Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR AI

BUREAU OF LAND MANAGEMENT

GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS

ATTACHED

Oil Cons. N.M. DIV-Dist. 2 1301 W. Grand Aven Artesia, NM, 890

FORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

Artesia, NM 88210 ease Serial No.

6. If Indian, Allottee or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTER 7. If Unit or CA Agreement, Name and No. la. Type of Work: ✓ DRILL ■ REENTER 8. Lease Name and Well No. Oil Well Gas Well Other 1b. Type of Well: ☐ Single Zone ☐ Multiple Zone Lightning 24 Federal Com 2. Name of Operator 9. API Well No. 3 00 l Samson Resources 10. Field and Pool, or Exploratory 3a. Address 3b. Phone No. (include area code) Samson Plaza-Two W. 2nd St. Tulsa, OK 74103 (918) 591-1846 Undesignated Morrow 11. Sec., T., R., M., or Blk. and Survey or Area 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 660' FNL & 1980' FEL At proposed prod. zone same Sec. 24-T25S-R26E 13. State 14. Distance in miles and direction from nearest town or post office* 12. County or Parish NM 19 miles south of Carlsbad, NM Eddy 15. Distance from proposed 17. Spacing Unit dedicated to this well 16. No. of Acres in lease location to nearest property or lease line, ft (Also to nearest drig. unit line, if any) 660' 320 (120) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. on file to nearest well, drilling, completed, N/A applied for, on this lease, ft. 12,000 NM-2037 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 3251' GL September 1, 2003 6 weeks CARLSBAD CONTROLLED WATER BASIN 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form: 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). A Drilling Plan. 5. Operator certification. 3. A Surface Use Plan (if the location is on National Forest System Lands, the 6. Such other site specific information and/or plans as may be required by the SUPO shall be filed with the appropriate Forest Service Office). authorized officer. 25. Signature Date Name (Printed/Typed) George R. Smith 8/5/03 Title Agent for Samson Resources Approved by (Signature) Name (Printed/Typed) /s/ Joe G. Lara /s/ Joe G. Lara Title Office FIELD MANAGER ACTING CARLSBAD FIELD OFFICE Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. APPROVAL FOR 1 YEAR Conditions of approval, if any, are attached Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. *(Instructions on reverse) Lease Responsibility Statement: Samson Resources Co. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof. George R. Smith, agent APPROVAL SUBJECT TO

District | 1825 N. French Dr. Hobbs, NM 88240

District II 811 South First, Artesia, NM 88210

State of New Mexico Energy, Minerals & Natural Resources

Revised March 17, 1999 Submit to Appropriate District Office State Lease — 4 Copies Fee Lease — 3 Copies

OIL CONSERVATION DIVISION

<u>District III</u> 1000 Rio Brozos Rd., Aztac NM 87410 <u>District IV</u> 2040 South Pacheco, Santa Fe, NM 87505

2040 South Pacheco Santa Fe, N M 87505

__ AMENDED REPORT

Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

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Property Code			Property Name LIGHTNING 24 FEDERAL							Well Number			
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APPLICATION FOR DRILLING

SAMSON RESOURCES

Lightning 24 Federal Com., Well No. 1 660' FNL & 1980' FEL, Sec. 24-T25S-R26E Eddy County, New Mexico Lease No.: NM-109748 (Exploratory Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Samson Resources Co. submits the following items of pertinent information in accordance with BLM requirements:

- 1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
- 2. The estimated tops of geologic markers are as follows:

Rustler	395'	Wolfcamp	9,500'
Top Salt	1,060'	Strawn	10,600'
Base Salt	1,690'	Morrow	11,300'
Lamar Lime	1,780'	T.D.	12,000'
Delaware	1,900'		
Bone Spring	5,600'		

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water between 100' - 200'.

Oil: Possible in the Delaware and Bone Spring below 1900' and 5600'.

Gas: Possible in Wolfcamp, Strawn and the Morrow.

4. Proposed Casing Program:

HOLE SIZE CASING SIZE WEIGHT GRADE		JOINT	SETTING DEPTH	QUANTITY OF CEMENT			
17 1/2"	13 3/8"	48.0#	H-40	ST&C	0' - 400'	Circ. 340 sx HLC & Prem Plus	WITNESS
12 1/4"	9 5/8"	36.0#	K-55	LT&C	0' - 2,000'	Circ. 625 sx. HLC & Prem Plus	
8 3/4"	7"	26.0#	N-80	LT&C	0' - 8,800'	870 sx. Interfill C & Prem TOC 1800)'
6 1/4"	3 1/2"	9.3#	P110	LT&C	0' - 12,000'	420 sx Super H TOC 8,600'	

5. Minimum Specifications for Pressure Control Equipment:

A 13 5/8" 10,000 psi WP Shaffer, LWS Double Gate BOP will be installed on the 9 5/8" casing and tested as per Onshore Oil & Gas Order #2 as a 3,000 psi system. An annular preventer will be installed on the 13 3/8" casing to drill to the 2000" depth. The casing and BOP will be tested before drilling out with the 8 3/4" and 6 1/4". See Exhibit "E".

