

10/26/06 DATE IN	11/21/06 SUSPENSE	WVW ENGINEER	11/27/06 LOGGED IN	SWD TYPE	1060 APP NO.
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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 _____

Conditional PERMIT

- [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
 Notified Potash Leasee

- [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.

Raul Madrid Raul Madrid Agent 8/30/06
 Print or Type Name Signature Title Date
r.madrid@cox.net
 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage Application qualifies for administrative approval? Yes No

II. OPERATOR: SAMSON Resources ADDRESS: 200 N. LORAIN, Suite 1010 Midland, TX 79701 CONTACT PARTY: Raul Madrid, Agent PHONE: 432 684 5533

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? Yes X No If yes, give the Division order number authorizing the project:

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including: 1. Proposed average and maximum daily rate and volume of fluids to be injected; 2. Whether the system is open or closed; 3. Proposed average and maximum injection pressure; 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water, and; 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Raul Madrid TITLE: Agent

SIGNATURE: Raul Madrid DATE: 8/28/06

E-MAIL ADDRESS: rMadrid@cox.net

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal:

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.



Centennial Tower
200 N. Loraine, Suite 1010
Midland, TX 79701
USA
432/683-7063
Fax 432/683-6847

October 21, 2006

RECEIVED

OCT 23 2006

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Attn: Mr. Will Jones

RE: Revised Request for Administrative Approval For Water Disposal Well,
Anaconda Federal -11- No. 2, API 30-025-34934, 1650' FNL & 1650' FWL,
Section 11, T20S, R33E, Lea County New Mexico

Dear Mr. Jones:

Enclosed is a revised Form C-108 requesting administrative approval to make the subject well a salt-water disposal (SWD) well. Plans are to re-enter and prepare well for disposing of produced water into the Delaware formation through perforations at 5722'-6030'.

Samson requests permission to dispose of produced water into the Delaware formation from 5250' to 6200'. Nearby SWD, Gem, 8705 JV - P No. 3, disposes of produced water into the Delaware intervals 7743-7839' & 7900-7920'.

Samson plans to re-enter the subject well and clean it out to 9375', set a CIBP @ 9350', cap it with 35' of cement and run a mechanical integrity test (MIT). If MIT is successful, a CIBP will be set @ 6230' and a double grip packer and plastic coated tubing will be installed. Begin salt-water disposal operations. Should MIT fail, a 4"-flush-joint casing string will be set at 6700' and cemented in place. The proposed Delaware intervals will be perforated; a CIBP will be set @ 6230' and injection equipment installed. A packer will be set within 100' of the top perforation and a MIT run prior to beginning SWD operations.

In the subject well the top of the salt/potash section is found at about 1445' and the base at about 3200'. The BLM (Scott Sorenson) indicated the potash reserves are found within the salt section. In the subject well the potential potash zones are protected by 8 5/8" casing set at 3318' with cement circulated to surface. Well records indicate cement was circulated to surface on the 5 1/2" production casing further protecting the potential potash zones and the Capitan Reef found at about 3850'.

Offset operators (BTA, Shackelford, Merit and Nearburg), Roswell BLM, and the nearest potash leaseholders have been notified. Scott Sorenson of BLM said the nearest potash lease was about two miles west of section 11, operated by Mosaic Potash. We also notified Intrepid Potash.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenny Krawietz". The signature is written in a cursive style with a large, stylized initial "K".

Kenny Krawietz
District Engineer

Anaconda Federal -11- No. 2

Proposed
Salt Water Disposal Well

OCD Form C-108
Responses not made on form

Operator

Samson Resources

October 21, 2006

Application for Authorization to Inject
Samson Resources
Anaconda Federal-11- No. 2
F, Sec. 11, T20S, R33E, Lea County, New Mexico

Item III (also see attached injection well data sheets)

A.

Lease name: Anaconda Federal -11- No. 2 API: 30-025-34934
Location: 1650' FNL & FWL, Sec. 11, T20S, R33E, Lea County, New Mexico
Casing: See attached injection well data sheet
Tubing: 2 3/8", 4.7 #/ft, J-55, internally plastic coated
 Tubing will latched onto Baker AD-1 packer set within 100' of proposed top perforation

B.

Injection formation is Delaware.
Injection interval 5250-6200' through perforations 5722-6030'.
Well was drilled as a producer.
Perforations and cement jobs are given in wellbore diagram.
There appears to be no productive zones above the Delaware in this well. Below the injection interval the Bone Springs is productive at about 9391-9476'.

Item V

Attached map identifies wells within two miles of proposed SWD and a half-mile area of review.

Item VI

See attached tabulation of public record within area of review

Item VII

1. Proposed average daily injection rate 1300 BWIPD, Maximum injection rate 3000 BWIPD.
2. Closed system.
3. Proposed average injection pressure 1200 PSIG, Maximum injection pressure 2000 psig.
4. Water analysis attached. Water source is produced water from Samson operated wells.
5. Because the proposed intervals to be perforated are not productive in the area, no water sample is available from the intervals to be perforated for injection.

Item VIII

The Anaconda Federal -11- No. 2 will be disposing of produced water through perforations 5722-6030' in the Delaware sandstone formation. The top of the Delaware is at 5222' and the bottom is at 8292', yielding a gross thickness of 3070'. No fresh water zones were identified above the proposed injection interval. The top of the Capitan Reef is about 3850'. (all depths based on Anaconda Federal -11- No. 2 CNL/FDC log)

Item IX

The proposed perforations will be acidized and/or fracture stimulated as required.

Item X

Copy of CNL/FDC log enclosed.

Item XI

No fresh water zones were found within 1 mile of Anaconda Federal-11- No.2.

Item XII

After reviewing the available geologic and engineering data in the immediate area of the Anaconda Federal -11- No. 2, there is no present indication of the disposal interval being connected with an open fault or an underground fresh water source.

Item XIII

Public Legal notice of application to dispose of produced water into the Delaware formation was made in the Hobbs News- Sun Daily on 8-29-2006 and again on 1-5-2006. Offset operators and nearby potash lease holders were notified. Copies of notice letters and proof of receipt have been previously submitted.

INJECTION WELL DATA SHEET

OPERATOR: SAMSON Resources

WELL NAME & NUMBER: ANAconda Federal "11" No. 2

WELL LOCATION: 1650' FNL & 1650' FWL UNIT LETTER: F SECTION: 11 TOWNSHIP: 20S RANGE: 33E

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA
Surface Casing

Hole Size: 14 3/4" Casing Size: 11 3/4" ft³
Cemented with: 560 sx. or _____
Top of Cement: Surface Method Determined: Visual

Intermediate Casing

Hole Size: 10 5/8" Casing Size: 8 5/8" ft³
Cemented with: 1000 sx. or _____
Top of Cement: Surface Method Determined: Visual

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2" ft³
Cemented with: 1363 sx. or _____
Top of Cement: Surface Method Determined: Visual

Total Depth: 10,450'
5722' Injection Interval _____ feet to 6030

See Attached
Wellbore Diagram

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Lining Material: PC

Type of Packer: Double grip

Packer Setting Depth: 5650'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes No
If no, for what purpose was the well originally drilled? oil & gas production

2. Name of the Injection Formation: Delaware

3. Name of Field or Pool (if applicable): _____

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. produced from Delaware 6582-6594' & Bone Springs 9391-9476'

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:
Yates 3434'
Bone Springs 8292'

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation District #1
1625 N. Blvd. Hobbs, NM 88240

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Nearburg Producing Company

3. Address and Telephone No.

3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 (915) 686-8235

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FNL and 1650' FWL, Section 11, T20S, R33E

5. Lease Designation and Serial No.
NM 17238

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Anaconda 11 Federal #2

9. API Well No.

30-025-34934

10. Field and Pool, or Exploratory Area

Teas Bone Spring

11. County or Parish, State

Lea County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Production Casing and Cement
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

07/08/00: Drilled to 10,450'. C&C hole. RU and ran 254 jts of 5-1/2", 17#, J55, N80, ST&C casing to 10,450'. Cement 1st stage casing using 1077 sx cmt + additives. Cement 2nd stage using 286 sxs cmt + additives. Circ 46 sx cmt to surface. Set slips, cut off csg, ND BOPE, jet pits and released rig at 1500 hrs on 07/09/00.

80% = 3928'
60% = 5360' (R-adj = 3,850' - 5,222')

ACCEPTED FOR RECORD
PETER W. CHESTER
JUL 17 2000
BUREAU OF LAND MANAGEMENT
ROSWELL RESOURCE AREA

14. I hereby certify that the foregoing is true and correct

Signed

Kim Stewart

Title Regulatory Analyst

Date 07/10/00

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side

3 GWW

[Handwritten mark]

CURRENT STATUS

WELL NAME: Anaconda 11 Fed #2 **FIELD:** Teas **Operator:** Nearburg
STATE: New Mexico **COUNTY:** Lea **LOCATION:** 11-20S-33E
API NO: 30-025-34934 **SPUD DATE:** 1/28/1983 **FORMATION:** Bone Springs
TD: **PBTD:** **ELEVATION:** 3585' GL

PIPE RECORD							CEMENT & HOLE DATA					
CSG	OD	GRADE	THD	WT/FT	TOP	BTM	#JTS	BIT SIZE	DEPTH	SX	WT.	TOC
Surf	11.750"	P110, S95		60#, 65#	0'	1308'	32	14.750"		560		Surf
Irtr	8.625"	J55	STC	24#, 32#	0'	3318'	75	10.625"		1000		Surf
Prod	5.500"	J55, N80	ST&C	17.00#	0'	10450'	254	7.875"		1363		Surf
Tbg												

Remarks:

8/17/00: Perf 6582'-6594' Adz w/500 gals 7.5% HCL acid. Frac w/26,080# 16/30 resin coated sand

7/28/02: Sqz 6582-94' & Cmt sqz holes in csg #4002-4279

8/2/02: Re-sqz old Delaware perms(6582'-6594') w/40 sxs, Press up to 1200#

8/7/02: Perf 9391'-9476', Adz w/2000 gals 15% HCL acid

8/9/02: Frac Bone Spg. (9391'-9476') w/87,716# 20/40 Ottawa sand plus additives

P&A Subsequent Report Sundry dated 11/8/05: Found collapsed csg during TA attempt, PA'd well per schematic.

