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October 31, 2005

2005 OCT 31 AM 4 22

Case 13596

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of Samson Resources Company, are an original and one copy of an application for compulsory pooling, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. The parties being pooled are listed on Exhibit A. Please set this matter for the December 1, 2005 Examiner hearing. Thanks.

Vory truly yours,

Attorney for Samson Resources Company

| | <u>EXHIBIT A</u> |
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| Working Interest Owner | Working Interest <u>Before Payout</u> | Working Interest After Payout |
|--|--|----------------------------------|
| Samson Resources Company Two West Second Street Tulsa, OK 74103 | 51.8234% | 49.1127% |
| Desert Rainbow LLC P.O. Box 1837 Roswell, NM 88202 | 6.1742% | 5.2706% |
| Merit Energy Company Suite 501 13727 Noel Road Dallas, TX 75240 | -0- | 3.6144% |
| Pure Resources, LP 500 W. Illinois Midland, TX 79701 | 0.4261% | 0.4261% |
| Ownership Uncertain: | 4.4484% | 4.4484% |
| ConocoPhillips Company P.O. Box 2197 Houston, TX 77252 | | |
| Attention: Linda Hicks | | |
| Delmar Holdings, LP Suite 801 16607 Blanco Road San Antonio, TX 78232 | | |
| OBO, Inc. P.O. Box 298 Roswell, NM 88202 | | |
| Custer & Wright P.O. Box 2334 Midland, TX 79702 | | |
| A.W. Dugan Suite 3100 1415 Louisiana Street Houston, TX 77002 | 3.4801% | 3.4801% |

| Edge Petroleum Exploration Company Suite 2000 1301 Travis Houston, TX 77002 | 15.6250% | 15.6250% |
|--|----------|----------|
| Pure Energy Group Inc. Suite 1925 700 N. St. Mary Street San Antonio, TX 78205 | 7.8125% | 7.8125% |
| Chisos Ltd. 670 Dona Ana Road SW Deming, NM 88030 | 7.8125% | 7.8125% |
| William W. Saunders 606 Ridgemont San Antonio, TX 78209 | 2.0709% | 2.0709% |
| Todd M. Wilson 3608 So. County Road 1184 Midland, TX 79701 | 0.1065% | 0.1065% |
| Roger T. Elliott 3907 Crestgate Midland, TX 79707 | 0.1065% | 0.1065% |
| Betty F. Hayes c/o Stephen Hayes DHR International, Inc. 5335 Wisconsin Avenue NW Washington, DC 20015 | 0.0650% | 0.0650% |
| Kelly H. Baxter P.O. Box 1649 Austin, TX 78767 | 0.0325% | 0.0325% |
| Carol Day 1007 Sylvan Meadows Drive Modesto, CA 95356 | 0.0108% | 0.0108% |
| Fred T. Newcomb No. 10 15012 Lemoli Drive Gardena, California 90249 | 0.01083% | 0.01083% |

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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SAMSON RESOURCES COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

2005 OCT 31 PM 4 22 Case No. <u>13596</u>

APPLICATION

Samson Resources Company applies for an order pooling all mineral interests from 4000 to 13693 feet subsurface underlying the S½ of Section 15, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the $S\frac{1}{2}$ of Section 15, and has the right to drill a well thereon.

2. Applicant proposes to drill its Bandit "15" Fed. Well No. 2, at an orthodox location in the NW¼SE¼ of Section 15, to a depth sufficient to test the Morrow formation, and seeks to dedicate the following acreage to the well:

(a) The SE¹/₄ to form a standard 160 acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and

(b) The $S\frac{1}{2}$ to form a 320 acre gas spacing and proration unit for any formations and/or pools developed on 320 acre spacing within that vertical extent, including the Undesignated Teas-Pennsylvanian Gas Pool.

3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the $S\frac{1}{2}$ of Section 15 for the purposes set forth herein.

4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests.

Therefore, applicant seeks an order pooling all mineral interest owners in the S¹/₂ of Section 15, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the $S\frac{1}{2}$ of Section 15 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

A. Pooling all mineral interests in the $S\frac{1}{2}$ of Section 15, from 4000 to 13693 feet subsurface;

B. Designating applicant as operator of the well;

C. Considering the cost of drilling and completing the well, and allocating the cost among the well's working interest owners;

D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

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James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (\$05) 982-2043

Attorney for Samson Resources Company

PROPOSED ADVERTISEMENT

Case No. 13596 : Application of Samson Resources Company for compulsory pooling, Lea County, New Mexico: Samson Resources Company seeks an order pooling all mineral interests from 4000 to 13,693 feet subsurface underlying the following described acreage in Section 15, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico, and in the following manner: The S/2 to form a standard 320acre gas spacing and proration unit for any and all formations or pools developed on 320acre spacing within that vertical extent, including the Undesignated Teas-Pennsylvanian Gas Pool; and the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent. The units are to be designated to the Bandit "15" Federal Well No. 2, to be located at an orthodox well location in the NW/4SE/4 of Section 15. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 5-1/2 miles east-northeast of Halfway, New Mexico.