

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruc@aol.com

RECEIVED

JUL 29 2003

Oil Conservation Division

July 29, 2003

Via Hand Delivery

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case 13/30

Dear Florene:

Enclosed for filing are an original and one copy of an application for compulsory pooling, together with a proposed advertisement, filed on behalf of Samson Resources Company. Please set this matter for the August 21, 2003 Examiner hearing. Thank you.

The advertisement is also on the enclosed disk.

Very truly yours,


James Bruce

Attorney for Samson Resources Company

Parties Being Pooled

BP America Production Co.
501 WestLake Park Boulevard
Houston, Texas 77079

Attention: Tony Webb
WL1-Room 6.199

RECEIVED

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION JUL 29 2003

APPLICATION OF SAMSON RESOURCES
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

Oil Conservation Division

Case No. 13130

APPLICATION

Samson Resources Company applies for an order pooling all mineral leasehold interests from the surface to the base of the Morrow formation underlying Lots 9, 10, 15, 16, and the SE¼ of irregular Section 4, Township 16 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the proposed well unit, and has the right to drill a well thereon.

2. Applicant proposes to drill its Banshee "4" Fed. Com. Well No. 1, at an orthodox location in Lot 16 (Unit P) of Section 4, to a depth sufficient to test the Morrow formation, and seeks to dedicate Lots 9, 10, 15, 16, and the SE¼ of Section 4 to the well to form a standard 320 acre gas spacing and proration unit for any and all formations and/or pools developed on 320 acre spacing within that vertical extent, including the Undesignated Diamond Mound-Wolfcamp Gas Pool, Undesignated Diamond Mound-Atoka Gas Pool, and Undesignated Diamond Mound-Morrow Gas Pool.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral leasehold interest owners in Lots 9, 10, 15, 16, and the SE¼ of Section 4 for the purposes set forth herein.

4. Although applicant attempted to obtain voluntary agreements from all mineral leasehold interest owners to

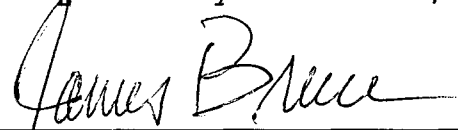
participate in the drilling of the well, or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral leasehold interests in Lots 9, 10, 15, 16, and the SE¼ of Section 4, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral leasehold interests underlying Lots 9, 10, 15, 16, and the SE¼ of Section 4 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral leasehold interests in Lots 9, 10, 15, 16, and the SE¼ of Section 4 from the surface to the base of the Morrow formation;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling and completing the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a penalty for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

A handwritten signature in cursive script, reading "James Bruce". The signature is written in dark ink and is positioned above a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Samson Resources Company