

Submit 3 Copies To Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-025-37528

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
508

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* 1375 feet from the South line and 804 feet from the East line
Section 30 Township 18S Range 39E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3611' 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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

Spud well 11/12/05, drilled to 1855' ran 42 joints of 8-5/8"; 24#, J-55 Surface csg and cmted w/900 sx consisting of 700 sx Halliburton light premium plus tailed in with 200 sx premium plus w/ 2% CACL. Circulated 120 sx to pit. Resume drilling & drilled to TD 4610' on 11/19/05; set 108 joints of 5 1/2" csg at 4610'. Cmted with total of 1100 sx. Circulate 73sx to pit. Set slips on 5 1/2" csg cut off and rig release on 11/20/05. GIH with bit, collars and 2 7/8" tbg. Tag cement at 4570, drill out cement to 4600'. Perforate P4 at 4571'-4581' and perf. P3 4535-4549', P1 4435-4455 pulled packer to 4369 and set. Acid zed w/6000 gal 15% NEFE, swab. Build wellhead, lay flow line on 12/15/05

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE *[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

For State Use Only

APPROVED BY: *[Signature]* TITLE PETROLEUM ENGINEER DATE FEB 02 2006

Conditions of Approval (if any):