

Submit 3 Copies To Appropriate 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

**RECEIVED**  
FEB 13 2009  
OIL CONSERVATION DIVISION  
HOBBS  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 )		WELL API NO. 30-025-39197
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Arena Resources Inc		6. State Oil & Gas Lease No. 300385
3. Address of Operator 2130 W. Bender Hobbs NM 88240		7. Lease Name or Unit Agreement Name East Hobbs San Andres Unit
4. Well Location Unit Letter <u>L</u> : <u>1577</u> feet from the <u>South</u> line and <u>1119</u> feet from the <u>West</u> line Section <u>29</u> Township <u>18S</u> Range <u>39E</u> NMPM County <u>Lea</u>		8. Well Number 513
11. Elevation (Show whether DR, RKB, RT, GR, etc.) KB 3611		9. OGRID Number 220420
		10. Pool name or Wildcat Hobbs San Andres East

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER Completion <input checked="" type="checkbox"/>	

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.

01-06-2009 - 01-23-09

MIRU DTU, NU BOP

MIRU Weatherford wireline, RIH & ran gamma ray strip to verify float collar depth. RDMO Weatherford. RIH w/4 3/4 bit, bit sub, six 3 1/8 drill collars & 140 jt of 2 7/8 tbg. Tagged @ 4568', RU swivel, drilled out to 4605' by tubing strap, circ. hole clean. Pressure tested csg to 3000 psi, tested good. POH, laid down drill collar & bit. RU Weatherford, run CBL log. Perforate San Andres P2m P3 & P4 w/ 1SPF, 120° phasing, .42 diameter shot. Perf 4493-4502, 4506-4526, 4532-4546, 4552-4564, 4570-4595. MIRU BJ, acidize w/ 8000 gals. 20% NEFE. MIRU Swab unit. Swabbed well, made 60 runs, recovering 92 bbls of fluid with 50-90% oil cut. RD swab, released packer, POL & laid down packer. RIH w/4" mud anchor set @ 4584', SN set @ 4554', TAC set @ 4459', and 145 jts of 2 7/8 tbg set @ 4584'. ND BOP, set TAC, flanged up well head. RIH w/new pump and 75 3/4" rods and 114 7/8" rods, loaded and tested to 500 psi, long stroked to check pump action. RDMO DTU, set pumping unit, ran electrical. Hung well on.

Spud Date:

Rig Release Date:

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

SIGNATURE

TITLE Compliance Analyst

DATE 2-5-2009

Type or print name Colleen Robinson

E-mail address: c Robinson@arenareourcesinc.com

PHONE: 738-1739

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

FEB 23 2009


Conditions of Approval (if any):

OPERATOR Arena Resources  
WELL/LEASE EHSAU 513  
COUNTY Lea

STATE OF NEW MEXICO  
DEVIATION REPORT

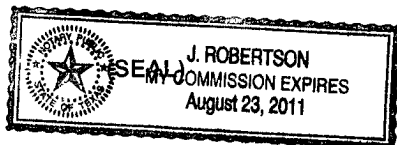
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921	1.00
1301	1.00
1712	0.50
2115	0.75
2528	1.25
2942	0.75
3132	1.25
3353	0.75
3670	0.75
4082	0.75
4300	0.75

SIGNED BY:   
DAVID SLEDGE, VP-DRILLING

STATE OF TEXAS  
COUNTY OF MIDLAND

ON THIS 16th DAY OF January, 2008, BEFORE ME, J ROBERTSON, A NOTARY  
PUBLIC, PERSONALLY APPEARED DAVID SLEDGE, WHO ACKNOWLEDGED AND EXECUTED  
THIS DOCUMENT. WITNESS MY HAND AND OFFICIAL SEAL.



KZ

  
NOTARY PUBLIC