6.	MUD PROGRAM:		MUD WEIGHT	VIS.	W/L CONTROL
	0' - 400':	Fresh water mud:	8.4 - 9.0 ppg	32 - 36	No W/L control
	400' - 2,000':	Cut brine	9.2 - 9.7 ppg	28 - 29	No W/L control
	2,000' - 8,800':	Fresh water/cut brine	8.4 - 9.7 ppg	28 - 29	No W/L control
	8,800' - 12,000':	Cut brine/xcd Polymer	10.0 - 10.6 ppg	32 - 36	W/L control <12 cc

7. Auxiliary Equipment: Blowout Preventer, flow sensors and stabbing valve.

8. Testing, Logging, and Coring Program:

Drill Stem Tests: None unless conditions warrant. Logging: 8,800' to T.D: CNL-DNL w/GR-Cal.

2,000' to 8,800' " ", if warranted.

2,000' to Surface: CNL-GR

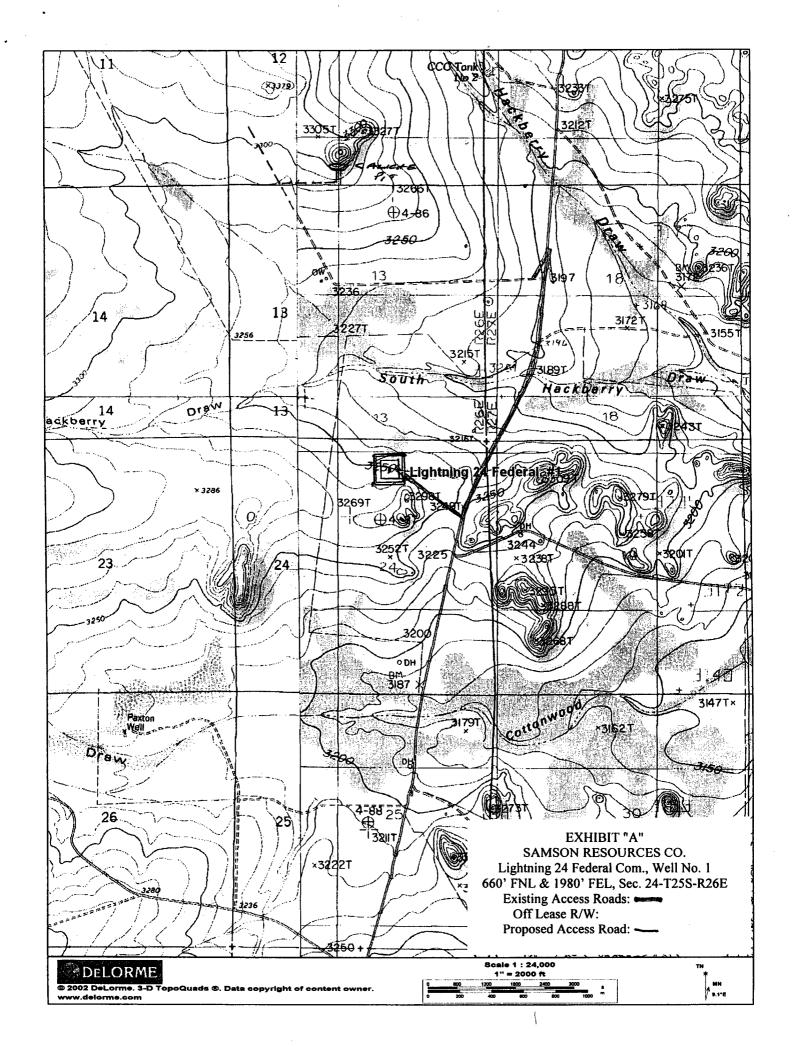
Coring: Rotary sidewall if dictated by logs.

SAMSON RESOURCES

Lightning 24 Federal Com., Well No. 1 Page 2

- 9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight. Estimated evacuated BHP = 4800 psi and surface pressure of 2640 psi with a temperature of 180°.
- 10. H₂S: None expected. None reported in wells within a mile radius.
- 11. Anticipated starting date: September 1, 2003.

 Anticipated completion of drilling operations: Approximately 5-6 weeks.



