



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

March 24, 2004

Mr. Robert Ready  
Pure Resources LP  
500 W. Illinois  
Midland, TX 79701

Re: Teas Prospect  
Term Assignment Request  
NE/4 SE/4, W/2 SE/4 of Section 14, T20S, R33E  
Lea County, New Mexico

OIL CONSERVATION DIVISION  
CASE NUMBER  
EXHIBIT NUMBER **3**

Dear Robert:

Our review of the federal and county records indicates Pure Resources L.P. owns operating rights in the in the lands described above as follows:

BLM Lease NM-2951: W/2 SE/4 as to depths below 4000', 100% WI,  
86.55% NRI  
BLM Lease NM-12744: NE/4 SE/4 as to depths below 4000', 100% WI,  
86.55% NRI

Samson is interested in securing a Term Assignment on the above lands. Samson's offer is \$250 per net acre, 2 year term with 120 day continuous development, and delivery of an 80% net revenue interest. The terms are subject to a mutually agreed to Term Assignment form.

Pure assigned its interests in these leases as to depths from surface to 4000' to Momentum Operating Co. in 2001. The documents executed and filed with the BLM are of Operating Rights to 4000' and of Record Title. This creates a question as to the depths conveyed by Pure, but it is apparent the intent was to convey the shallow rights only. Please let me know if this assumption is incorrect.

Pure Resources LP  
March 24, 2004  
Page Two

Please review this offer and call me at 432/570-9622 to discuss it further. I appreciate your consideration of this request.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth E. Moses". The signature is written in black ink and is positioned below the word "Sincerely,".

Elizabeth E. Moses  
Consulting Landman



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

April 24, 2004

**VIA CERTIFIED MAIL 70020510000319669072**

Mr. Robert Ready  
Pure Resources LP  
500 W. Illinois  
Midland, TX 79701

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Robert:

Samson Resources Company proposes to drill and complete the Maverick "14" Federal #1 Well to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to a depth of 14,000' to test the Morrow formation. The estimated cost of this operation is \$2,189,352 as detailed more specifically in the attached AFE. The records reflect that Pure owns a 100% leasehold interest in the W/2 SE/4 and NE/4 SE/4 at a 86.55% net revenue interest.

Please evidence your election by marking the appropriate space below and returning one (1) copy of this letter to the letterhead address. Should you elect to participate, we also ask that you return a signed AFE and advise whether you desire Samson to carry Well Control Insurance for your account.

Should you have any question regarding this well proposal, please contact the undersigned at (432) 683-7063.

Sincerely,

A handwritten signature in cursive script that reads 'Peggy Kerr'.

Peggy Kerr  
District Landman

**WELL ELECTION**

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

**WELL CONTROL INSURANCE ELECTION**

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

**PURE RESOURCES LP**

\_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_



Centennial Tower  
200 N. Lorraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 4, 2004

**VIA CERTIFIED MAIL 70020510000319669058**

Lindy's Living Trust  
6300 Ridglea Place, Suite 1005-A  
Fort Worth, TX 76116

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Gentlemen:

The records of Lea County, New Mexico and the Federal Records and information furnished us by Mr. Edward R. Hudson, Jr. reflect that the Lindy's Living Trust owns 21.875% of the leasehold interest at an 85.025% net revenue interest in the SE/4 SE/4 of Section 14, T-20-S, R-33-E, Lea County, New Mexico.

Samson Resources Company proposes the drilling of the Maverick "14" Federal #1 Well, to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to 14,000' or a depth sufficient to test the Morrow formation. Enclosed please find an AFE for this well, reflecting dry hole costs of \$1,340,362 and a completed well cost of \$2,189,352.

The unit for this well will encompass the entire S/2 of said section. Samson respectfully requests that you elect to participate in said well by executing and returning the enclosed election form or sell or farm out your interest on either of the following terms:

9. Sell your leasehold for a bonus of \$250 per net acre.
10. Farmout your interest for a term of one year, retaining as an overriding royalty the difference between existing burdens and 20%.

Please indicate your election within fifteen days of your receipt of this letter. If you have any questions, please don't hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "Peggy Kerr".

Peggy Kerr  
District Landman

WELL ELECTION

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

WELL CONTROL INSURANCE ELECTION

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

**LINDY'S LIVING TRUST**

\_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 25, 2004

Lindy's Living Trust  
6300 Ridglea Place, Suite 1005-A  
Fort Worth, TX 76116

Delmar Hudson Lewis Living Trust

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Gentlemen:

Enclosed please find the Joint Operating Agreement dated May 17, 2004 governing the referenced well. As we discussed on the telephone, this JOA covers a unit are of the S/2 of Section 14, but is applicable to only the owners of a leasehold interest in the SE/4. Please note that the interest reflected on Exhibit "A" is that in the SE/4 only and will need to be reduced by 50% to obtain your interest in the drilling unit.