CAPACITIES		
(bbl/ft)	(ft/bbl)	(cft/ft)

VOLUME BETWEEN		
(bbl/ft)	(ft/bbl)	(cft/ft)

TBG:CSG:
 TBG:CSG:
 CSG:HOLE:
 TBG:HOLE:
 TBG:HOLE:

PERFORATION RECORD					
DATE	TOP	BTM	ZONE	STATUS	SPF
8/6/2002	9470'	9476'	Bone Sprg	Inactive	1
8/6/2002	9434'	9442'	Bone Sprg	Inactive	1
8/6/2002	9426'	9430'	Bone Sprg	Inactive	1
8/6/2002	9412'	9420'	Bone Sprg	Inactive	1
8/6/2002	9391'	9408'	Bone Sprg	Inactive	1
8/17/2000	6582'	6594'	Delaware	Inactive	4

TOC at 1130'

11.75" @1308'

1358' Plug #3 cmt w/25 sxs

TOC at 2825'

DV Tool @ 3227'

Dmp'd 106 sxs on top 3177'-3358' Plug #2

8.625" @3318'

Set Rtnr @ 3897' pmp'd 306 sxs

4002'-4279' sqz (holes in csg) w/50 sxs

6582'-6594' (52 holes) Re-sqz (old Delaware perms) w/40 sxs

9391'-9408' (17 shots)

9412'-9420' (8 shots)

9426'-9430' (4 shots)

9434'-9442' (8 shots)

9470'-9476' (6 shots)

5.5" @10450'

SRC W/L:
 LOGS:
 LANDMAN:
 GEOLOGIST:

TUBULAR GOODS PERFORMANCE					
Material	ID (in)	Drift (in)	Collapse* (psi)	Burst* (psi)	Tensile* (lbs)
11.75" P110, S95 60#, 65#					
8.625" J55 STC 24#, 32#					

* Safety Factor Not Included

PREPARED BY: R M Burditt **OFFICE:**
DATE: 12/14/2005 **FAX:**
Updated: 8/28/2006 by R Madrid

PROPOSED SWD

WELL NAME: Anaconda 11 Fed #2	FIELD: Teas	Operator: Nearburg
STATE: New Mexico	COUNTY: Lea	LOCATION: 11-20S-33E
API NO: 30-025-34934	SPUD DATE: 1/28/1983	FORMATION:
TD:	PBTD:	ELEVATION: 3585' GL

PIPE RECORD								CEMENT & HOLE DATA				
CSG	OD	GRADE	THD	WT/FT	TOP	BTM	# JTS	BIT SIZE	DEPTH	SX	WT.	TOC
Surf	11.750"	P110, S95		60#, 65#	0'	1308'	32	14.750"		560		Surf
Inter	8.625"	J55	STC	24#, 32#	0'	3318'	75	10.625"		1000		Surf
Prod	5.500"	J55, N80	ST&C	17.00#	0'	10450'	254	7.875"		1363		Surf
Tbg												

Remarks:

PROPOSE TO:

Drill out cmt plugs and clean out to 9375'

Set CIBP @ 9350' & cap w/ 35' cmt

Set CIBP @ 6230' per OCD

Run MIT (run 4" flush joint csg if necessary)

Perf Delaware from 5722' - 6030' and acdz (see Perf Record - Proposed).

RIH w/Baker AD-1 pkr and set @ 5650'

Place well on injection.

Permitted Injection Interval 5250-6200'

CAPACITIES		
(bbl/ft)	(ft/bbl)	(cf/ft)

VOLUME BETWEEN		
(bbl/ft)	(ft/bbl)	(cf/ft)
TBGxCSG:		
TBGxHOLE:		
CSGxHOLE:		
TBGxHOLE:		

PERFORATION RECORD					
DATE	TOP	BTM	ZONE	STATUS	SPF
8/6/2002	9470'	9476'	Bone Sprg	Inactive	1
8/6/2002	9434'	9442'	Bone Sprg	Inactive	1
8/6/2002	9426'	9430'	Bone Sprg	Inactive	1
8/6/2002	9412'	9420'	Bone Sprg	Inactive	1
8/6/2002	9391'	9408'	Bone Sprg	Inactive	1
8/17/2000	6582'	6594'	Delaware	Inactive	4
	5722'	5746'	Delaware	Proposed	
	5778'	5798'	Delaware	Proposed	
	5804'	5810'	Delaware	Proposed	
	5818'	5830'	Delaware	Proposed	
	5842'	5883'	Delaware	Proposed	
	5905'	6030'	Delaware	Proposed	

4002'-4279' sqz (holes in csg) w/50 sxs

Set Baker AD-1 pkr @ 5650'

Proposed SWD perms 5722-6030'

CIBP @ 6230' per OCD

6582'-6594' (52 holes) Re-sqz (old Delaware perms) w/40 sxs

CIBP @ 9350' capped w/ 35' cmt

9391'-9408' (17 shots)

9412'-9420' (8 shots)

9426'-9430' (4 shots)

9434'-9442' (8 shots)

9470'-9476' (6 shots)

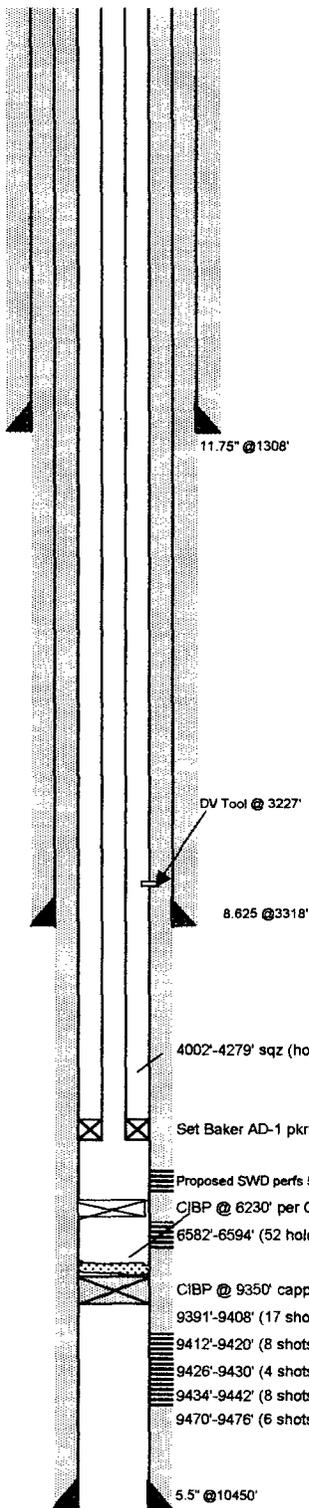
SRC W%:

LOGS:

LANDMAN: _____ **GEOLOGIST:** _____

TUBULAR GOODS PERFORMANCE					
Material	ID (in)	Drift (in)	Collapse* (psi)	Burst* (psi)	Tensile* (lbs)
11.75" P110, S95 60#, 65##					
8.625" J55 STC 24#, 32##					

* Safety Factor Not Included



PREPARED BY: R M Burditt

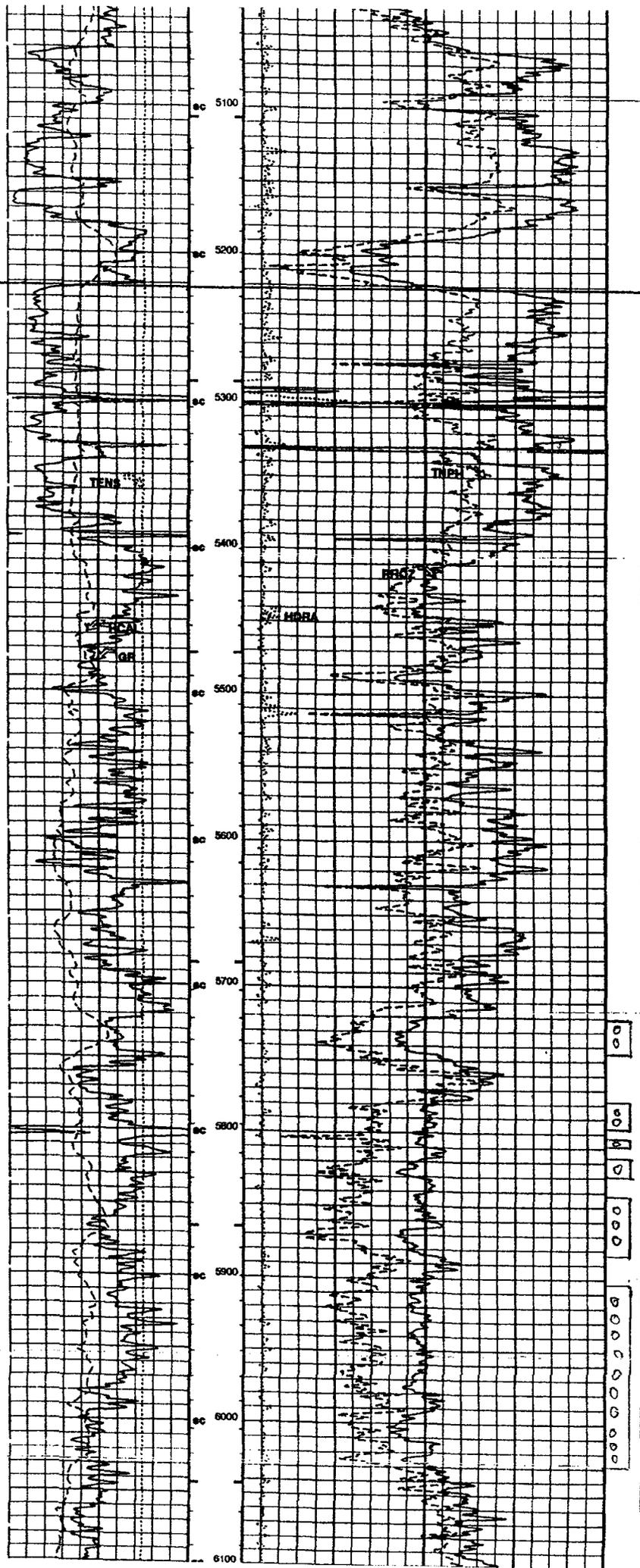
DATE: 12/16/2005

Updated: 8/29/2006 by R Madrid

OFFICE:

FAX:

Anaconda Federal U No. 2
Sec. 11, T20S, R33E
Lea County, New Mexico
Delaware 5222



Proposed
Delaware Injection Perfs

- 5722' - 5746'
- 5778' - 5798'
- 5804' - 5810'
- 5818' - 5830'
- 5842' - 5883'
- 5905' - 6030'

New Mexico Oil Conservation Division, District I

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

1625 N. French Drive
Hobbs, NM 88240

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM17238
2. Name of Operator Nearburg Producing Company		6. If Indian, Allottee or Tribe Name
3a. Address 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705	3b. Phone No. (include area code) 432/686-8235	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650 FNL and 1650 FWL, Sec 11-20S-33E		8. Well Name and No. Anaconda 11 Fed #2
		9. API Well No. 30-025-34934
		10. Field and Pool, or Exploratory Area Teas; Bone Spring
		11. County or Parish, State Lea NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input checked="" type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

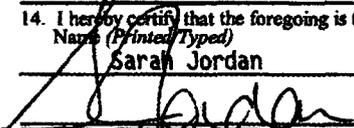
NPC attempted to TA the subject well. After getting down in the hole, NPC realized the casing had collapsed. Butch Willis NPC rep. talked with Gary Gorley, BLM rep and it was verbally agreed on to P&A the well. The well P&A'd as follows:

Set retainer @ 3897'. Pumped 306 sxs. Pressured up to 3000#. Dumped 106 sxs on top to 2925'. Patricia Hutchings, BLM rep witnessed. Set plug # 2 @ 3177-3358, covered by above cmt. Plug #3 set @ 1358. Cmt w/ 25 sxs to 1130'. Tagged w/ tbg. Surface plug cemented w/ 25 sxs to surface. Set dry hole marker.

