

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 87810
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

RECEIVED
FEB 1 2009
CONSERVATION DIVISION
HOBBSSOCL
1220 South St. Francis Dr.
Santa Fe, NM 87505

| |
|---|
| WELL API NO. 30-025-39498 39209 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. 300385 |
| 7. Lease Name or Unit Agreement Name East Hobbs San Andres Unit |
| 8. Well Number 999 |
| 9. OGRID Number 220420 |
| 10. Pool name or Wildcat Hobbs San Andres East |

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
2130 W. Bender Hobbs NM 88240

4. Well Location
Unit Letter A : 990 feet from the NORTH line and 990 feet from the EAST line
Section 31 Township 18S Range 39E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
KB 3604

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.

12-26-08 thru 1-07-09

MIRU PU, NU BOP

MIRU RIH w/4 3/4 bit, 6 3 1/2 drill collars on 2 7/8 tbg. RU reverse unit, drill wiper plug and cement, circulate hole clean Test csg to 3000 psi. POOH w/ bit & DC's laying down DCs. MIRU WL, ran CBL, CL, GR. RDWLU. PU 5-1/2" csg scraper & RIH. Displace hole w/ 2% KCL. POOH. Perforate w/ 1SPF, 180° phasing, .42 diameter shot. Perf 4548-4592, 4511-4534. Pick up & RIH with pkr to 4591'. Spot 2 bbls acid. Pull pkr up to 4405' and set. MIRU BJ, load & pressure annulus to 300 psi. acidize w/ 7000 gals. 20% NEFE. RD BJ. MIRU Swab unit. Made 14 runs, recovered 45 bbls. RD swab, released pkr and POOH. Perforated P-1 zone from 4453-4482. RDMO Weatherford. MIRU BJ, acidize w/3500 gals. 20 %NEFE. MIRU Swab Unit, Swabbed well, recovered 155 bbls with 50% oil cut. RD swab, released packer, RIH & release RBP, POH & laid down tools. RIH w/4" mother hubbard, set TAC @4578', sub, stator, and 2 7/8 tbg and set @4608'. ND BOP, set TAC, flanged up well head. RIH w/ new rotor, 180 1" KD rods with spin through rod guides, 4' pony rod and 1 1/4 X 26' polish rod. Set drive on well head, RDMO DTU. Built wellhead and tied in flowlines.

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 Colleen Robinson TITLE Compliance Analyst DATE 2-5-2009

Type or print name Colleen Robinson E-mail address: crobenson@arenaresourcesinc.com PHONE: 738-1739

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE FEB 23 2009
Conditions of Approval (if any):

30-025-39209

OPERATOR Arena Resources

WELL/LEASE EHSAU 999

COUNTY Lea

H-31-185-39e

990/N & 990/E

STATE OF NEW MEXICO
DEVIATION REPORT

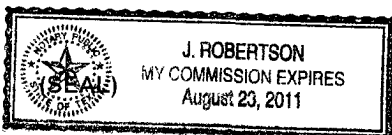
| | |
|------|------|
| 167 | 0.50 |
| 615 | 0.25 |
| 952 | 0.50 |
| 1333 | 0.50 |
| 1714 | 0.50 |
| 2020 | 0.75 |
| 2401 | 0.75 |
| 2782 | 1.25 |
| 3162 | 1.00 |
| 3542 | 1.00 |
| 3922 | 0.75 |
| 4303 | 0.25 |

SIGNED BY:

DAVID SLEDGE, VP-DRILLING

STATE OF TEXAS
COUNTY OF MIDLAND

ON THIS 9th 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.



KG

NOTARY PUBLIC