

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

HOBBS OGD

MAY 10 2011

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-041-20943
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Mustang Sally
8. Well Number 1
9. OGRID Number 001092
10. Pool name or Wildcat Wildcat Fusselman

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 N : 461 feet from the South line and 2085 feet from the West line
Section 19 Township 5S Range 34E 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: ☐

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.

05-08-11 Ran 4 jts, 168', 8 5/8" - 32#/ft csg, J-55 ST&C. Ran 58 jts, 2222', 8 5/8" - 24#/ft csg, J-55 ST&C. Ran 2 jts, 84.3', 8 5/8" - 32#/ft csg, J-55 ST&C, cemented @ 2472'. Lead cement - cemented w/ 990 sx Extenda CEM-CZ, 13.5 PPG, 1.75 cu ft/sx. Tail-in - cemented w/ 200 sx Halcem-C w/ 2% CACL, 14.8 PPG, 1.35 cu ft/sx. Pumped 20 bbls FW spacer ahead of cement. PD @ 3:45 am, 5-8-11. Circ 250 sx.

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. A. Stubbs TITLE Vice President - Operations DATE 05-09-11

Type 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 MAY 16 2011

Conditions of Approval (if any):