APPROVED

NOV 10 2005

GARY GOURLEY
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Sarah Jordan sjordan@nearburg.com	Title Production Analyst
	Date 11/8/05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Office		

Conditions of approval, if any, are attached. Approval of this notice 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.

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

CURRENT WELLBORE DIAGRAM

LEASE: <u>Anaconda 11 Federal</u>	WELL: <u>#2</u>	FIELD: <u>Teas</u>	API: <u>30-025-34934</u>
LOC: <u>1650' FNL & 1650' FWL</u>	SEC: <u>11</u>	BLK: _____	Reservoir: <u>Bone Springs</u>
SVY: <u>T20S R33E</u>	GL: <u>3585'</u>	CTY/ST: <u>Lea / NM</u>	SPUD: <u>6/14/2000</u>
CURRENT STATUS: _____	KB: <u>3604'</u>	DF: _____	TD DATE: <u>7/6/2000</u>
			COMP. DATE: <u>8/30/2000</u>

FRESH WATER
DEPTH:

HOLE SIZE: 14-3/4"
 SURF CSG & SIZE: 11-3/4" 60 & 65# P110 & S95
 SET @: 1308'
 SXS CMT: 560 sx
 CIRC: yes: 149 sx
 TOC AT:
 TOC BY:

COMMENTS:

*****GEOLOGY*****

 TOPS OF ALL ZONES
 PRODUCTIVE OF HYDRO-
 CARBONS:

TBG: see attached detail
 JTS:
 SN:
 TAC:
 ROD SIZE: see attached

HOLE SIZE: 10-5/8"
 INT. CSG & SIZE: 8-5/8" 24 & 32# J55
 SET @: 3318'
 SXS CMT: 1000 sx
 CIRC: yes: 165 sx
 TOC AT:
 TOC BY:

CURRENT PERFS: _____

PKR:
 TYPE:

Sqz csg leak from 4002-4279'
 X 6582-6594' w/4 spf (52 holes).

SQUEEZE JOBS: _____

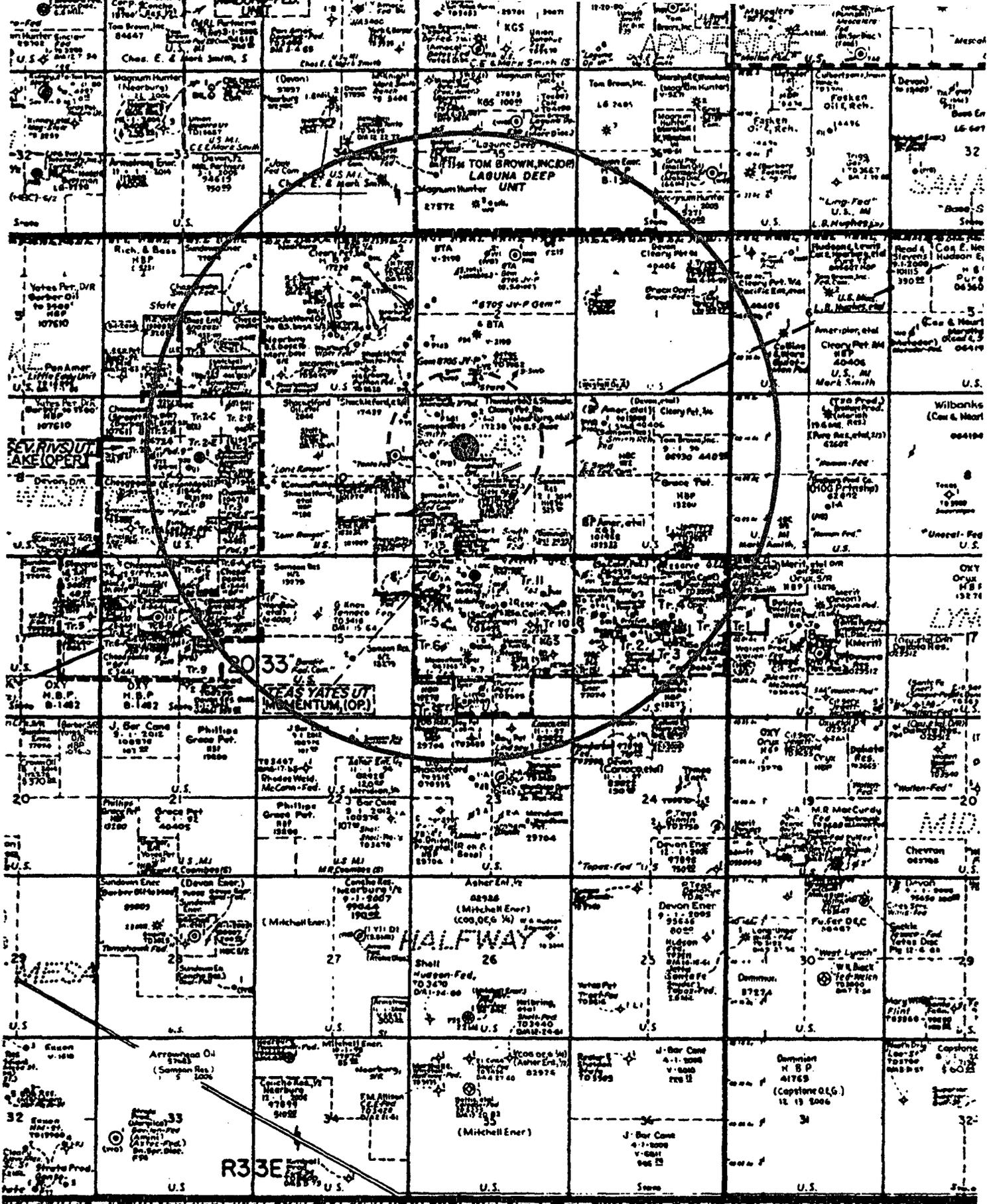
OH ID:
 COTD:
 FBTD:
 TD:

9391-9408' w/1 spf (17 holes)
 9412-20' (8 holes)
 9426-30' (4 holes)
 9434-42' (8 holes)
 9470-76' (6 holes) HOLE SIZE: 7-7/8"
 PROD. CSG & SIZE: 5-1/2" 17# J55 & N80
 SET @: 10,450'
 SXS CMT: 1363 sx in 2 stages
 CIRC: yes: 46 sx
 TOC AT:
 TOC BY:

OPEN HOLE:

LINER:

BY: BHH
 1/11/2005



SAMSON RESOURCES
ANACONDA #2
LEA COUNTY, NEW MEXICO
 (Midland Map - Posted 8/2/05)

- 6-14-80 SD @ 6401' to run DST #1. RIH w/test tools. DST No. 1 6285' to 6345' (Delaware Sand). Opened tools for 15" pre-flo w/very wk. blo & then died. SI 60". Opened tools for 60" IFP- no blo. SI 60". POH w/tools. Rec 5' of drlg fluid. Sample chamber rec: 1750 cc of drlg fluid @ 14 psig. IHP 2979 psig; 15" pre-flo 29 psig; 60" ISIP 2965 psig; 60" IFP 29 psig - no change; 60" FSIP 1646 psig; FHP 2979 psig; 140° F BHT.
- 6-24-80 SD @ 9435' to run DST #2. RIH w/test tools & took DST No. 2 9290' to 9419' (Bone Springs). Opened tools for 15" pre-flo w/good blo. SI 60". Opened tools for 60" flow period. NO GTS. SI 120". POH w/tools. Rec. 1200' of gas in DP, 432' of O&GC wtr. (35% Oil - 38° Gravity @ 80° F), & 1500' of O&GC wtr blanket. Sample Chamber rec.: 4.25 Ft.³ Gas @ 690 psig w/900 cc of oil & 450 cc of frm. wtr w/85,000 ppm chlorides - R_w 0.04. IHP 4886 psig; 15" Pre-flo 354 psig to 803 psig; 60" ISIP 3987 psig; 60" IFP 479 psig to 903 psig; 120" FSIP 3987 psig; FHP 4886 psig; 140° F BHT.
- 7-29-80 Dropped TOTCO & POH to log. Ran GR-CNL-Density log. Logger's depth: 13,604'.
- 7-30-80 Ran D-LL log & GR-Sonic log.
- 8-1-80 Reached TD 13,650'.
- 8-2-80 Ran a total of 340 jts of 5½" 17#, S95, LTC csg. Set @ 13,650' w/marker jt. @ 12,902' & stage tool @ 9594'. Cmt'd 1st stage as follows: 810 sx cmt containing 0.7 gals/sk D-108, 0.5% D-65, 0.2% D-13, & 10/10 Self-stress Additive. Pmp'd cmt w/1200 psig PP & bumped plug w/1400 psig PP @ 3:00 PM 8-1-80. Opened stage tool & cmt'd 2nd stage as follows: 125 sx cmt containing same additives as 1st stage slurry. Pmp'd cmt w/400 psig PP & bumped plug w/1600 psig PP @ 5:45 PM 8-1-80. WOC. Raised BOP stack, set slips & cut-off 5½" csg. Removed Rotating Hd, Hydril, & BOP's.

