

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address ARENA RESOURCES, INC 4920 S LEWIS TULSA , OK 74105		2. OGRID Number 220420
		3. API Number 30-025-37817
4. Property Code 300385	5. Property Name East Hobbs San Andres Unit	6. Well No. 605

7. Surface Location

UL - Lot O	Section 30	Township 18S	Range 39E	Lot Idn O	Feet From 980	N/S Line S	Feet From 2475	E/W Line E	County LEA
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8. Pool Information

HOBBS,SAN ANDRES, EAST	32300
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3603
14. Multiple N	15. Proposed Depth 4700	16. Formation San Andres	17. Contractor	18. Spud Date
Depth to Ground water 50		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____mils thick Clay <input type="checkbox"/> Pit Volume: 4400 _____bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1925	950	
Prod	7.875	5.5	15.5	4700	950	

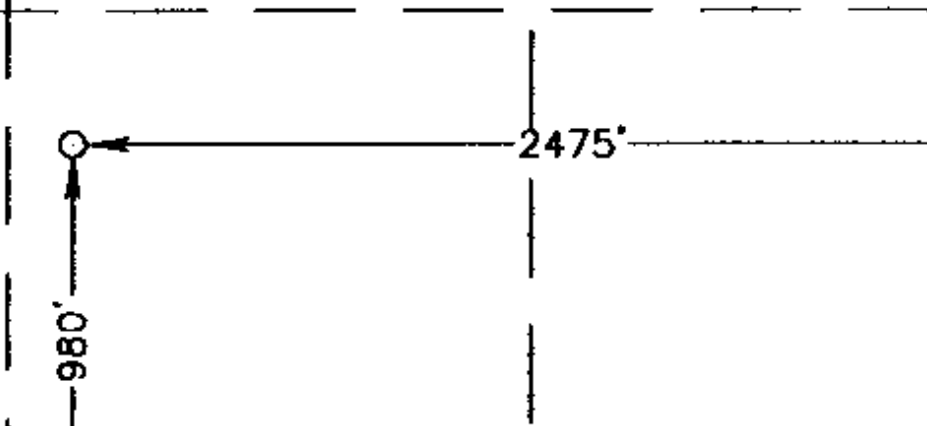

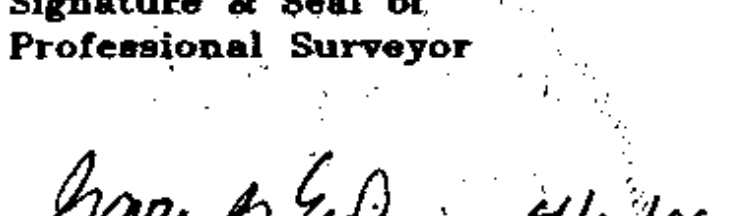
Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	SHAFFER LWP

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Stephanie Mefford Title: Manager Email Address: arenaresourcesok@aol.com Date: 4/18/2006 Phone: 918-747-6060	OIL CONSERVATION DIVISION
	Approved By: Paul Kautz
	Title: Geologist
	Approved Date: 4/18/2006 Expiration Date: 4/18/2007
	Conditions of Approval Attached

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=625647.6 N X=884374.9 E</p> <p>LAT.=32°42'49.58" N LONG.=103°05'01.16" W</p> 		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p> 4-18-06</p> <p>Signature Date</p> <p>HENRY KONAN</p> <p>Printed Name</p>	
		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>MARCH 31, 2006</p> <p>Date Surveyed MR</p> <p>Signature & Seal of Professional Surveyor</p> <p> 4/11/06</p> <p>06.11.0576</p> <p>Certificate No. GARY EIDSON 12641</p>	

Permit Conditions of Approval

Operator: ARENA RESOURCES, INC , 220420

Well: East Hobbs San Andres Unit #605

API: 30-025-37817

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114