

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. 30-025-24338

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

406

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 J 1955 feet from the South line and 1930 feet from the East line  
Section 30 Township 18S Range 39E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3617' 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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

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.

11/21/05: Move rig and drill one cmt plug f/2898 to 2946 and drilling to TD 4800'. Run 120 jts of 5 1/2" 15.5# Csg set @ 4782 and cmt w/ BJ w/ total 1150 sx. Rig release 11/24/05. Run CBL, top of Cement 1720' and perf P3 (4520-4534) & P4 (4566-4582) & P2 (4488-4504) and P1 (4430-4450) with a 4" 2SPF 120 degree phasing gun. 132 Total Holes. Spot total of 6000 gal 15% NEFE HCL acid across perfs, swab, release Pkr and RIH w/production equipment

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 \_\_\_\_\_ TITLE Petroleum Engineer \_\_\_\_\_ DATE 01/27/06 \_\_\_\_\_

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

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APPROVED BY: \_\_\_\_\_ TITLE PETROLEUM ENGINEER \_\_\_\_\_ DATE FEB 02 2006

Conditions of Approval (if any):