OPEN annulus
 (28900 to 5062)
 (90% annulus
 in interval)

re-cement
 THTS well

below DV:
 Pressure Top = 10,500'
 Calc 80% = 8,183'
 Calc 60% = 10,035'

above DV:
 Calc 80% = 8,900'
 Calc 60% = 9,100'
 Pressure Top = 9,530'

(CBL Shows 2300 C. Top)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
CM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
MERIT ENERGY COMPANY

3a. Address
13737 NOEL ROAD, STE 900, DALLAS, TX 75240

3b. Phone No. (include area code)
972-628-1602

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310 FSL, 900 FWL, SEC. 11, T-39S, R33E

5. Lease Serial No.
NME 13280

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
SMITH RANCH FEDERAL "11" #1

9. API Well No.
30-025-31255

10. Field and Pool, or Exploratory Area
BONE SPRINGS

11. County or Parish, State
LEA, NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent horizons and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

05-05-05 RIH WITH TBG & IMPRESSION BLOCK, UNABLE TO GET IMPRESSION OF TOP OF FISH AT 3824'.
 05-06-05 THROUGH 05-12-05, ATTEMPTS TO LATCH ON TO FISH WITH TOOLS UNSUCCESSFUL.
 05-12-05 RIH AND SET 5-1/2" CEMENT RETAINER AT 3600', PER BLM PUMPED 500 SK CMT BELOW RETAINER. WOC.
 05-13-05 UNABLE TO PRESSURE UP BELOW RETAINER. PUMPED 250 SK CMT BELOW RETAINER. WOC. UNABLE TO PRESSURE UP ON PLUG, PUMPED ADDITIONAL 250 SK CMT BELOW RETAINER, WOC.
 05-16-05 UNABLE TO PRESSURE UP ON PLUG. PUMPED ADDITIONAL 250 SK CMT BELOW RETAINER. WOC. PRESSURED UP TO 1000 PSI ON CMT PLUG, HELD FOR 30 MINUTES. SET 90 SK CMT ON CMT RETAINER FROM 2810' - 3400'.
 05-17-05 CUT AND RECOVERED 2600' OF 5-1/2" CSG.
 RIH WITH TUBING TO 2600'. SET 700 SK CMT PLUG FROM 2600' TO SURFACE IN 8-5/8" CASING.
 CUT OFF AND REMOVE WELL HEAD. INSTALL DRYHOLE MARKER PER REQUIREMENTS. EDMO LOCATION.

Approved as to plugging of the well BLM liability under bond is retained until surface restoration is completed.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Tommy Taylor

Signature *Tommy Taylor*

Title Dist. Mgr. TETRA Applied Technologies LLC

Date 5-23-05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **DAVID E. GLASS**

PETROLEUM ENGINEER

Date JUN 03 2005

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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.

GWW

WELL NAME: Smith Ranch 11 Fed #1 **FIELD:** Teas **OPERATOR:** Merit Energy Co.
STATE: New Mexico **COUNTY:** Lea **LOCATION:** 2310' FSL & 900' FWL; 11L-20S-33E
API NO: 30-025-31255 **SPUD DATE:** 6/28/1991 **FORMATION:** Bone Spring
TD: 9700' **PBTD:** 9508' **ELEVATION:** 3583' GR

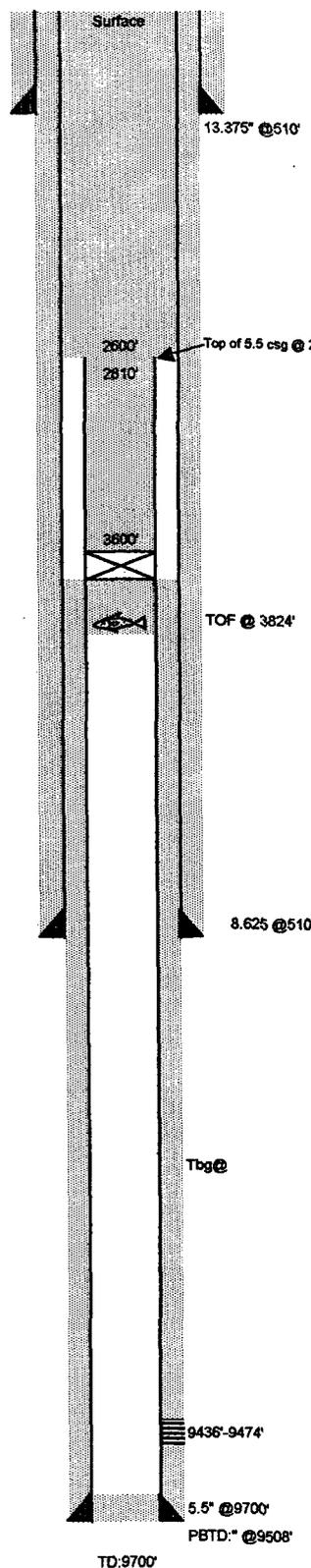
PIPE RECORD								CEMENT & HOLE DATA				
CSG	OD	GRADE	THD	WT/FT	TOP	BTM	# JTS	BIT SIZE	DEPTH	SX	WT.	TOC
Surf	13.375"	H-40		48.00#	0'	510'		17.500"		525		Surf
Inter.	8.625"	J-55		54.50#	0'	5100'		12.250"		7310		Surf
Prod	5.500"	N-80	LTC	17.00#	0'	9700'		7.875"		1200		3770'
Tbg												

Remarks:
 5/5/05: Top of fish @ 3824'
 5/12/05: Set Cmt rtr @ 3600'. Pmp 1250 sxs cmt below rtr.
 5/16/05: Set 90 sx cmt on cmt rtr from 2810' - 3600'
 5/17/05: Cut & recover 2600' of 5 1/2" csg. Set 700 sx cmt plug from 2600' to surface in 8 5/8" csg.

CAPACITIES		
	(bbl/ft)	(ft/bbl)
TBG: in. #		
CSG: 8.625 in. 32#		
VOLUME BETWEEN		
	(bbl/ft)	(ft/bbl)
TBGxCSG:	x8.625	
TBGxHOLE:		
CSGxHOLE:		
TBGxHOLE:		
TBGxHOLE:		

PERFORATION RECORD					
DATE	TOP	BTM	ZONE	STATUS	SPF

SRC WIX:					
LOGS:					
LANDMAN:	GEOLOGIST:				
TUBULAR GOODS PERFORMANCE					
Material	ID (In)	Drift (In)	Collapse* (psi)	Burst* (psi)	Tensile* (lbs)
13.375" H-40 48#					
8.625" J-55 & H-80 32#					
" #					
* Safety Factor Not Included					



TD: 9700'

PREPARED BY:
 DATE:
 Updated:

OFFICE:
 FAX:

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. K-5930
7. Unit Agreement Name
8. Farm or Lease Name STATE "YS"
9. Well No. 1
10. Field and Pool, or Wildcat Undesignated
12. County Lea

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL GAS WELL OTHER- **DRY HOLE**

2. Name of Operator
AZTEC OIL & GAS COMPANY

3. Address of Operator
P. O. BOX 837, HOBBS, NEW MEXICO 88240

4. Location of Well
UNIT LETTER **N** **1980** FEET FROM THE **West** LINE AND **660** FEET FROM
THE **South** LINE, SECTION **2** TOWNSHIP **20-S** RANGE **33-E** NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)
3587 DF

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER <input type="checkbox"/>	OTHER <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1708.

This well was plugged in the following manner:

1. Set 35 sack cement plug from 3560-3390' (Across Yates & Upper 7 Rivers).
2. Circulated and loaded hole with Salt Saturated Mud.
3. Cut off 7" casing at 2540'. Set 550 sack cement plug containing Class "C" Salt Saturated Cement with 4% gel from 3100' to 1390'. Top Salt - 1420'. Base Salt - 2910'.
4. Set 10 sack cement plug at top surface casing.
5. Set Marker, cleared and leveled location.

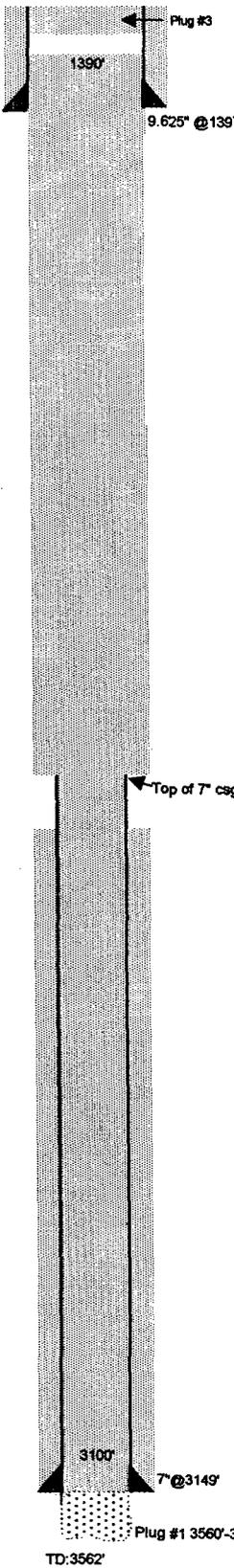
18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Original signed by
LESTER L. DUKE

SIGNED _____ TITLE **DISTRICT SUPERINTENDENT** DATE **December 21, 1971**

APPROVED BY **Nathan E. Chigg** TITLE **OIL & GAS INSPECTOR** DATE **MAR 13 1972**

CONDITIONS OF APPROVAL, IF ANY:



WELL NAME: State YS #1 **FIELD:** Undesignated **Operator:** Aztec Oil & Gas Co.
STATE: New Mexico **COUNTY:** Lea **LOCATION:** 1980' FWL, 660' FSL; 2N-20S-33E
API NO: 30-025-23897 **SPUD DATE:** 10/28/1971 **FORMATION:** Undesignated
TD: 3562' **PBTD:** **ELEVATION:** 3577' GR

PIPE RECORD								CEMENT & HOLE DATA				
CSG	OD	GRADE	THD	WT/FT	TOP	BTM	# JTS	BIT SIZE	DEPTH	SX	WT.	TOC
Surf	9.625"	K		36.0#	0'	1397'		12.250"		650		Surf
Prod	7.000"	K		20.0#	0'	3149'		8.750"		100		2580/TS
Tbg												

Remarks:
 Dry Hole

Plug #1: Set 35 sx cmt plug 3560' - 3390' (Across Yates & Upr 7 Rvrs).
 Circ and loaded hole w/salt saturated mud.
 Cut off 7" csg @ 2540'
Plug #2: Set 550 sx cmt plug containing Class "C" salt saturated cmt w/4% gel from 3100' - 1390'.
 Top salt @ 1420'. Base salt @ 2910'
Plug #3: Set 10 sx cmt plug @ top surface csg.
 Set marker, cleared and leveled location.

