

GALLEGOS LAW FIRM

A Professional Corporation

460 St. Michael's Drive
Building 300
Santa Fe, New Mexico 87505
Telephone No. 505-983-6686
Telefax No. 505-986-1367
E-Mail jeg@gallegoslawfirm.net

J.E. GALLEGOS*

February 2, 2007
(Our File No. 05-376.00)

VIA TELECOPY

Director Mark Fesmire
New Mexico Oil Conservation Commission
1220 S. Saint Francis Drive
Santa Fe, New Mexico 87504

Re: OCC Cases 13492 and 13493—KF 4 State Well No. 1

Dear Director Fesmire:

First, my apologies for not communicating sooner. In-house counsel, Mark Lauer, has been out-of-town and after returning to the office he had been unable to reach the pertinent vice president until today.

Samson Resources Company has previously and is currently participating in settlement discussions regarding this matter. It is our view, however, that the parties will be far better able to evaluate their status and conduct negotiations after they have in hand the actual terms of the Commission decision. For example, there is speculation that the decision would not allow a risk charge and there is concern over the devastating affect that would have on future drilling within the unit.

Samson does not join in the pending motion to delay the issuance of a decision in these cases. If, however, the Commission should delay its order, we believe that the Commission should advise the parties of a date certain on which the decision will be issued and that the date be relatively soon.

We have taken this expedited means for Samson to state its position rather than

2007 FEB 5 PM 1:04

*Admitted in N.M. & Colo.

**New Mexico Board of Legal Specialization
Recognized Specialist in the area of
Natural Resources-Oil and Gas Law

Director Mark Fesmire
February 2, 2007
Page 2

preparing and filing a response to the motion, It is requested that this letter be made part of the record.

Sincerely,

GALLEGOS LAW FIRM, P.C.

By 
J.E. GALLEGOS

JEG:sg

fxc: Commissioner Bailey
Commissioner Olson
Scott Hall
Jim Bruce
Tom Kellahin
Earl DeBrine
Mark Lauer