

DATE IN <u>3/1/07</u>	SUSPENSE	ENGINEER <u>W. Jones</u>	LOGGED IN <u>3/2/07</u>	TYPE <u>NSL</u>	APP NO. <u>PTD50706151708</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] ☒ Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] ☐ Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] ☐ Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] ☐ Other: Specify _____

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[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce
 P.O. Box 1056
 Santa Fe, New Mexico 87504

Signature

Attorney for Applicant

Title

Date

jamesbruc@aol.com

e-mail Address

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) 660-6612 (Cell)
(505) 982-2151 (Fax)

jamesbruc@aol.com

February 28, 2007

Hand delivered

Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Fesmire:

Pursuant to Division Rule 104.F(2), Samson Resources Company applies for approval of an unorthodox gas well location for the following well:

<u>Well:</u>	Fast Draw Fed. Well No. 1 ³
<u>Location:</u>	2125 feet FNL & 660 feet FEL
<u>Well Unit:</u>	Lots 1-4 and S½N½ (N½) of Section 5, Township 23 South, Range 24 East, N.M.P.M., Eddy County, New Mexico (318.08 acres)

The well was drilled to the Morrow formation in 1989, but was P&A'd. Applicant proposes to re-enter the well and do the following:

1. Test the well in the vertical interval in the Cisco/Canyon, Strawn, Atoka, and Morrow formations; and possibly
2. Drill a horizontal well in the Cisco/Canyon formation from the unorthodox location in the SE¼NE¼ to an orthodox terminus in the SW¼NW¼ of Section 5.

It is anticipated that all formations will be gas zones, spaced on 320 acres. Form C-102's for the vertical well and directional well are attached as Exhibits A and B.

The well was at an unorthodox location when it was drilled, but I do not know the NSL number. Using the existing wellbore to test the Pennsylvanian zones will prevent waste by minimizing well costs, allowing applicant to test the various zones in an economic manner.

Attached as Exhibit C is a land plat. All of Section 5, except the NW $\frac{1}{4}$ SW $\frac{1}{4}$, is subject to Federal Lease NM 114951, which is owned by applicant and which has common ownership. The NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5 is covered by Federal Lease NM 76945, which is owned by Yates Petroleum Corporation, Abo Petroleum Corporation, Myco Industries, Inc., and Yates Drilling Company. Notice of this application has been given to the offsets, as indicated by Exhibit D.

Please contact me if you need any further information on this application.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Samson Resources Company

DISTRICT I

1225 N. FRANCH DR., BOBBY, NM 88240

DISTRICT II

1301 V. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Departm.

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

MORROW/PENNSYLVANIAN

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name FAST DRAW FEDERAL	Well Number 1
OCRD No.	Operator Name SAMSON RESOURCES	Elevation 4149'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	5	23-S	24-E		2125	NORTH	666	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4	LOT 3	LOT 2	LOT 1
39.70 AC	39.58 AC	39.46 AC	38.34 AC
GEODETTIC COORDINATES NAD 27 NME Y=485343.8 N X=444316.5 E LAT.=32.334197° N LONG.=104.513617° W			
EXHIBIT A			

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Kenneth C. Dickson* Date: 12-21-06

Printed Name: **Kenneth C. Dickson**

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEPTEMBER 18, 2006

Date Surveyed: _____

Signature: *Ronald J. Eidson*

Professional Surveyor

NEW MEXICO

06.11.1467

Certification No. GARY EIDSON 12641
RONALD EIDSON 3239

DISTRICT I
1625 N. FRANCES DR., ROSA, NM 88240

DISTRICT II
1801 W. GRAND AVENUE, ARTISIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

HORIZONTAL CISCO
WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name FAST DRAW FEDERAL	Well Number 1
OCRID No.	Operator Name SAMSON RESOURCES	Elevation 4149'

