

May 27, 2004

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-07960

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.
300385

7. Lease Name or Unit Agreement Name
East Hobbs San Andres Unit

8. Well Number

905

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 B 330 feet from the North line and 2310 feet from the East line
Section 31 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 ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Conversion to Water Injection Well

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

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.

06/05 Drill out CIBP with air/foam, Deepen to 4650 San Andres P4, Run 4 1/2" casing and cement, perforate San Andres P2-P3-P4 and acidize, run packer and lined tubing, MIT, commence injection into San Andres P2-P3-P4

PMX-227

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 5/24/05

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 OC FIELD REPRESENTATIVE II/STAFF MANAGER

Conditions of Approval (if any):

DATE JUN 15 2005