CAPACITIES		
	(bbl/ft)	(ft/bbl)
TBG: in. #		
CSG: 7 in. 20#		
VOLUME BETWEEN		
	(bbl/ft)	(ft/bbl)
TBGxCSG:	x7	
TBGxCSG:		
CSGxHOLE:		
TBGxHOLE:		
TBGxHOLE:		

PERFORATION RECORD					
DATE	TOP	BTM	ZONE	STATUS	SPF

SRC W/L:					
LOGS:					
LANDMAN:	GEOLOGIST:				
TUBULAR GOODS PERFORMANCE					
Material	ID (in)	Drift (in)	Collapse* (psi)	Burst* (psi)	Tensile* (lbs)
9.625" K 36#					
7" K 20#					
" #					
* Safety Factor Not Included					

PREPARED BY: R M Burditt
DATE: 2/18/2006
Updated:

OFFICE: (432) 683-7063
FAX:

TD:3562' Plug #1 3560'-3390'

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO. 30-025-30977
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-2199
7. Lease Name or Unit Agreement Name: Gem, 8705 JV-P
8. Well No. 3
9. Pool name or Wildcat SWD, Delaware

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well Gas Well Other Disposal

2. Name of Operator
BTA Oil Producers 003002

3. Address of Operator
104 S. Pecos, Midland, TX 79701

4. Well Location
Unit Letter O : 660 feet from the south line and 1980 feet from the east line
Section 2 Township 20S Range 33E NMPM Lea County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
3579' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Convert to SWD <input checked="" type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

BTA Oil Producers recompleted this well as follows:

- 12/02/2000 MIRU PU. POH w/pmp & rods. POH/tbg & TAC.
- 12/19/2000 RIH w/CIBP. Set @ 9250'.
Perf 7743-7839' and 7900-7920' w/2 SPF.
Dump 30' cmt on CIBP. New PBTB 9220'. Shut well in.
- 01/15/2001 RIH w/2-7/8" tbg, SN, plr. Set plr @ 7660'.
Hook up flow line, tie in electricity, leave well SI. WO Disposal Permit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Pam Inskoop TITLE Regulatory Administrator DATE 09/05/2003

Type or print name Pam Inskoop Telephone No. (432) 682-3753

(This space for State use)
APPROVED BY Gayle W. Wink TITLE DC FIELD REPRESENTATIVE II/STAFF MANAGER DATE MAR 24 2004

Conditions of approval, if any:

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form G-105
 Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
 Santa Fe, NM 87505

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd, Aztec, NM 87410

WELL API NO.
 30-025-730977

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 V-2199

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER Disposal

b. Type of Completion:
 NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR OTHER Recomplete

7. Lease Name or Unit Agreement Name
 Gem, 8705 JV-P

2. Name of Operator
 BTA OIL PRODUCERS OGRID # 003002

3. Address of Operator
 104 SOUTH PECOS, MIDLAND, TX 79701 SWD

8. Well No.
 3

9. Pool name or Wildcat
 Teas, Delaware

4. Well Location
 Unit Letter O : 660 Feet From The South Line and 1980 Feet From The East Line

Section 2 Township 20 S Range 33 E NMPM Lea County

10. Date Spudded 11/30/2000

11. Date T.D. Reached

12. Date Compl. (Ready to Prod.) 03/13/2001

13. Elevations (DF & RKB, RT, GR, etc.) 3579' GR

14. Elev. Casinghead

15. Total Depth 13,700'

16. Plug Back T.D. 9,220'

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools

Cable Tools

19. Producing Interval(s) of this completion - Top, Bottom, Name
 7743-7839' & 7900-7920'

20. Was Directional Survey Made
 No

21. Type Electric and Other Logs Run

22. Was Well Cored
 No

23. **CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"	106.5#	1,385'	26"	2100 sx - Circ to surface	
13-3/8"	61 & 68#	3,100'	17-1/2"	2200 sx - Circ to surface	
9-5/8"	40#	5,482'	12-1/4"	1800 sx - Circ to surface	
5-1/2"	20 & 23#	9,220'	8-3/4"	2900 sx - Circ to surface	20 lbs

24. **LINER RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. **TUBING RECORD**

SIZE	DEPTH SET	PACKER SET
2-7/8"	7,654'	7,680'

26. Perforation record (interval, size, and number)

10,103' - 10,127' w/ 2 JSPF 48 holes 4" OLD

9,470' - 9,472' w/ 2 JSPF 4 holes 4" OLD

9,428' - 9,440' w/ 2 JSPF 24 holes 4" OLD

CIBP @ 9,250' 7,743-7,839' & 7,900-7,920' w/2 JSPF 236 holes

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
7,743' - 7,920'	A w/7000 gals 15% HCL

28. **PRODUCTION**

Date First Production 03/22/2001

Production Method (Flowing, gas lift, pumping - Size and type pump)
 INJECTION

Well Status (Prod. or Shut-in)

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

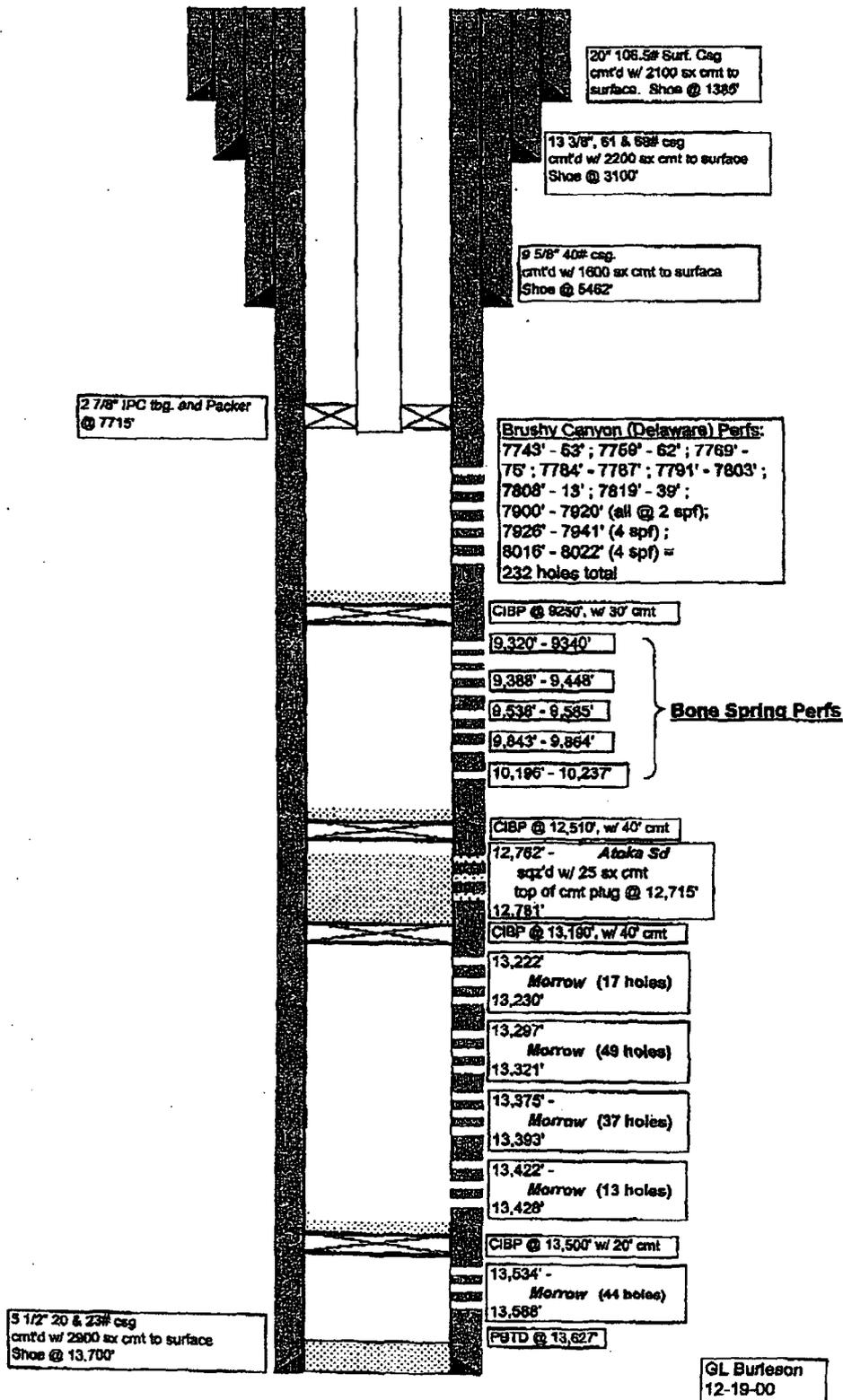
Test Witnessed By
 Jim Shirley

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Pam Inskeep Printed Name Pam Inskeep Title Regulatory Administrator Date 04/03/2001

8705 JV-P GEM # 3
660' FSL & 1980' FEL, SECTION 2, T20S, R33W
TEAS (DELAWARE) FIELD
LEA COUNTY, NEW MEXICO



HALLIBURTON

PERMAIN BASIN OPERATIONS LABORATORY
 WATER ANALYSIS REPORT
 HOBBS, NEW MEXICO

COMPANY Samson Resources

REPORT DATE W05-079
February 26, 2005
 DISTRICT Hobbs

SUBMITTED BY _____

WELL Gunslinger 11 Fed. Com. #1 DEPTH _____ FORMATION SOURCE Morrow
 COUNTY Lea FIELD Teas

SAMPLE				
Sample Temp.	<u>58</u> °F	_____ °F	_____ °F	_____ °F
RESISTIVITY	<u>0.131</u>	_____	_____	_____
SPECIFIC GR.	<u>1.038</u>	_____	_____	_____
pH	<u>6.69</u>	_____	_____	_____
CALCIUM	<u>5,000</u> mpl	_____ mpl	_____ mpl	_____ mpl
MAGNESIUM	<u>3,900</u> mpl	_____ mpl	_____ mpl	_____ mpl
CHLORIDE	<u>33,998</u> mpl	_____ mpl	_____ mpl	_____ mpl
SULFATES	<u>light</u> mpl	_____ mpl	_____ mpl	_____ mpl
BICARBONATES	<u>146</u> mpl	_____ mpl	_____ mpl	_____ mpl
SOLUBLE IRON	<u>10</u> mpl	_____ mpl	_____ mpl	_____ mpl
KCL	<u>Negative</u>	_____	_____	_____
Sodium	_____ mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
TDS	_____ mpl	<u>0</u> mpl	<u>0</u> mpl	<u>0</u> mpl
OIL GRAVITY	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F	<u>@</u> °F

REMARKS _____

MPL = Milligrams per liter
 Resistivity measured in: Ohm/m2/m

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management: it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Co.