Surface Location

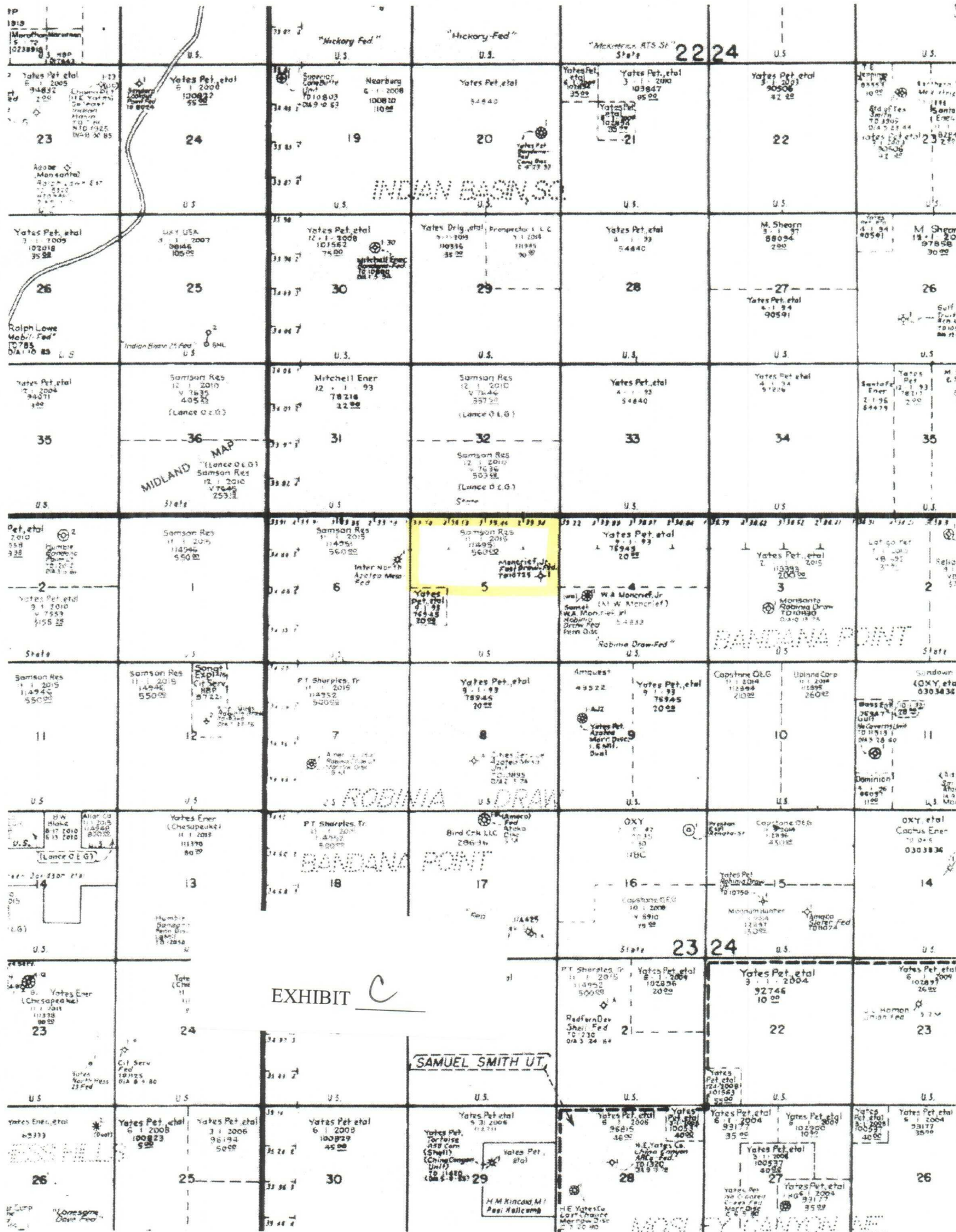
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	5	23-S	24-E		2125	NORTH	666	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Kenneth C. Dickson</u> Date: <u>12-21-06</u> Printed Name: <u>Kenneth C. Dickson</u> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. SEPTEMBER 18, 2006 Date Surveyed: <u>9/18/06</u> LA Signature: <u>Ronald J. Eidson</u> Professional Surveyor Professional Surveyor Seal: <u>RONALD J. EIDSON</u> 06.11.1467 Certificate No. <u>GARY EIDSON</u> 12641 <u>RONALD J. EIDSON</u> 3239
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JAMES BRUCE
ATTORNEY AT LAW

