

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 87400

District IV

1220 S St Francis Dr, Santa Fe, NM 87505

Energy, Minerals and Natural Resources

RECEIVED

OIL CONSERVATION DIVISION

AUG 17 2010

1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBSOCD

WELL API NO. 30-025-12049	✓
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> FED	✓
6. State Oil & Gas Lease No. 304316	✓
7. Lease Name or Unit Agreement Name South Leonard Unit	✓
8. Well Number 15	✓
9. OGRID Number 220420	✓
10. Pool name or Wildcat Leonard; Queen South	✓

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 ☒ Injection ✓

2. Name of Operator
Arena Resources Inc ✓

3. Address of Operator
2130 W. Bender Hobbs, NM 88240

4. Well Location
Unit Letter M : 660 feet from the West line and 990 feet from the South line
Section 24 Township 26S Range 37E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
2992' DF

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 ☐
DOWNHOLE COMMINGLE ☐

OTHER ☐

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.

8-2-2010 thru 8-5-2010

TIH open ended to 3400'. Pump 65 sx class C cement from 3758'-3400'. WOC

Tag cement plug @ 3217. Circulated w/ 9.5# mud to 2665', spot 25 sx class cement from 2418'-2665'. WOC

Perforate 4 squeeze holes @ 1190', squeeze 25 sx class C cement, displace to 1140'.

Perforate 4 squeeze holes @350', could not pump into. Held 1000 psi. Lay down pkr, RIH to 400', spot 40 sx class C cement from surface to 400'.

Cut off wellhead. Pump 60 sx class C cement down surface pipe - order from Paul w/BLM

Weld on P&A marker, cut of anchors below ground, clean location.

NOTE: ALL WORK WITNESSED BY PAUL FLOWERS W/BLM

Approved for plugging of well bore only.
Liability under bond is retained pending receipt
of C-103 (Subsequent Report of Well Plugging)
which may be found at OCD Web Page under
Forms, www.cmnr.state.nm.us/oed.

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 Sr. Production Assistant DATE 8-16-2010

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

For State Use Only

APPROVED BY: Lang W. Hill TITLE DISTRICT 1 SUPERVISOR DATE AUG 27 2010

Conditions of Approval (if any):