

Submit 3 Copies To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-37794

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 032447

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
 Arena Resources, Inc

3. Address of Operator
 4920 S Lewis, Suite 107 Tulsa Ok 74105

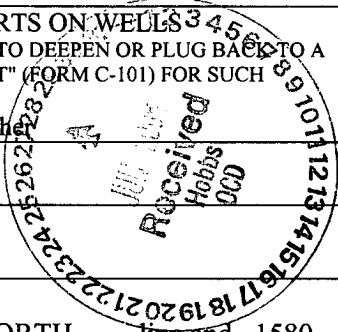
4. Well Location
 Unit Letter B 1160 feet from the NORTH line and 1580 feet from the EAST line
 Section 27 Township 22S Range 36E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3500' GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____



7. Lease Name or Unit Agreement Name
 SEVEN RIVERS QUEEN UNIT

8. Well Number
 082

9. OGRID Number
 220420

10. Pool name or Wildcat
 EUNICE 7R-Q, SO

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Completed Drilling & Csg Operations <input checked="" type="checkbox"/>	

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.

Spud well 05/11/06, drilled to 360' ran 9 joints of 8-5/8"; 24#, LS Surface csg and cmtd w/350 sx, circulated to pit. Resume drilling & drilled to TD 3950' on 5/19/06; set 94 joints of 5 1/2" csg at 3950'. Cmted with total of 950 sx. Circulate to surface. Perforate 7 rivers/ Queen at 3611-3865 with a total of 48 holes. Acid zed w/3000 gal 15% NEFE, swab. And frac w/ BJ's 106k gal 10# brine + 23k # Lite Prop +20 ball sealers. GIH w/ 2-7/8" prod. Tbg @ 3889', hang well and put on Production 5/30/06

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE [Signature] TITLE Petroleum Engineer DATE 06/05/06
 Type or print name Henry Konan E-mail address: hkonan@arenaresourcesinc.com Telephone No. 918-747-6060

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUL 06 2006
 Conditions of Approval (if any): _____