Please review the enclosed agreement and respond with any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads 'Elizabeth E. Moses'.

Elizabeth E. Moses  
Consulting Landman

Enclosure



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 4, 2004

**VIA CERTIFIED MAIL 70020510000319669058**

Delmar Hudson Lewis Living Trust  
6300 Ridglea Place, Suite 1005-A  
Fort Worth, TX 76116

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Gentlemen:

The records of Lea County, New Mexico and the Federal Records and information furnished us by Mr. Edward R. Hudson, Jr. reflect that the Delmar Hudson Lewis Living Trust owns 21.875% of the leasehold interest at an 85.025% net revenue interest in the SE/4 SE/4 of Section 14, T-20-S, R-33-E, Lea County, New Mexico.

Samson Resources Company proposes the drilling of the Maverick "14" Federal #1 Well, to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to 14,000' or a depth sufficient to test the Morrow formation. Enclosed please find an AFE for this well, reflecting dry hole costs of \$1,340,362 and a completed well cost of \$2,189,352.

The unit for this well will encompass the entire S/2 of said section. Samson respectfully requests that you elect to participate in said well by executing and returning the enclosed election form or sell or farm out your interest on either of the following terms:

11. Sell your leasehold for a bonus of \$250 per net acre.
12. Farmout your interest for a term of one year, retaining as an overriding royalty the difference between existing burdens and 20%.

Please indicate your election within fifteen days of your receipt of this letter. If you have any questions, please don't hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "Peggy Kerr".

Peggy Kerr  
District Landman

**WELL ELECTION**

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

**WELL CONTROL INSURANCE ELECTION**

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

**DELMAR HUDSON LEWIS LIVING TRUST**

\_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 4, 2004

**VIA CERTIFIED MAIL 70020510000319669065**

Edward R. Hudson Trust I  
Hudson Oil Company  
616 Texas St.  
Fort Worth, TX 76102

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Mr. Hudson:

The records of Lea County, New Mexico and the Federal Records and information furnished us by Mr. Edward R. Hudson, Jr. reflect that the Edward R. Hudson Trust I owns 10.9375% of the leasehold interest at an 85.025% net revenue interest in the SE/4 SE/4 of Section 14, T-20-S, R-33-E, Lea County, New Mexico.

Samson Resources Company proposes the drilling of the Maverick "14" Federal #1 Well, to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to 14,000' or a depth sufficient to test the Morrow formation. Enclosed please find an AFE for this well, reflecting dry hole costs of \$1,340,362 and a completed well cost of \$2,189,352.

The unit for this well will encompass the entire S/2 of said section. Samson respectfully requests that you elect to participate in said well by executing and returning the enclosed election form or sell or farm out your interest on either of the following terms:

1. Sell your leasehold for a bonus of \$250 per net acre.
2. Farmout your interest for a term of one year, retaining as an overriding royalty the difference between existing burdens and 20%.

Please indicate your election within fifteen days of your receipt of this letter. If you have any questions, please don't hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in black ink that reads 'Peggy Kerr' with a small flourish at the end.

Peggy Kerr  
District Landman

SF

WELL ELECTION

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

WELL CONTROL INSURANCE ELECTION

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

**EDWARD R. HUDSON TRUST 1**

\_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 25, 2004

**VIA Federal Express**

Edward R. Hudson Trust I  
Edward R. Hudson Trust I  
C/o Hudson Oil Company  
616 Texas St.  
Fort Worth, TX 76102

Edward R. Hudson Trust I  
Edward R. Hudson, Jr.

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Mr. Hudson:

Enclosed please find the Joint Operating Agreement dated May 17, 2004 governing the referenced well. As we discussed on the telephone, this JOA covers a unit are of the S/2 of Section 14, but is applicable to only the owners of a leasehold interest in the SE/4. Please note that the interest reflected on Exhibit "A" is that in the SE/4 only and will need to be reduced by 50% to obtain your interest in the drilling unit.

Please review the enclosed agreement and respond with any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads 'Elizabeth E. Moses'.

Elizabeth E. Moses  
Consulting Landman

Enclosure



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 4, 2004

**VIA CERTIFIED MAIL 70020510000319669065**

Edward R. Hudson Trust 2  
Hudson Oil Company  
616 Texas St.  
Fort Worth, TX 76102

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Mr. Hudson:

The records of Lea County, New Mexico and the Federal Records and information furnished us by Mr. Edward R. Hudson, Jr. reflect that the Edward R. Hudson Trust 2 owns 10.9375% of the leasehold interest at an 85.025% net revenue interest in the SE/4 SE/4 of Section 14, T-20-S, R-33-E, Lea County, New Mexico.

