement retainer @ 7692', RD, TIH w/ stinger, SN and 232 jts 2-7/8" tbg.

08-27-10 Squeeze w/ 100 sx Class "H" cement, squeezed @ 2900 psi, reversed 62 sx cement.

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 DATE 10/04/10Type or print name Bruce A. Stubbs E-mail address: bastubbs@armstrongenergycorp.com PHONE: (575) 625-2222

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 06 2010

Conditions of Approval (if any):

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SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐OTHER: Perf and acidize ☒

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08-30-10 Mid Penn. Circ hole clean, spot 250 gals 15% NEFE Acid at 7670'. RU Schlumberger, perf 7670'-7673', 2 JSPF, total 7 shots, RD. TIH w/ SN 2-7/8" x 5-1/2 pkr w/ profile, on-off tool, and 232 jts tbg, show of gas.

09-20-10 Set CIBP @ 7661'.

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

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09-21-10 Upper Penn. Perf 7647.5'-7651', 14 shots, broke down w/ 250 gals 15% NEFE Acid. Swabbed, back load, testing.

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

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