

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM

ORIGINAL

1/2/09
Form ACO-1
September 1999
Form Must Be Typed

WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33573
Name: Arena Resources, Inc.
Address: 4920 S. Lewis, Suite 107
City/State/Zip: Tulsa, OK 74105
Purchaser: _____
Operator Contact Person: Mike Barnhart
Phone: (918) 747-6060
Contractor: Name: Cheyenne Drilling LP
License: 33375
Wellsite Geologist: Ron Osterbuhr

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

11-20-06	11-29-06	12-19-06
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 069-20295 - 00-00
County: Gray
C SW SW Sec. 7 Twp. 27 S. R. 30 East West
660 feet from (S) N (circle one) Line of Section
660 feet from E (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Nally Land & Cattle Company Well #: 1-7

Field Name: _____
Producing Formation: Chase
Elevation: Ground: 2792 Kelly Bushing: 2798
Total Depth: 2736 Plug Back Total Depth: 2730
Amount of Surface Pipe Set and Cemented at 930 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan AHI NH 9-8-08
(Data must be collected from the Reserve Pit)
Chloride content 8000 ppm Fluid volume 1000 bbls
Dewatering method used Evaporation
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Mike Barnhart
Title: Production Manager Date: 1-2-07
Subscribed and sworn to before me this 2nd day of January
20 07
Notary Public: Susan J. Beurdy
Date Commission Expires: My Commission Expires 06/02-2007
Commission #03002103

KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received **RECEIVED**
 UIC Distribution **KANSAS CORPORATION COMMISSION**
JAN 05 2007

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Arena Resources, Inc. Lease Name: Nally Land & Cattle Company Well #: 1-7
 Sec. 7 Twp. 27 S. R. 30 East West County: Gray

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Dual Ind, CBL/CCL	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Blaine</td> <td>1123</td> <td>+1675</td> </tr> <tr> <td>Cedar Hills</td> <td>1316</td> <td>+1482</td> </tr> <tr> <td>Stone Corral (Base)</td> <td>1864</td> <td>+934</td> </tr> <tr> <td>Hollenberg</td> <td>2623</td> <td>+175</td> </tr> <tr> <td>Herington</td> <td>2658</td> <td>+140</td> </tr> <tr> <td>Krider</td> <td>2691</td> <td>+107</td> </tr> <tr> <td>Odell</td> <td>2710</td> <td>+88</td> </tr> <tr> <td>Total Depth (Driller)</td> <td>2730</td> <td>+68</td> </tr> </table>	Name	Top	Datum	Blaine	1123	+1675	Cedar Hills	1316	+1482	Stone Corral (Base)	1864	+934	Hollenberg	2623	+175	Herington	2658	+140	Krider	2691	+107	Odell	2710	+88	Total Depth (Driller)	2730	+68
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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs./Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface Csg	12 1/4	8 5/8	24	930	Lite & Common	275 & 150	3% CC, 1/4# Floseal
Production Csg	7 7/8	4 1/2	10.5	2730	Lite & ASC	450 & 125	2% Gel, 1/4# Floseal

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	2663-2671 (8')	1000 Gal 15% HCL	2663-71

TUBING RECORD	Size 2 3/8	Set At 2655 KB	Packer At N/A	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumerd Production, SWD or Enhr. 12-19-06 SI WO Pipeline	Producing Method <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
-----------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	0	60	Trace		

Disposition of Gas <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify)
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GEOLOGICAL SUMMARY

Arena Resources, Inc.
Nally Land & Cattle Company #1-7
660' FWL, 660' FSL Sec 7-T27S-R30W
Gray County, Kansas
API #15-069-20295
Elevations: G.L.- 2792', K.B.- 2798' (reference datum)

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The following formation depths were determined from cased-hole electric logs, and the sub-sea datums are referenced to the KB elevation of 2798':

<u>Formation</u>	<u>Log Depth</u>	<u>Datum</u>	<u>+/- to Kay #1-19</u>
T/Blaine	1123'	+1675'	-1'
T/Cedar Hills	1316'	+1482	-14'
B/Stone Corral	1864'	+ 934'	-30'
T/Hollenberg	2623'	+ 175'	-19'
T/Herington	2658'	+ 140'	-23'
T/Krider	2691'	+ 107'	-32'
T/Odell	2710'	+ 88'	-22'
Total Depth	2730'	+ 68'	

The sub-sea datums are also compared to datums from the Arena Resources-Kay #1-19 well located in the E2 E2 SE sec 19-T27S-R30W.