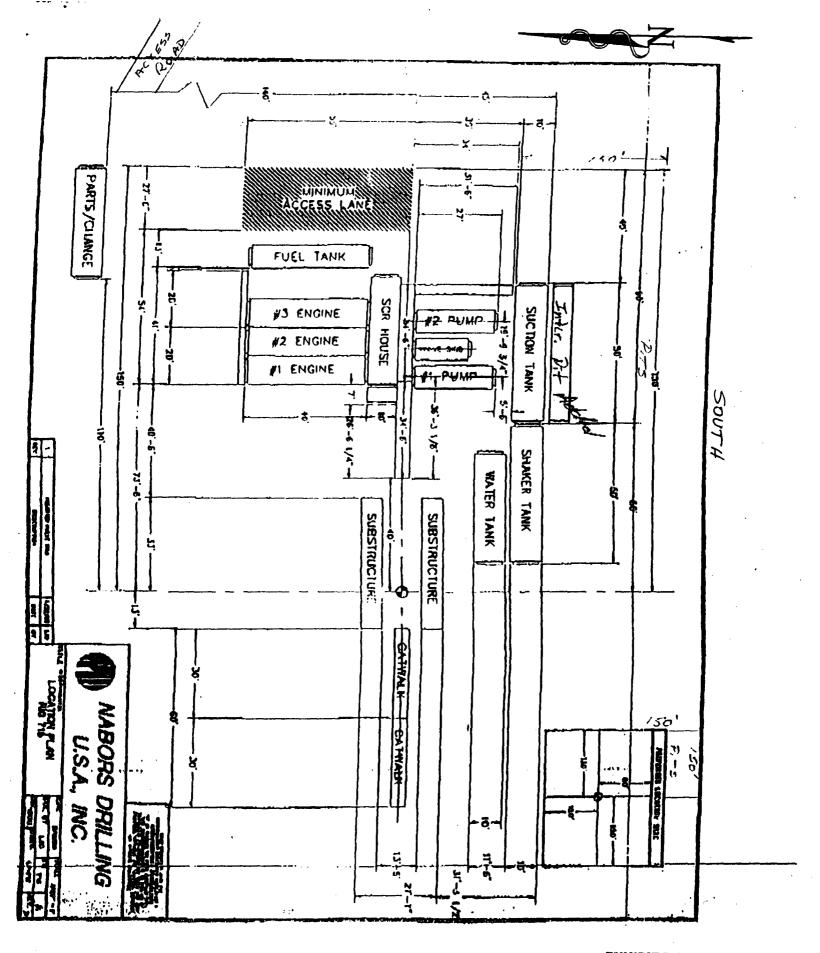


EXHIBIT "D"

SAMSON RESOURCES CO.

Lightning 24 Federal Com., Well No. 1

Pad & Pit Layout

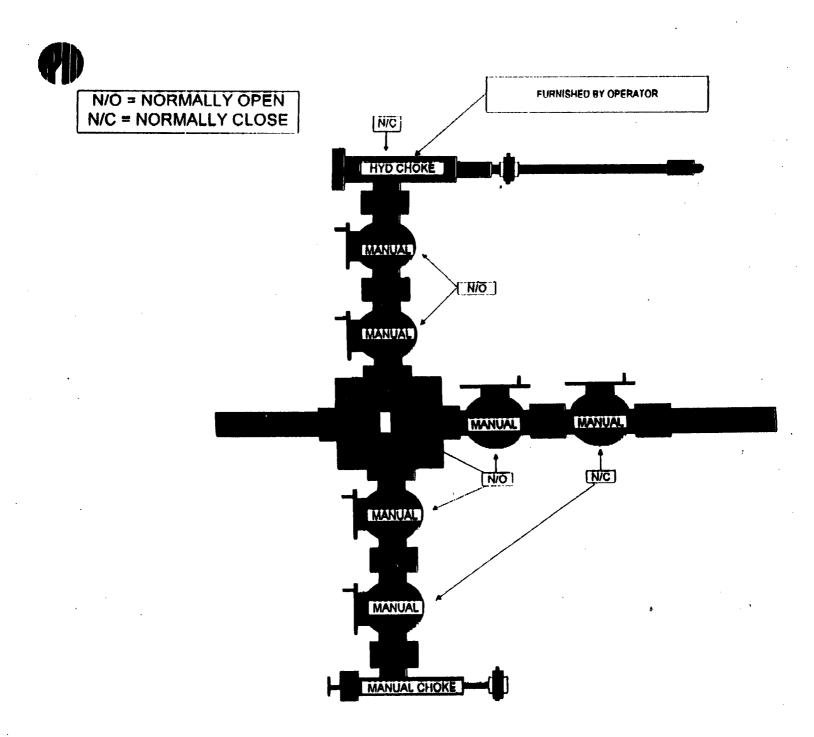


EXHIBIT "E"
SAMSON RESOURCES CO.
Lightning 24 Federal Com., Well No. 1
BOP Specifications