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(505) 982-2151 (Fax)

jamesbruc@aol.com

February 28, 2007

Certified Mail – Return Receipt Requested

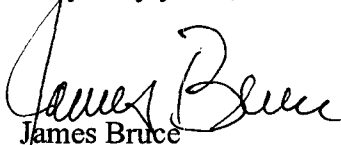
MYCO Industries, Inc.
P.O. Box 840
Artesia, New Mexico 88211

Abo Petroleum Corporation
Yates Drilling Company
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Ladies and gentlemen:

Samson Resources Company has filed an application with the New Mexico Oil Conservation Division seeking an unorthodox gas well location in the Pennsylvanian formation in the N½ of Section 5, Township 23 South, Range 24 East, NMPM, Eddy County, New Mexico. A copy of the application is enclosed. If you object to the application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter at a latter date.

Very truly yours,



James Bruce

Attorney for Samson Resources Company

EXHIBIT

D

Well Selection Criteria Quick Print

(WH_SEC = 5 and WH_TWPN = 23 and WH_TWPD Like 'S' and WH_RNGN = 24 and WH_RNGD Like 'E')

API Well #	Well Name and No.	Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Rng	Fl N/S	Fl E/W	UICPrmt	Lst Insp Dt
30-015-26145-00-00	PRE-ONGARD WELL	001	PRE-ONGARD WELL OPERATOR	O	P	Eddy	F	H	5	23 S	24 E	2130 N	660 E	

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):					38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.		NAME	MEAS. DEPTH	TRUE VERT. DEPTH
DST #1 8545-8655'	surface	2442	lime w/shale stringers		San Andres	1200	
op 15", SI 30", op	2442	2451	shale		Bone Springs lm	3600	
60", SI 120"GTS 6"	2451	2633	dolomite		1st B.S. sand	4256	
into reg. flow.	2633	2827	dolomite & gyp sand stringers		2nd B.S. sand	4610	
Max vol 34 MCFGPD.	2827	3096	dolomite		3rd B.S. sand	7334	
Dec. to 29 MCFGPD.	3096	3428	lime		Wolfcamp	7675	
Rec. 480' DM. SC	3428	3492	sand & lime stringers		Strawn	8720	
rec. 1.55 CFG +	3492	3600	lime & sand stringers		Atoka lime	9690	
2600 cc DM @ 200#.	3600	3824	lime & shale stringers		U. Morrow lime	10,053	
FP 143-143 ISIP	3824	4256	lime		Morrow sand	10,260	
1573, FP 143-199,	4256	4274	sand		Lower Morrow	10,447	
FSIP 2624.	4274	4424	lime & shale stringers		Barnett	10,683	
DST #2 9848-9875'	4424	4440	sand				
op 15", SI 30, op	4440	4610	lime & shale stringers				
30, SI 60", Rec.	4610	4837	sand, shale & lime stringers				
20' DM SC Rec	4837	4934	lime & shale stringers				
2600 cc DM. FP 29-	4934	5203	shale w/lime stringers				
29, ISIP 202#, FP	5203	5675	lime w/shale stringers				
29-29#, FSIP 605#.	5675	5750	lime w/lime stringers				
DST #3 10,285-325'	5750	5802	shale				
op 15, SI 30, op	5802	6684	lime w/shale stringers				
30, SI 60. Rec 60'	6684	7334	shale w/lime stringers				
DM, SC rec 2600 cc	7334	7675	sand w/shale & lime stringers				
DM. FP 109-109,	7675	8437	shale w/lime stringers				
ISIP 137#, FP 109-	8437	9264	lime and shale				
109, FSIP 164#.	9264	10,260	lime & shale w/sand stringers				
DST #4 10,339-495'	10,260	10,683	Morrow sand, shale & lime stringers				
op 15, SI 30, op 30,	10,683	10,726	Barnett shale				
SI 60. Rec 250' DM							
SC Rec. 2600 cc DM.							
FP 82-82, ISIP 274.							
FP 82-82, FSIP 1097							
DST #5 10,601-643							
op 15, SI 30, op 30,							
SI 60. Rec. 45' GCDM							
SC Rec 2600 cc DM							
FP 27-55 ISIP 2458							
FP 55-82 FSIP 2485							