



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

December 3, 2007

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RE: Smith Ranch Federal #1
1980' FNL & 660' FWL
Section 11, T-20-S, R-33-E
Lea County, New Mexico

Dear Sir/Madam:

Samson Resources is in receipt of DHC-3968 for the above referenced well. Of note the order transposes the production percentages between the Teas;Bone Spring Pool (58960) and Teas;Delaware Pool (96797). Attached is a copy of Form C-107A and Administrative Order DHC-3968.

Please amend Administrative Order DHC-3968 to reflect the fixed allocation percentages as set forth in Form C-107A.

Thank you for your prompt response.

Sincerely,

A handwritten signature in dark ink, appearing to read 'R. M. Burditt', written over a horizontal line.

R. M. Burditt
Sr. Engineering Tech

Attachments

cc: State of New Mexico
District I
1625 N. French Dr.
Hobbs, NM 88240

Bureau of Land Management
620 E. Greene
Carlsbad, NM 88220-6292

District I
1635 N. Fourth Street, El Paso, NM 88240District II
1401 W. Central Avenue, Artesia, NM 87210District III
8800 N. Express Road, Alamogordo, NM 88310District IV
1730 E. Du Pont Street, Santa Fe, NM 87505State of New Mexico
Energy, Minerals and Natural Resources DepartmentOil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505Form C-107A
Revised June 10, 2003APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELL BORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

Samson Resources Company
Operator200 N. Loring St., Suite 1010; Midland, Texas 79701
AddressLease
Smith Ranch Federal

Well No. 001

F 11-20S-33E
Unit Letter-Section-Township-RangeLea
CountyOGRID No. 20165 Property Code 9922 API No. 30-025-26810 Lease Type: ☒ Federal ☐ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Teas/Delaware	Teas/Bone Spring	
Pool Code	96797	58960	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6304' - 6310'	9324' - 9424'	
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift	
Bottomhole Pressure (Note: Pressure data will not be required if the bottomhole pressure in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone			
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 11/6/07 Rates: 6/4/0 Expect to stabilize @ 3 bopd, 4 mcpd	Date: 8/15/07 Rates: 5/40/0	
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 37 % 10 %	Oil Gas 63 % 90 %	

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?

Yes ☒ No ☐

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data. Plot of Test Data

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling. - Not economic without commingling

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

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

SIGNATURE Veng V. Veng TITLE District Engineer DATE 10/15/2007