The Herington-Krider interval consists primarily of tan to light gray, finely crystalline to sucrosic, slightly argillaceous and silty dolomite, with intercrystalline to vuggy porosity. The Odell Shale from consists of light gray, silty, slightly calcareous to dolomitic shale and siltstone. Recommended perforations are the upper Herington from 2663'-2671', and this interval should be tested for gas pressure and water production. If virgin pressure (~440#) is present, and if water production is absent, the Krider interval from 2692'-2698' should be perforated and tested. A subsequent acid treatment could involve both sets of perforations, if neither interval proves to be water productive.



Ron Osterbuhr
12/2006

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CONSERVATION DIVISION
WICHITA, KS

DRILLER'S LOG

ARENA RESOURCES, INC
NALLY LAND & CATTLE #1-7
SECTION 7-T27S-R30W
GRAY COUNTY, KANSAS

COMMENCED: 11-20-06
COMPLETED: 11-30-06

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SURFACE CASING: 932' OF 8 5/8" CMTD
W/275 SKS PREMIUM PLUS LITE + 3% CC +
1/4#SK FLOCELE. TAILED W/150 SKS COMM
+ 3% CC.

FORMATION

DEPTH

FORMATION	DEPTH
SAND & CLAY	0 - 935
RED BED	935 - 1215
GLORIETTA	1215 - 1420
RED BED	1420 - 1897
ANHYDRITE	1897 - 1935
LIME & SHALE	1935 - 2730 RTD

I DO HEREBY CERTIFY THAT THE FOREGOING STATEMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

CHEYENNE DRILLING



JACK PEPPER

STATE OF KANSAS: ss:

SUBSCRIBED AND SWORN TO BEFORE ME THIS 4TH DAY OF DECEMBER, 2006.

JOLENE K. RUSSELL


NOTARY PUBLIC

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KANSAS CORPORATION COMMISSION
JAN 05 2007
CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., INC.

25161

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

RCC
JAN 02 2007

SERVICE POINT:
OAKLEY

CONFIDENTIAL

DATE <u>11-29-06</u>	SEC <u>7</u>	TWP. <u>27S</u>	RANGE <u>30W</u>	CALLED OUT	ON LOCATION <u>2:30 PM</u>	JOB START <u>11:00 PM</u>	JOB FINISH <u>12:00 AM</u>
WALLY LAND	LEASE <u>CATTLE CO.</u>	WELL # <u>1-7</u>	LOCATION <u>COPELAND 11N-1W-14N-E 1W</u>		COUNTY <u>GRAY</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR CHEYENNE DR26. RIG # 11 OWNER SAME

TYPE OF JOB PRODUCTION STRING

HOLE SIZE 7 7/8" T.D. 2730'

CASING SIZE 4 1/2" DEPTH 2736'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 43.50 BBL.

CEMENT

AMOUNT ORDERED 125 SKS ASC 2% GEL

450 SKS LITE 1/4" FLO-SEAL

EQUIPMENT

PUMP TRUCK # 422 CEMENTER TERRY MAX HELPER WAYNE

BULK TRUCK # 397 DRIVER LONNIE

BULK TRUCK # 344 DRIVER STEVE

COMMON	@		
POZMIX	@		
GEL		<u>2 SKS</u>	@ <u>16.50</u> <u>33.00</u>
CHLORIDE	@		
ASC		<u>125 SKS</u>	@ <u>14.20</u> <u>1775.00</u>
		<u>LITE 450 SKS</u>	@ <u>10.75</u> <u>4837.50</u>
	@		
	@		
	@		
	@		
	@		
	@		
	@		
HANDLING	@	<u>619 SKS</u>	@ <u>1.90</u> <u>1176.10</u>
MILEAGE		<u>92 PER SK / MILE</u>	<u>3064.00</u>
			<u>95.00</u>
TOTAL			<u>1411.00</u>

REMARKS:

MIX 450 SKS LITE 1/4" FLO-SEAL

125 SKS ASC 2% GEL, WASH

TRUCK + LENSES,

LEFT PRESSURE 1100 PSI.

PLUG LANDED AT 1700 PSI.

LATCH DOWN HELD

CEMENT CID CTRL.

