

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. 30-025-36833
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. 300385
7. Lease Name or Unit Agreement Name East Hobbs San Andres Unit
8. Well Number 3
9. OGRID Number 220420
10. Pool name or Wildcat

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 I 2340 feet from the South line and 120 feet from the East line  
 Section 30 Township 18S Range 39E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
 3604' 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 \_\_\_\_\_

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- OTHER:
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- ALTERING CASING
- P AND A

OTHER: Completed Drilling & Csg Operations

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 9/18/04, drilled to 1921' set 8-5/8"; 24#, J-55 Surface csg and cmtd w/920 sx consisting of 720 sx Halliburton light premium plus tailed in with 200 sx premium plus w/ 2% CACL. Circulated 189 sx to pit. Resume drilling & drilled to 4650 on 9/27/04; Set 117 joints of 5-1/2" 17# production csg @4650 cmtd w/ 1180sx, cmt did not circulated to surface but pre-flush did circulate. Perf San Andres P4 4584-98' & 4571-75' and P3 4536-42 acidized w/2500 gal 15% NEFE, swabbed well 10/16/04. Perf san Andres P2 4499-4509 & 4515-20 pumped 1250 gal 15% NEFE HCL. Perf P14442'-4482. Pumping San Andres P1-P2-P3-P4; 19oil, 10mcf, 313 wtr in 19hr, P1 zone giving up water. Sqzd P1 w/ 150 sx cmt on 12/21/04. Now pumping P2-P3-P4.

RECEIVED  
 Hobbs  
 02/18/05

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 2-18-05

Type or print name Henry Konan E-mail address: arenaresourcesok@aol.com Telephone No. 918-747-6060

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE \_\_\_\_\_  
 Conditions of Approval (if any): \_\_\_\_\_

MAR 23 2005