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Month - Year MAR - 5 2007 OCD - ARTESIA, NM

State of New Mexico Oil Conservation Division 1301 W. Grand Ave. Artesia, NM 88210

Re: Temporary Abandon Status

North Benson Queen Unit Well #21

API # 30-015-04551 Eddy County, NM TA Status will be approved only upon receipt of Final C-103 and a witnessed MIT Test. Notify OCD 24 hours prior to testing.

Accepted for record NMOCD

Dear Sir or Madam:

Arena Resources, Inc. has requested an extension to the TA status of the referenced well.

At present, Arena Resources, Inc. is completely rebuilding the facility and lines for the NBQU Injection system. The permitting and inspection process is arduous and time consuming. We have meticulously evaluated the existing wells on the lease and determined each to be vital for successful reimplementation of the water flood on the NBQU. We will also be drilling 24 new wells to enhance recoveries.

Hopefully, within the upcoming year, we will be able to move on to the NBQU #21 Well. Plans include pulling the tubing and packer, cleaning out the well bore to TD at 3450', then running a new packer and corrosion resistant coated tubing string. The well will be connected to the new, state of the art, injection station by new high pressure fiberglass pipe

Maintaining Well #21 as an injector is necessary for successful sweep efficiency in the SW quarter of Section 27 and the east side of the NBQ Unit.

If more information is required, please advise.

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Sincerely:

Mike Barnhart

Production Manager