THANK YOU

SERVICE

DEPTH OF JOB		<u>2736'</u>	
PUMP TRUCK CHARGE			<u>1610.00</u>
EXTRA FOOTAGE	@		
MILEAGE		<u>55 MI</u>	@ <u>6.00</u> <u>330.00</u>
MANIFOLD	@		
	@	<u>Head Rental</u>	<u>100.00</u>
	@		
TOTAL			<u>2040.00</u>

CHARGE TO: ARENA RESOURCES

STREET _____

CITY _____ STATE _____ ZIP _____

4 1/2" PLUG & FLOAT EQUIPMENT

<u>1-CURVE SHOE</u>			<u>125.00</u>
<u>1-Latch down plug ASSY</u>	@		<u>325.00</u>
<u>10-CENTRALIZERS</u>	@	<u>45.00</u>	<u>450.00</u>
	@		
	@		
	@		
TOTAL			<u>900.00</u>

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE [Signature]

RON OSTERBLUM

RECEIVED
KANSAS CORPORATION COMMISSION
JAN 05 2007
CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., INC. 24570

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

KCC
JAN 02 2007

SERVICE POINT:

Oakley

CONFIDENTIAL

DATE <i>11/21/06</i>	SEC <i>7</i>	TWP <i>27a</i>	RANGE <i>30W</i>	ON LOCATION <i>2:00 AM</i>	JOB START <i>9:15 AM</i>	JOB FINISH <i>10:10 AM</i>
LEASE <i>...</i>	WELL# <i>1-7</i>	LOCATION <i>Copeland 11 1/2 N 1 W 1/2 E/S</i>	COUNTY <i>Clay</i>	STATE <i>Ks</i>		
OLD OR <u>NEW</u> (Circle one)						

CONTRACTOR *Chapman #11*

TYPE OF JOB *Cont. 5% CSG*

HOLE SIZE *17 1/2* T.D. *935*

CASING SIZE *5 7/8* DEPTH *935*

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT *40*

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT *57.01 MBL*

OWNER *Archie H. ...*

CEMENT

AMOUNT ORDERED

275 sk. Lite + 275 sk. 1" Flt. Seal

156 Class H + 392.00

COMMON	<i>150 sk.</i>	@	<i>12.20</i>	<i>1830.00</i>
POZMIX		@		
GEL		@		
CHLORIDE	<i>14 gal.</i>	@	<i>46.60</i>	<i>652.40</i>
ASC		@		
	<i>Liter night 275 sk.</i>	@	<i>11.30</i>	<i>3107.50</i>
	<i>Flt Seal 692</i>	@	<i>2.00</i>	<i>135.00</i>
		@		
		@		
		@		
		@		
HANDLING	<i>455</i>	@	<i>1.90</i>	<i>864.50</i>
MILEAGE	<i>70 / 100 / mi.</i>			<i>2252.25</i>
TOTAL				

EQUIPMENT

PUMP TRUCK CEMENTER *Max*

332 281 HELPER *Andrew*

BULK TRUCK

394 DRIVER *Kelly*

BULK TRUCK

218 DRIVER *Ray*

REMARKS:

... with 275 sk. Lite +
... from Top Plus Displace
57.01 MBL 1 and Plus Flt Seal
Cement did circulate

SERVICE

DEPTH OF JOB	<i>935</i>		
PUMP TRUCK CHARGE			<i>815.00</i>
EXTRA FOOTAGE	<i>635</i>	@	<i>.65</i> <i>412.75</i>
MILEAGE	<i>55 mi</i>	@	<i>6.00</i> <i>330.00</i>
MANIFOLD	<i>Head Rental</i>	@	<i>100.00</i>
		@	
		@	
TOTAL			

CHARGE TO: *Chapman Drilling*

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<i>1-4" Rubber Plug</i>	@	<i>100.00</i>
<i>1-6" + 1" Insert</i>	@	<i>325.00</i>
<i>2-4" Centralizer</i>	@	<i>55.00</i> <i>165.00</i>
<i>1-5" ...</i>	@	<i>180.00</i>
	@	
TOTAL		

To Allied Cementing Co., Inc.

You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE *Rob Steink*

PRINTED NAME

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JAN 05 2007
CONSERVATION DIVISION
WICHITA, KS



4920 S. Lewis, Suite 107 Tulsa, Oklahoma 74105
Phone (918) 747-6060 FAX (918) 747-7620

1/2/09

Kansas Corporation Commission
130 S. Market, Room 2078
Wichita, Kansas 67202

January 2, 2007

Re: Nally Land & Cattle Company 1-7
API # 15-069-20295
Gray County, KS

KCC
JAN 02 2007
CONFIDENTIAL

Gentlemen:

Arena Resources, Inc. respectfully requests that the referenced well completion information be held confidential for the maximum time allowed by rule.

Sincerely,

A handwritten signature in cursive script that reads "Mike Barnhart".

Mike Barnhart

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KANSAS CORPORATION COMMISSION
JAN 05 2007
CONSERVATION DIVISION
WICHITA, KS