ANALYST: MAEQ

Champion Technologies **Water Analysis Report** 12/21/2004
 Address: 4419 Harlowe Midland, TX 79703
 Customer: SAMSON LONE STAR Lease: Smith Ranch
 Attention: Floyd Stued Formation: Salesman: Larry L. Simmons

CC: Target Name: Smith Ranch 2-11 Sample Point: Smith Ranch 2-11
 Sample Date: 12/04/2004 Test Date: 12/19/2004

Water Analysis(mg/L)		Acquedded Detritus(L)		Physical Properties	
Calcium	24822	CO2	720	Ionic Strength(cats)	4.81
Magnesium	3094	H2S	0	pH(calc.)	
Sulfur	0	Iron	70	Temperature(°F)	84
Silicium	2233	Chloride		Pressure(psi)	60
Sulfate(cats)	85277			Density	8.84
Bicarbonate Alkalinity	140	Additional Data		Specific Gravity	1.10
Sulfate	870	Total Dissolved Solids(Mg/L)	22590	Open Pot	
Chloride	141000	Total Hardness(CaCO3 Eq/L)	77284	Lead	
Resistivity	0.0290			Zinc	

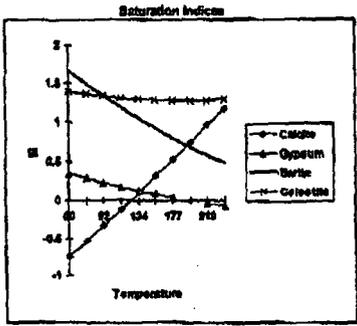
Calcite Calculation Information

Calculation Method	Value
KNOWN pH	8.60

Remarks:

SI & PTB Results

Scale Type	SI	PTB
Calcite (Calcium Carbonate)	-0.40	
Opium (Calcium Sulfate)	0.20	200.20
Baritehydrate (Calcium Sulfate)	0.34	187.70
Anhydrite (Calcium Sulfate)	0.34	286.50
Barite (Barium Sulfate)	1.40	3.90
Calcite (Strontium Sulfate)	1.35	471.00



Saturation Index Data Points

	50	71	92	113	134	155	177	198	219	240
Calcite	-0.74	-0.69	-0.32	-0.11	0.10	0.32	0.63	0.74	0.88	1.17
Opium	0.34	0.29	0.23	0.10	0.13	0.09	0.04	0.00	-0.04	-0.08
Barite	1.87	1.80	1.84	1.18	1.85	0.82	0.60	0.88	0.98	0.49
Celestite	1.40	1.37	1.34	1.31	1.29	1.20	1.27	1.27	1.27	1.25

STATE OF NEW MEXICO

COUNTY OF LEA

§
§
§

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

THAT, NEARBURG EXPLORATION COMPANY, L.L.C., a Texas limited liability corporation, whose address is 3300 North A Street, Building 2, Suite 120, Midland, Texas 79705 (herein referred to as "Nearburg"), for and in consideration of Ten Dollars (\$10.00) in hand paid, the receipt of which is hereby acknowledged, does hereby grant, convey, sell, assign, and transfer unto

SAMSON RESOURCES COMPANY, an Oklahoma corporation, whose address is Samson Plaza, Two West Second Street, Tulsa, Oklahoma 74103 (herein referred to as "Samson"),

all of Nearburg's right, title and interest in and to the Nearburg Producing Company/Anaconda 11 Federal No. 2 well bore located 1650 feet from the north line and 1650 feet from the west line of Section 11, Township 20 South, Range 33 East, of the above-named county and state, (herein referred to as the "Property").

Samson hereby agrees that it has inspected the Property assigned and conveyed herein and that it accepts the same in its present condition. Samson shall (i) assume and be responsible for and comply with all duties and obligations of Nearburg, express or implied, with respect to the Property conveyed herein, including, without limitation, those arising under or by virtue of any permit, applicable statute or rule, regulation or order of any governmental authority, and shall (ii) defend, indemnify and hold Nearburg harmless from any and all claims in connection with the lease, lands, wells and equipment associated with the Property from and after the effective date hereof. The term "claims" as used in this paragraph shall include claims, demands, causes of action, liabilities, damages, penalties and judgments of any kind or character and all costs and fees in connection therewith, including attorneys' fees.

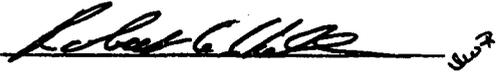
NEARBURG EXPRESSLY DISCLAIMS AND NEGATES AS TO THE PROPERTY HEREIN CONVEYED (a) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (b) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, AND (c) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS. SAID PROPERTY HEREIN CONVEYED IS SOLD "AS IS, WHERE IS".

This Bill of Sale is made without warranty of title or recourse of any kind or character against Nearburg, even for the return of the consideration paid therefore, but with full substitution and subrogation to all of Nearburg's rights and actions in warranty, if any.

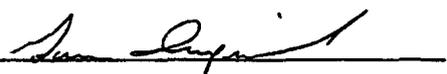
This Bill of Sale shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this instrument on the date of the acknowledgments annexed hereto, but to be effective for all purposes from and after the 2nd day of December, 2005.

NEARBURG EXPLORATION COMPANY, L.L.C.
a Texas limited liability corporation

By:  11/27

SAMSON RESOURCES COMPANY,
an Oklahoma corporation

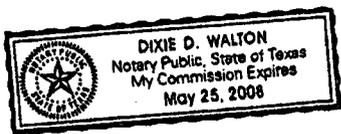
By: 

STATE OF Texas
COUNTY OF Midland

This instrument was acknowledged before me on February 16th, 2005, by Robert G. Shelton, Attorney-in-Fact of Neaburg Exploration Company, L.L.C. a Texas limited liability corporation, on behalf of the corporation.

Dixie D. Walton (Sign)
Dixie D. Walton (Print Name)
Notary Public in and for
Midland County, Texas

My Commission Expires:
5-25-2008

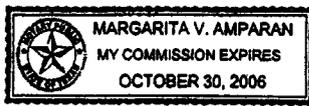


STATE OF
COUNTY OF

This instrument was acknowledged before me on February 20th, 2005, by Evan Dupriest as Attorney-in-Fact for Samson Resources Company an Oklahoma corporation, on behalf of the corporation.

Margarita V. Amparan (Sign)
M. Vicky Amparan (Print Name)
Notary Public in and for
Midland County, Texas

My Commission Expires:
October 30, 2006



AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

I, KATHI BEARDEN

Publisher

of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not a supplement thereof for a period.

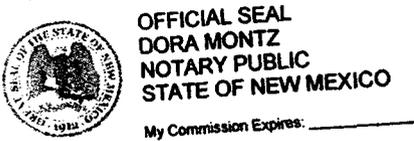
of 1 weeks.

Beginning with the issue dated October 5 2006 and ending with the issue dated October 5 2006

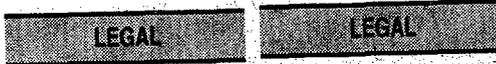
Kathi Bearden
Publisher
Sworn and subscribed to before me this 5th day of

October 2006
Dora Montz
Notary Public.

My Commission expires February 07, 2009 (Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.



LEGAL NOTICE
October 5, 2006

PUBLIC NOTICE APPLICATION FOR WATER DISPOSAL

Notice is hereby given that Samson Resources is applying to the New Mexico Oil Conservation Division for administrative approval and authority to inject salt water into the Anacoda Fed. #1 Well No. 2 located 1650' FNL & FWL Section 11, T20S, R33E, Lea County, New Mexico.

The purpose of the water injection well is to dispose of produced salt water. Water will be injected into the Delaware formation at an interval between 5,250' and 6200'. The maximum injection rate and pressure are expected to be 3,000 BWPD and 2,000 psi respectfully.

Any interested parties may file objections or request for hearing within 15 days to the Oil Conservation Division, 1220 South St. Frances Drive, Santa Fe, New Mexico, 87505.

By: Raul Madrid, Agent for
Samson Resources
200 N. Loraine, Suite 1010
Midland, TX 79701
(432)683-7063
#22696

10
13
14
15
16



67101516000 02588806
SAMSON RESOURCES
200 N. LORAIN ST. SUITE 1010
MIDLAND, TX 79701

7160 3901 9849 3432 5266

TO: Intrepid Potash
1996 Potash Mine Road
Carlsbad, New Mexico 88220

SENDER: Vicky Murillo

REFERENCE: Anaconda Federal 11 No. 2

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	1.59
	Certified Fee	2.40
	Return Receipt Fee	1.85
	Restricted Delivery	
	Total Postage & Fees	

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE
SEP 1 2006
84



7160 3901 9849 3432 5266

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Intrepid Potash
1996 Potash Mine Road
Carlsbad, New Mexico 88220

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature
x *Raul Madrid*

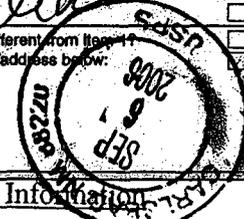
Agent
 Addressee

D. Is delivery address different from item? Yes
If YES, enter delivery address below: No

Reference Information

Anaconda Federal 11 No. 2

Vicky Murillo



Service

PS Form 3811, January 2005

Domestic Return Receipt

Raul Madrid
Agent

Enclosure

My Copy

Samson Resources

200 N. Loraine, Suite 1010
Midland, Texas 79701
432-683-7063

August 31, 2006

Certified Article Number

7160 3901 9849 3432 5266

SENDERS RECORD

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Intrepid Potash
1996 Potash Mine road
Carlsbad, New Mexico 88220

RE: Proposed SWD
Anaconda Federal-11- No. 2
API: 3002534934
1650' FNL & FWL
Section 11, T20S, R33E
Lea County, New Mexico

Intrepid Potash:

The purpose of this letter is to inform you that Samson Resources will file the enclosed salt-water disposal permit for the subject well with the New Mexico Oil Conservation Division. If you have any questions about this permit you may contact the OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico. The OCD requires notice within 15 days of this letter.

If you have any questions about this permit for Samson, you may contact Kenny Krawietz at 432-683-7063.

Regards,

Raul Madrid

Raul Madrid
Agent

Enclosure

Samson Resources

200 N. Loraine, Suite 1010
Midland, Texas 79701
432-683-7063

Certified Article Number

7160 3901 9849 3432 5273

SENDERS RECORD

August 31, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Dan Moorehouse
Mosaic Potash
P.O. Box 71
Carlsbad, New Mexico 88220

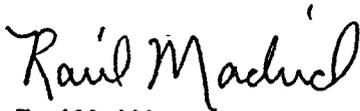
RE: Proposed SWD
Anaconda Federal-11- No. 2
API: 3002534934
1650' FNL & FWL
Section 11, T20S, R33E
Lea County, New Mexico

Dear Mr. Moorehouse:

The purpose of this letter is to inform you that Samson Resources will file the enclosed salt-water disposal permit for the subject well with the New Mexico Oil Conservation Division. If you have any questions about this permit you may contact the OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico. The OCD requires notice within 15 days of this letter.

If you have any questions about this permit for Samson, you may contact Kenny Krawietz at 432-683-7063.