Samson Resources Company proposes the drilling of the Maverick "14" Federal #1 Well, to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to 14,000' or a depth sufficient to test the Morrow formation. Enclosed please find an AFE for this well, reflecting dry hole costs of \$1,340,362 and a completed well cost of \$2,189,352.

The unit for this well will encompass the entire S/2 of said section. Samson respectfully requests that you elect to participate in said well by executing and returning the enclosed election form or sell or farm out your interest on either of the following terms:

3. Sell your leasehold for a bonus of \$250 per net acre.
4. Farmout your interest for a term of one year, retaining as an overriding royalty the difference between existing burdens and 20%.

Please indicate your election within fifteen days of your receipt of this letter. If you have any questions, please don't hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "Peggy Kerr".

Peggy Kerr  
District Landman

**WELL ELECTION**

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

**WELL CONTROL INSURANCE ELECTION**

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

**EDWARD R. HUDSON TRUST 2**

\_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_



Centennial Tower  
200 N. Lorraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 4, 2004

**VIA CERTIFIED MAIL 70020510000319669065**

Edward R. Hudson Trust 3  
Hudson Oil Company  
616 Texas St.  
Fort Worth, TX 76102

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Mr. Hudson:

The records of Lea County, New Mexico and the Federal Records and information furnished us by Mr. Edward R. Hudson, Jr. reflect that the Edward R. Hudson Trust 3 owns 10.9375% of the leasehold interest at an 85.025% net revenue interest in the SE/4 SE/4 of Section 14, T-20-S, R-33-E, Lea County, New Mexico.

Samson Resources Company proposes the drilling of the Maverick "14" Federal #1 Well, to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to 14,000' or a depth sufficient to test the Morrow formation. Enclosed please find an AFE for this well, reflecting dry hole costs of \$1,340,362 and a completed well cost of \$2,189,352.

The unit for this well will encompass the entire S/2 of said section. Samson respectfully requests that you elect to participate in said well by executing and returning the enclosed election form or sell or farm out your interest on either of the following terms:

5. Sell your leasehold for a bonus of \$250 per net acre.
6. Farmout your interest for a term of one year, retaining as an overriding royalty the difference between existing burdens and 20%.

Please indicate your election within fifteen days of your receipt of this letter. If you have any questions, please don't hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads 'Peggy Kerr'.

Peggy Kerr  
District Landman

WELL ELECTION

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

WELL CONTROL INSURANCE ELECTION

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

**EDWARD R. HUDSON TRUST 3**

\_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 4, 2004

**VIA CERTIFIED MAIL 70020510000319669041**

Edward R. Hudson Trust 4  
Mary Hudson Ard, Trustee  
222 W. 4<sup>th</sup> Street PH-5  
Fort Worth, TX 76102

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Ms. Ard:

The records of Lea County, New Mexico and the Federal Records and information furnished us by Mr. Edward R. Hudson, Jr. reflect that the Edward R. Hudson Trust 4 owns 10.9375% of the leasehold interest at an 85.025% net revenue interest in the SE/4 SE/4 of Section 14, T-20-S, R-33-E, Lea County, New Mexico.

Samson Resources Company proposes the drilling of the Maverick "14" Federal #1 Well, to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to 14,000' or a depth sufficient to test the Morrow formation. Enclosed please find an AFE for this well, reflecting dry hole costs of \$1,340,362 and a completed well cost of \$2,189,352.

The unit for this well will encompass the entire S/2 of said section. Samson respectfully requests that you elect to participate in said well by executing and returning the enclosed election form or sell or farm out your interest on either of the following terms:

13. Sell your leasehold for a bonus of \$250 per net acre.
14. Farmout your interest for a term of one year, retaining as an overriding royalty the difference between existing burdens and 20%.

Please indicate your election within fifteen days of your receipt of this letter. If you have any questions, please don't hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "Peggy Kerr".

Peggy Kerr  
District Landman

WELL ELECTION

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

WELL CONTROL INSURANCE ELECTION

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

**EDWARD R. HUDSON TRUST 4**

\_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 4, 2004

**VIA LONE STAR OVERNIGHT Z0797372**

Edward R. Hudson Trust 4  
Mary T. Hudson Ard, Trustee  
222 W. 4<sup>th</sup> Street PH-5  
Fort Worth, TX 76102

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Ms. Ard:

In accordance with my telephone conversations with Mr. Mark Maloney, enclosed please find and two copies of an original Term Assignment of Oil and Gas Lease to Samson Resources Company. Also enclosed is my check number 3620 in the amount of \$437.50, which represents the bonus payment of \$100 per net acre for your interest.

Please execute both copies of the assignment, have them notarized, and return both to me in the envelope provided. We will furnish you a copy of the instrument after it has been recorded in the Lea County records.

We appreciate your attention to this matter; if you should have any questions, please don't hesitate to contact me at 432/570-9622.

