

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, 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-101  
May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address <b>Arena Resources, Inc.</b>		<sup>2</sup> OGRID Number <b>220420</b>
<sup>3</sup> Property Code <b>300385</b>	<sup>4</sup> Property Name <b>East Hobbs San Andres Unit</b>	
<sup>9</sup> Proposed Pool 1 <b>E. Hobbs (San Andres)</b>		<sup>10</sup> Proposed Pool 2
		<sup>5</sup> API Number <b>30-025-36832</b>
		<sup>6</sup> Well No. <b>#5</b>

**7 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	30	18S	39E		1720	S	2340	E	Lea

**8 Proposed Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

**Additional Well Information**

<sup>11</sup> Work Type Code <b>N</b>	<sup>12</sup> Well Type Code <b>O</b>	<sup>13</sup> Cable/Rotary <b>Rotary</b>	<sup>14</sup> Lease Type Code <b>P</b>	<sup>15</sup> Ground Level Elevation <b>3607</b>
<sup>16</sup> Multiple <b>No</b>	<sup>17</sup> Proposed Depth <b>4700</b>	<sup>18</sup> Formation <b>San Andres</b>	<sup>19</sup> Contractor <b>United Drilling</b>	<sup>20</sup> Spud Date <b>Sept 15, 2004</b>
Depth to Groundwater <b>50</b>		Distance from nearest fresh water well <b>1300</b>		Distance from nearest surface water <b>2400'</b>
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: <b>4400</b> bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

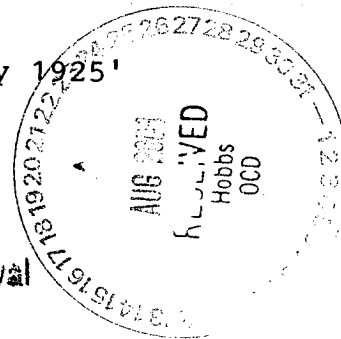
**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4	8 5/8	24	1925	950	surface
7 7/8	5 1/2	15.5	4700	950	surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

1. Move in & rig up rotary drilling rig
2. Drill 12 1/4 hole to top of anhydrite at approximately 1925'
3. Set 8 5/8 casing and cement to surface
4. Drill 7 7/8 hole to 4700' using 10 # brine
5. Obtain open hole logs
6. Run 5 1/2 - 15.5 # casing to 4700, cement to surface

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway



<sup>23</sup> 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 ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐

Printed name: **Phillip W. Terry**

Title: **Petroleum Engineer**

E-mail Address: **arenaresourcesok@aol.com**

Date: **Aug. 13, 2004** Phone: **918-747-6060**

**OIL CONSERVATION DIVISION**

Approved by:

*Chris Williams*

Title:

**OC DISTRICT SUPERVISOR/GENERAL MANAGER**

Approval Date:

Expiration Date:

**AUG 26 2004**

Conditions of Approval Attached ☐

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Arena Resources, Inc Telephone: 918-747-6060 e-mail address: arenaresourcesok@aol.com  
Address: 4920 S. Lewis Suite 107 Tulsa, OK 74105  
Facility or well name: \*see below API #: 30025-36832 U/L or Qtr/Qtr J Sec 30 T 18S R 39E  
County: Lea Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☐ Indian ☐

\*East Hobbs San Andres Unit Tamey "A" #5

Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>20</u> mil Clay <input type="checkbox"/> Initial Volume <u>4400</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet	(20 points)
	<u>50 feet or more, but less than 100 feet</u>	(10 points) <b>XX</b>
	100 feet or more	(0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes	(20 points)
	<u>No</u>	(0 points) <b>XX</b>
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet	(20 points)
	200 feet or more, but less than 1000 feet	(10 points)
	<u>1000 feet or more</u>	(0 points) <b>XX</b>
Ranking Score (Total Points) <u>10</u>		

**If this is a pit closure:** (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described 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 ☐.

Date: 8/13/04

Printed Name/Title Phillip W. Terry  
Petroleum Engineer

Signature Phillip W. Terry

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval: 8/25/04

Printed Name/Title \_\_\_\_\_

Signature Paul F. Terry

Date: \_\_\_\_\_

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II  
1301 W. GRAND AVENUE, 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 Department

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised JUNE 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025- 36832</b>	Pool Code <b>32300</b>	Pool Name <b>Hobbs; SAN ANDRES, EAST</b>
Property Code <b>300385</b>	Property Name <b>East Hobbs San Andres Unit</b>	Well Number <b>5</b>
OGRID No. <b>220420</b>	Operator Name <b>ARENA RESOURCES, INC.</b>	Elevation <b>3607'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	30	18-S	39-E		1720	SOUTH	2340	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
	Y	U	R-11980-A						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=626389.5 N X=884503.2 E</p> <p>LAT.=32°42'56.91" N LONG.=103°04'59.56" W</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Phillip W. Terry</i> Signature</p> <p><u>Phillip W. Terry</u> Printed Name</p> <p><u>Petroleum Engineer</u> Title</p> <p><u>Aug. 17, 2004</u> Date</p> <p><b>SURVEYOR CERTIFICATION</b></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>AUGUST 9, 2004</p> <p>Date Surveyed _____ JR</p> <p>Signature &amp; Seal of Professional Surveyor <i>Ronald J. Edson</i> 04.11.1000</p> <p>Certificate No. GARY EDSON 12841 RONALD J. EDSON 3239</p>
--	---