

**PRICE ENERGY CONSULTING
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December 29, 2004

Chris Williams
New Mexico Oil Conservation Division
District 1
1625 N. French Dr.
Hobbs, NM 88240

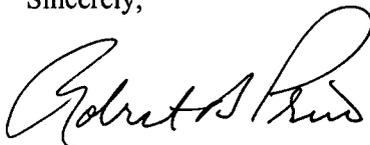
**Re: Arena Resources, Inc. East Hobbs San Andres Unit Radius of Exposure
Calculations and H2S Contingency Plan**

Dear Ted:

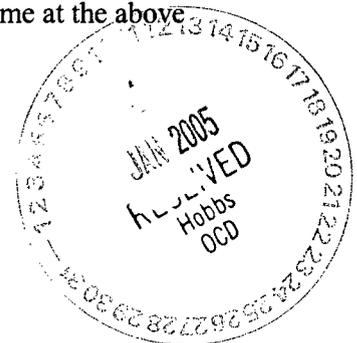
On behalf of Arena Resources, Inc., I am submitting the enclosed H2S Contingency Plan and Radius of Exposure calculations for the above referenced field. This plan meets the requirements of NMOCD Rule 19 NMC 15.C.118.

If you have any questions or require additional information, please contact me at the above address or telephone.

Sincerely,



Robert "Andy" Price
Principal Consultant



Enclosures

Cc: Danny Palmer, Production Foreman - Arena Resources, Inc.