Regards,



Raul Madrid
Agent

Enclosure

7160 3901 9849 3432 5273

TO: Dan Moorehouse
Mosaic Potash
P. O. Box 71
Carlsbad, New Mexico 88220

SENDER: Vicky Murillo

REFERENCE: Anaconda Federal 11 No. 2

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	1.59	39
	Certified Fee		2.40
	Return Receipt Fee		1.85
	Restricted Delivery		
Total Postage & Fees		5.84	4.64

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided
 Do Not Use for International Mail

POSTMARK OR DATE
 SEP 1 2006
 MURILLO TX DOWN

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **J R MURILLO** B. Date of Delivery **9/5/06**
 C. Signature *J R MURILLO*

Agent
 Addressee

D. Is delivery address different from item 1?
 If YES, enter delivery address below:

Yes
 No

7160 3901 9849 3432 5273

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Dan Moorehouse
Mosaic Potash
P. O. Box 71
Carlsbad, New Mexico 88220

Reference Information

Anaconda Federal 11 No. 2

Vicky Murillo

Samson Resources

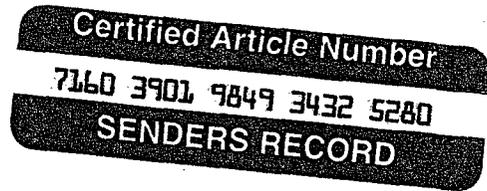
200 N. Loraine, Suite 1010
Midland, Texas 79701
432-683-7063

August 31, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Willis Price
BTA Oil Producers
104 S. Pecos
Midland, Texas 79701

RE: Proposed SWD
Anaconda Federal-11- No. 2
API: 3002534934
1650' FNL & FWL
Section 11, T20S, R33E
Lea County, New Mexico



Dear Mr. Price:

The purpose of this letter is to inform you that Samson Resources will file the enclosed salt-water disposal permit for the subject well with the New Mexico Oil Conservation Division. If you have any questions about this permit you may contact the OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico. The OCD requires notice within 15 days of this letter.

If you have any questions about this permit for Samson, you may contact Kenny Krawietz at 432-683-7063.

Regards,

A handwritten signature in black ink that reads "Raul Madrid".

Raul Madrid
Agent

Enclosure

7160 3901 9849 3432 5280

TO: Willis Price
BTA Oil Producers
104 S. Pecos
Midland, TX 79701

SENDER: Vicky Murillo

REFERENCE: Anaconda Federal 11 No. 2

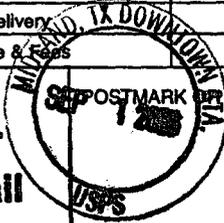
PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	.39
	Certified Fee	2.40
	Return Receipt Fee	1.85
	Restricted Delivery	
	Total Postage & Fees	4.64

US Postal Service

**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail



7160 3901 9849 3432 5280

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) <i>LUIS SOSA</i>	B. Date of Delivery <i>9-5</i>
---	-----------------------------------

C. Signature <i>[Signature]</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
------------------------------------	--

D. Is delivery address different from Item 17
if YES, enter delivery address below:
 Yes
 No

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Willis Price
BTA Oil Producers
104 S. Pecos
Midland, TX 79701

Reference Information

Anaconda Federal 11 No. 2

Vicky Murillo

Samson Resources

200 N. Loraine, Suite 1010
Midland, Texas 79701
432-683-7063

Certified Article Number

7160 3901 9849 3432 5297

SENDERS RECORD

August 31, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Don Shackelford
Shackelford Oil Company
P.O. Box 10665
Midland, Texas 79702

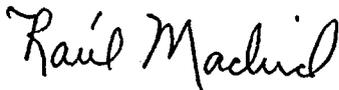
RE: Proposed SWD
Anaconda Federal-11- No. 2
API: 3002534934
1650' FNL & FWL
Section 11, T20S, R33E
Lea County, New Mexico

Dear Mr. Shackelford:

The purpose of this letter is to inform you that Samson Resources will file the enclosed salt-water disposal permit for the subject well with the New Mexico Oil Conservation Division. If you have any questions about this permit you may contact the OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico. The OCD requires notice within 15 days of this letter.

If you have any questions about this permit for Samson, you may contact Kenny Krawietz at 432-683-7063.

Regards,



Raul Madrid
Agent

Enclosure

7160 3901 9849 3432 5303

TO: Neil Nadarash
Merit Energy Co.
13727 Noel Road, Suite 500
Dallas, Texas 75240

SENDER: Vicky Murillo

REFERENCE: Anaconda Federal 11 No. 2

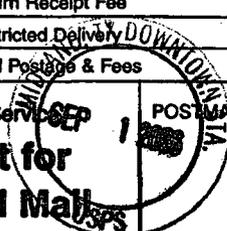
PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	39
	Certified Fee	2.40
	Return Receipt Fee	1.85
	Restricted Delivery	
	Total Postage & Fees	4.64

US Postal Service
**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE



7160 3901 9849 3432 5303

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Neil Nadarash
Merit Energy Co.
13727 Noel Road, Suite 500
Dallas, Texas 75240

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____

B. Date of Delivery **9-6**

C. Signature *[Signature]* Agent Addressee

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

Reference Information

Anaconda Federal 11 No. 2

Vicky Murillo

PS Form 3811, January 2005

Domestic Return Receipt

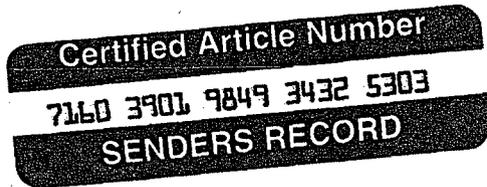
Samson Resources

200 N. Loraine, Suite 1010
Midland, Texas 79701
432-683-7063

August 31, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Neil Nadarash
Merit Energy Co.
13727 Noel Road, Suite 500
Dallas, Texas 75240



RE: Proposed SWD
Anaconda Federal-11- No. 2
API: 3002534934
1650' FNL & FWL
Section 11, T20S, R33E
Lea County, New Mexico

Dear Mr. Nadarash:

The purpose of this letter is to inform you that Samson Resources will file the enclosed salt-water disposal permit for the subject well with the New Mexico Oil Conservation Division. If you have any questions about this permit you may contact the OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico. The OCD requires notice within 15 days of this letter.

If you have any questions about this permit for Samson, you may contact Kenny Krawietz at 432-683-7063.

Regards,

A handwritten signature in cursive script that reads "Raul Madrid".

Raul Madrid
Agent

Enclosure

7160 3901 9849 3432 5297

TO: Don Shackelford
Shackelford Oil Company
P. O. Box 10665
Midland, TX 79702

SENDER: Vicky Murillo

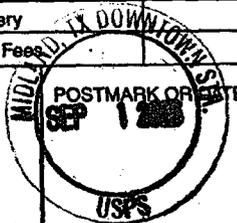
REFERENCE: Anaconda Federal 11 No. 2

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	.39
	Certified Fee	2.40
	Return Receipt Fee	1.85
	Restricted Delivery	
	Total Postage & Fees	4.64

US Postal Service
**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail



7160 3901 9849 3432 5297

3. Service Type **CERTIFIED MAIL**
4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Don Shackelford
Shackelford Oil Company
P. O. Box 10665
Midland, TX 79702



COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
D. Is delivery address different from item 1? If YES, enter delivery address below: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Reference Information

Anaconda Federal 11 No. 2

Vicky Murillo

Samson Resources

200 N. Loraine, Suite 1010
Midland, Texas 79701
432-683-7063

Certified Article Number

7160 3901 9849 3432 5310

SENDERS RECORD

August 31, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Duke Roush
Nearburg Producing Co.
3300 N. A Street
Bldg. 2, Suite 120
Midland, Texas 79705

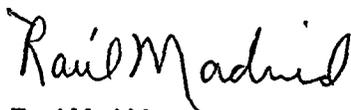
RE: Proposed SWD
Anaconda Federal-11- No. 2
API: 3002534934
1650' FNL & FWL
Section 11, T20S, R33E
Lea County, New Mexico

Dear Mr. Roush:

The purpose of this letter is to inform you that Samson Resources will file the enclosed salt-water disposal permit for the subject well with the New Mexico Oil Conservation Division. If you have any questions about this permit you may contact the OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico. The OCD requires notice within 15 days of this letter.

If you have any questions about this permit for Samson, you may contact Kenny Krawietz at 432-683-7063.

Regards,



Raul Madrid
Agent

Enclosure

7160 3901 9849 3432 5310

TO: Nearburg Producing Co.
3300 N. "A" Street
Bldg. 2, Suite 120
Midland, TX 79705

SENDER: Vicky Murillo

REFERENCE: Anaconda Federal 11 No. 2

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	.39
	Return Receipt Fee	2.40
	Restricted Delivery	1.85
	Total Postage & Fees	4.64

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided
Do Not Use for International Mail

MIDLAND, TX DOWNTOWN STA.
POSTMARK DATE
SEP 1 2006
USPS

7160 3901 9849 3432 5310

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Nearburg Producing Co.
3300 N. "A" Street
Bldg. 2, Suite 120
Midland, TX 79705

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) *S. Jordan*

B. Date of Delivery *9/5/06*

C. Signature *[Signature]*

Agent
 Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

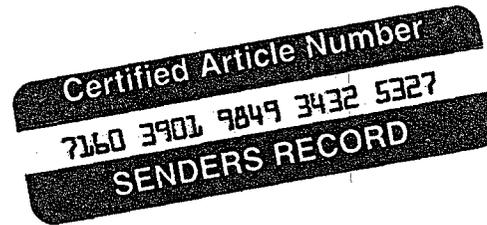
Reference Information

Anaconda Federal 11 No. 2

Vicky Murillo

Samson Resources

200 N. Loraine, Suite 1010
Midland, Texas 79701
432-683-7063



August 31, 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Joe Lara
United States Bureau of Land Management
2909 W. Second Street
Roswell, New Mexico 88201

RE: Proposed SWD
Anaconda Federal-11- No. 2
API: 3002534934
1650' FNL & FWL
Section 11, T20S, R33E
Lea County, New Mexico

Dear Mr. Lara:

The purpose of this letter is to inform you that Samson Resources will file the enclosed salt-water disposal permit for the subject well with the New Mexico Oil Conservation Division. If you have any questions about this permit you may contact the OCD at 1220 South St. Francis Drive, Santa Fe, New Mexico. The OCD requires notice within 15 days of this letter.

If you have any questions about this permit for Samson, you may contact Kenny Krawietz at 432-683-7063.

Regards,

A handwritten signature in black ink that reads "Raul Madrid". The signature is written in a cursive style.

