

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 Arena Resources, Inc. 4920 S. Lewis #107 Tulsa, OK 74105		<sup>2</sup> OGRID Number 220420
<sup>3</sup> Property Code 300385	<sup>4</sup> Property Name East Hobbs San Andres Unit	<sup>5</sup> Well No. 066
<sup>6</sup> Proposed Pool 1 E. Hobbs (San Andres)		<sup>7</sup> Proposed Pool 2

**7 Surface Location**

UL or lot no. J	Section 30	Township 18S	Range 39E	Lot Idn	Feet from the 2460	North/South line S	Feet from the 2430	East/West line E	County Lea
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**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
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**Additional Well Information**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3605
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4700	<sup>18</sup> Formation San Andres	<sup>19</sup> Contractor United Drilling	<sup>20</sup> Spud Date 11/10/04
Depth to Groundwater 50		Distance from nearest fresh water well 1000		Distance from nearest surface water 2800
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 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  
Data 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: 9/21/04

Phone: (918)747-6060

**OIL CONSERVATION DIVISION**

Approved by:

Title:

Approval Date:

Expiration Date:

OCT 01 2004

Conditions of Approval Attached ☐

PETROLEUM ENGINEER

## DISTRICT I

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## DISTRICT II

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## 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>30-025-36894</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>	
OGRID No. <b>220420</b>	Operator Name <b>ARENA RESOURCES, INC.</b>	Well Number <b>066</b>
		Elevation <b>3605'</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		2460	SOUTH	2430	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 <b>40</b>	Joint or Infill <b>Y</b>	Consolidation Code <b>U</b>	Order No. <b>R-11980-A</b>
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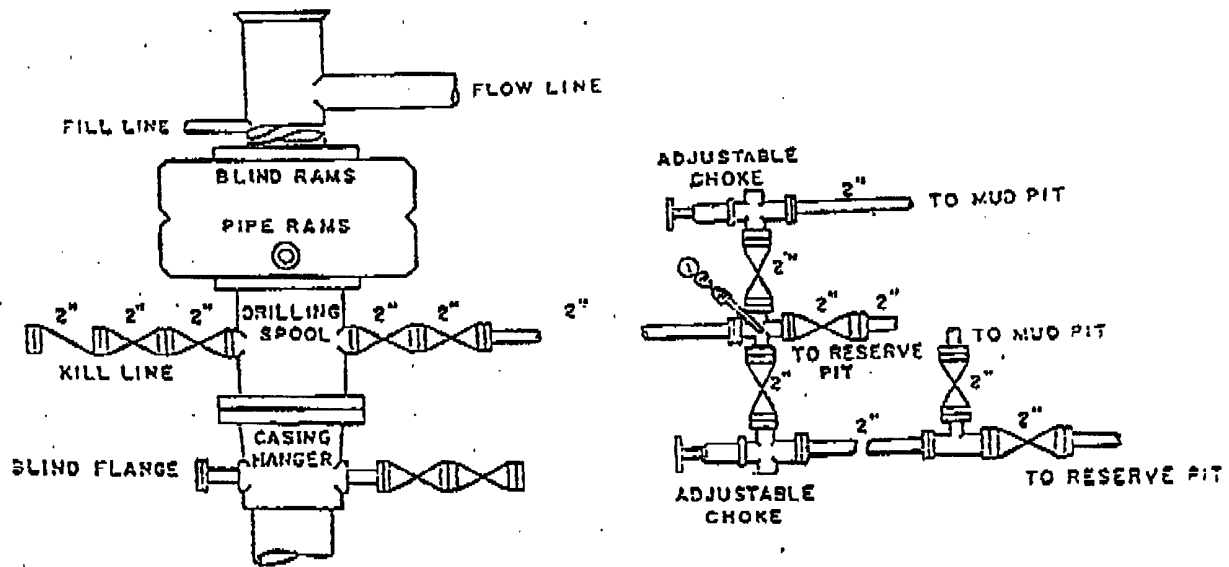
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=627128.0 N X=884404.1 E</p> <p>LAT.=32°43'04.23 N LONG.=103°05'00.62" 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></p> <p>Signature</p> <p>Phillip W. Terry</p> <p>Printed Name</p> <p>Petroleum Engineer</p> <p>arenaresources@aol.com</p> <p>Title</p> <p>September 21, 2004</p> <p>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>SEPTEMBER 10, 2004</p> <p>Date Surveyed</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>GARY EIDSON</i></p> <p>NEW MEXICO</p> <p>04.11.1178</p> <p>Certificate No. GARY EIDSON</p> <p>12641</p>		<p>LA</p>

FROM :UNITED DRILLING INC.

FAX NO. :15056237737

Aug. 03 2004 03:57PM P2

**11" Cameron Double Ram BOP****BOP DIAGRAM**

3000# Working Pressure  
Rams Operated Daily

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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 #: 40-025-36894 U/L or Qtr/Qtr J Sec 30 T 18 SR 39E  
County: Lea Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

**\*East Hobbs San Andres Unit #066**

<b>Pit</b>	<b>Below-grade tank</b>
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"/> Pit Volume <u>440</u> bbl	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)
Venthead 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: 9/21/04

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:

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

Signature \_\_\_\_\_

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