Sincerely,

Elizabeth E. Moses  
Consulting Landma

Enclosures  
Cc: Mr. C. Mark M

<b>ELIZABETH LIND MOSES</b>		37-65 1119 720	3620
DL 04776295 PH (915)699-0156 4810 TEAKWOOD TRACE MIDLAND, TX 79707		Date 5/11/04	
Pay to the order of	Edward R. Hudson Trust 4	\$437.50	
	Four hundred, thirty seven & 50/100		Dollars
NORWEST BANK TEXAS, N.A.			
For	Samson-Maverick	Elizabeth E. Moses	
⑆ 111900659⑆		7403066835⑈ 3620	



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

May 25, 2004

Edward R. Hudson Trust 4  
Mary Hudson Ard, Trustee  
222 W. 4<sup>th</sup> Street PH-5  
Fort Worth, TX 76102

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Ms. Ard:

Dear Mr. Hudson:

Enclosed please find the Joint Operating Agreement dated May 17, 2004 governing the referenced well. As we discussed on the telephone, this JOA covers a unit are of the S/2 of Section 14, but is applicable to only the owners of a leasehold interest in the SE/4. Please note that the interest reflected on Exhibit "A" is that in the SE/4 only and will need to be reduced by 50% to obtain your interest in the drilling unit.

Please review the enclosed agreement and respond with any questions you may have.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Elizabeth E. Moses'.

Elizabeth E. Moses  
Consulting Landman

Enclosure



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
USA  
432/683-7063  
Fax 432/683-6847

April 26, 2004

**VIA CERTIFIED MAIL 70020510000319669089**

Mr. Edward R. Hudson, Jr.  
616 Texas St.  
Fort Worth, TX 76102

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Mr. Hudson:

The records of Lea County, New Mexico and the Federal Records reflect that you own 100% of the leasehold interest and a 85.025% net revenue interest in the SE/4 SE/4 of Section 14, T-20-S, R-33-E, Lea County, New Mexico.

Samson Resources Company proposes the drilling of the Maverick "14" Federal #1 Well, to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to 14,000' or a depth sufficient to test the Morrow formation. Enclosed please find an AFE for this well, reflecting dry hole costs of \$1,340,362 and a completed well cost of \$2,189,352.

The unit for this well will encompass the entire S/2 of said section. Samson respectfully requests that you elect to participate in said well or sell or farm out your interest on either of the following terms:

1. Sell your leasehold for a bonus of \$250 per net acre.
2. Farmout your interest for a term of one year, retaining as an overriding royalty the difference between existing burdens and 20%.

Please indicate your election within fifteen days of your receipt of this letter. If you have any questions, please don't hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "Peggy Kerr".

Peggy Kerr  
District Landman



Centennial Tower  
200 N. Loraine, Suite 1170  
Midland, TX 79701  
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432/683-7063  
Fax 432/683-6847

May 4, 2004

**VIA CERTIFIED MAIL 70020510000319669065**

Edward R. Hudson, Jr.  
Hudson Oil Company  
616 Texas St.  
Fort Worth, TX 76102

RE: Maverick "14" Federal #1 Well  
S/2 of Section 14, T-20-S, R-33-E  
Lea County, New Mexico

Dear Mr. Hudson:

The records of Lea County, New Mexico and the Federal Records and information furnished us by Mr. Edward R. Hudson, Jr. reflect that you own 12.5% of the leasehold interest at an 85.025% net revenue interest in the SE/4 SE/4 of Section 14, T-20-S, R-33-E, Lea County, New Mexico.

Samson Resources Company proposes the drilling of the Maverick "14" Federal #1 Well, to be located 1980' FSL and 1830' FWL of Section 14, T-20-S, R-33-E to 14,000' or a depth sufficient to test the Morrow formation. Enclosed please find an AFE for this well, reflecting dry hole costs of \$1,340,362 and a completed well cost of \$2,189,352.

The unit for this well will encompass the entire S/2 of said section. Samson respectfully requests that you elect to participate in said well by executing and returning the enclosed election form or sell or farm out your interest on either of the following terms:

7. Sell your leasehold for a bonus of \$250 per net acre.
8. Farmout your interest for a term of one year, retaining as an overriding royalty the difference between existing burdens and 20%.

Please indicate your election within fifteen days of your receipt of this letter. If you have any questions, please don't hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "Peggy Kerr".

Peggy Kerr  
District Landman

**WELL ELECTION**

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMON'S WELL PROPOSAL OF THE MAVERICK "14" FEDERAL #1 WELL.

**WELL CONTROL INSURANCE ELECTION**

\_\_\_\_\_ I/WE ELECT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_ I/WE ELECT NOT TO PARTICIPATE IN SAMSON'S WELL CONTROL INSURANCE.

\_\_\_\_\_  
**EDWARD R. HUDSON**

Date: \_\_\_\_\_