Raul Madrid
Agent

Enclosure

7160 3901 9849 3432 5327

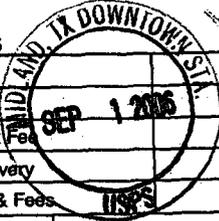
TO: Joe Lara
United States Bureau of Land Management
2909 W. Second Street
Roswell, NM 88201

SENDER: Vicky Murillo

REFERENCE: Anaconda Federal 11 No. 2

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	.39
	Certified Fee	2.40
	Return Receipt Fee	1.85
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	Total Postage & Fees	4.64



US Postal Service
**Receipt for
Certified Mail**

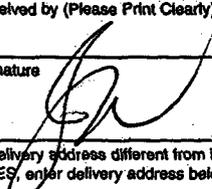
No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

7160 3901 9849 3432 5327

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery 09/05

C. Signature  Agent
 Addressee

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type **CERTIFIED MAIL**
4. Restricted Delivery? (Extra Fee) Yes
1. Article Addressed to:

Joe Lara
United States Bureau of Land Management
2909 W. Second Street
Roswell, NM 88201

Reference Information

Anaconda Federal 11 No. 2

Vicky Murillo

Jones, William V., EMNRD

From: Raul Madrid [rmadrid@cox.net]
Sent: Saturday, September 30, 2006 6:36 AM
To: Jones, William V., EMNRD
Cc: Kenneth Krawietz
Subject: Re: SWD Application: Samson Resources: Anaconda Federal 11 Well No. 2 30-025-34934

Mr. Jones,
 Thank you for your email of 9-27-06 outlining your concerns and requests regard Samson's SWD application.

1. The purpose of permitting the intervals 5250-6400' and 6700-8000' was to make sure we could dispose of all of Samson's produced water in the area. As our letter states, we would test the injectivity of the proposed perforations (5722-6030'). If needed additional perforations would be made between 6700-8000'. However, since this request is causing you concern, we would like to amend our injection interval permit to 5250-6200'.
2. We do not see the need to plug back to within 200' of 8000' because we indicated we will be setting a CIBP at 9350' and there are no other open perforation between it and the proposed perforations. However, if required, we will set another CIBP at whatever depth OCD requires.
3. The enclosed wellbore diagram indicates the DVT is at 3227'. Sundry notice 7-10-00 indicates 1st stage used 1077 sacks of cement and second stage used 286 sacks. Circulated 46 sacks to surface.
4. Yes. We checked with BLM for surface water wells in the area and they indicated there were none. However, we are conducting our own investigation and will notify you should we find any water wells in the area of review. At this time produce Morrow and Bone Springs/Delaware water will be disposed of at the proposed SWD. Yes, water analysis were provided.
5. We will re-post notice and forward it to you.
6. Copies of the Smith Ranch Federal # 1 will be provided to Hobbs OCD office. Yes, we want to proceed with conditional permit. However, we ask that the conditional permit give Samson 6 month after disposal operations begin to cover Delaware with cement. Samson does not own 100% working interest in this well and will require partner approval to circulated cement across Delaware. In order to obtain partner approval a workover justifying partner investment must be first approved by partners.

We hope we have covered your concerns/ requests. Please provide us with your in put to our reply. If you have any further questions or concerns, Kenny Krawietz is Samson's engineer for this project. He will be handling your concerns in the future.

----- Original Message -----

From: Jones, William V., EMNRD
To: rmadrid@cox.net
Cc: Ezeanyim, Richard, EMNRD ; Williams, Chris, EMNRD
Sent: Wednesday, September 27, 2006 11:33 AM
Subject: SWD Application: Samson Resources: Anaconda Federal 11 Well No. 2 30-025-34934

Hello Mr. Madrid:

Thank you for sending the marked log for this well and for noticing the Potash lessees.

After reviewing your application we have the following concerns and requests:

- 1) Your letter states that you want to be permitted for injection from 5250 - 6400, and from 6700 - 8000. Your wellbore diagram and C-108 did not reflect this larger interval, they only have the first proposed perfs 5722 - 6030

I want to make sure I have this correct?

- 2) You will need to plug the well back to within 200 feet of the 8000 feet bottom of the intended injection interval, unless there is a reason not to.
- 3) Where is the DV tool in this wells 5-1/2 inch casing? what volumes were pumped below and what cement volumes above?
- 4) Is BLM the surface owner?
- 4A) Is it true there is no windmill water or other domestic wells in this area? Don't depend on the State Engineers site to locate all wells...
- 4b) Which formations will be contributing water to this well? Did you send water analysis for these?
- 5) Please post another newspaper notice. Make sure you specify the two Delaware intervals you are applying for and use the latest OCD address. The address you used was about 6 years old.
- 6) Please send all logs pertaining to the Smith Ranch Federl #1 30-025-26810 to the OCD office in Hobbs for scanning into our system. Make sure the CBL run on 9/6/80 is with this group of logs. It appears that Samson will need to raise the cement top on this well to cover all proposed injection intervals. We can make this a condition in the permit. Let me know if you have additional data on this well showing cement over those intervals. Also, since this cement work will be required, let me know if you still want this application to be considered.

We have a 30 day goal on our permit approval process. Since this has to be re-noticed in the newspaper and will take some time, I am cancelling this application from our database but will keep the paperwork. After all items above are answered or commented on, I can re-activate this application if you still want me to. Please let me know.

Regards,

William V. Jones

Engineering Bureau

Oil Conservation Division

Santa Fe

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Wednesday, September 27, 2006 10:34 AM
To: 'rmadrid@cox.net'
Cc: Ezeanyim, Richard, EMNRD; Williams, Chris, EMNRD
Subject: SWD Application: Samson Resources: Anaconda Federal 11 Well No. 2 30-025-34934

*Considered
9/27/06*

Hello Mr. Madrid:

Thank you for sending the marked log for this well and for noticing the Potash lessees.

After reviewing your application we have the following concerns and requests:

- 1) Your letter states that you want to be permitted for injection from 5250 - 6400, and from 6700 - 8000. Your wellbore diagram and C-108 did not reflect this larger interval, they only have the first proposed perfs 5722 - 6030 I want to make sure I have this correct?
- 2) You will need to plug the well back to within 200 feet of the 8000 feet bottom of the intended injection interval, unless there is a reason not to.
- 3) Where is the DV tool in this wells 5-1/2 inch casing? what volumes were pumped below and what cement volumes above?
- 4) Is BLM the surface owner?
- 4A) Is it true there is no windmill water or other domestic wells in this area? Don't depend on the State Engineers site to locate all wells...
- 4b) Which formations will be contributing water to this well? Did you send water analysis for these?
- 5) Please post another newspaper notice. Make sure you specify the two Delaware intervals you are applying for and use the latest OCD address. The address you used was about 6 years old.
- 6) Please send all logs pertaining to the Smith Ranch Federl #1 30-025-26810 to the OCD office in Hobbs for scanning into our system. Make sure the CBL run on 9/6/80 is with this group of logs. It appears that Samson will need to raise the cement top on this well to cover all proposed injection intervals. We can make this a condition in the permit. Let me know if you have additional data on this well showing cement over those intervals. Also, since this cement work will be required, let me know if you still want this application to be considered.

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Regards,

William V. Jones Engineering Bureau Oil Conservation Division Santa Fe

Injection Permit Checklist

SWD Order Number _____ Dates: Division Approved _____ District Approved _____

Information Request Letter or Email sent _____

Well Name/Num: ANACONDA FEDERAL II #2 Date Spudded: 1/28/83

API Num: (30-) 025-34934 County: LEA

Footages 1650FNL/1650FWL Sec 11 Tsp 20S Rge 33E

*Purchased FROM
Nearburg 12/2/05*

Operator Name: SAMSON RESOURCES Contact RAUL MADRID, Agent

Operator Address: 200 N. LORRAINE, SUITE 110 MIDLAND TX 79701

	Hole/Pipe Sizes		Depths	Cement	Top/Method
Surface	14 3/4	11 3/4	1308'	560	CIRC
Intermediate	10 5/8	8 5/8	3318'	1000	CIRC
Production	7 7/8	5 1/2	10450'	1363	CIRC = ?
Last DV Tool			3221'	<u>(SIZED 4002 - 4279')</u>	
Open Hole/Liner					
Plug Back Depth			<u>(10,450 TD)</u>		

Diagrams Included (Y/N): Before Conversion After Conversion

Checks (Y/N): Well File Reviewed ELogs in Imaging

Re-entry of P&A well

Intervals:	Depths	Formation	Producing (Yes/No)
Salt/Potash	<u>1445 - 3200'</u>	<u>Yada @ 3434'</u>	
Capitan Reef	<u>3250' TOP</u>		
Cliff House, Etc:			
Formation Above	<u>3254'</u>	<u>Yada</u>	
Top Inj Interval	<u>5722 - 5250</u>	<u>Del</u>	<u>5722</u>
Bottom Inj Interval	<u>6030 - 6200</u>	<u>Del</u>	<u>6030</u>
Formation Below	<u>8292'</u>	<u>BS</u>	

30-025-26810
9/6/80 - GR-CBL Run
2nd TMS LOG

0.2851/Fc or 1050 PSI
PSI/Max. WHIP 1144
NO Open Hole (Y/N)
NO Deviated Hole (Y/N)

Fresh Water Site Exists (Y/N) NONE Analysis Included (Y/N): None

Salt Water Analysis: Injection Zone (Y/N/NA) _____ Disposal Waters (Y/N/NA) _____ Types: MARROW, BONE SPRING

Affirmative Statement Included (Y/N): Newspaper Notice Adequate (Y/N) Well Table Adequate (Y/N) need DV data

Surface Owner: BLM Noticed (Y/N) Mineral Owner(s) _____

AOR Owners: POTASH BTA, SHACKELFORD, Merit, Nearburg, BLM Noticed (Y/N) _____

CID/Potash/Etc Owners: _____ Noticed (Y/N) _____

AOR Num Active Wells 9 Repairs? 1/22 Producing in Injection Interval in AOR _____

AOR Num of P&A Wells 1 Repairs? NO Diagrams Included? Yes

Data to Generate New AOR Table

New Table Generated? (Y/N) _____

	STR	E-W Footages	N-S Footages
Wellsite			
Northeast			
North			
Northwest			
West			
Southwest			
South			
Southeast			
East			

(RUN CBL)
Conditions of Approval:
1. P.B. TO 200' of B-TM Top
2. RE-notice Newspaper
3. Raise CMT on 30-025-26810
4. PRING 300 SMITH Road Fall #1
We have DV tool

RBDMS Updated (Y/N) _____

UIC Form Completed (Y/N) _____

This Form completed _____