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July 24, 2007

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

Case 13978

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. Please set this matter for the August 23, 2007 Examiner hearing. Thanks.

Very truly yours,


James Bruce

Attorney for Samson Resources Company

PERSONS BEING POOLED

BP America Production Company
501 Westlake Park Boulevard
Houston, Texas 77079

Attention: J.P. Adams
No. 6.197-8

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 13978

APPLICATION

Samson Resources Company applies for an order pooling all mineral interests from the surface to the base of the Barnett Shale underlying the E $\frac{1}{2}$ of Section 32, Township 20 South, Range 36 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the E $\frac{1}{2}$ of Section 32, and has the right to drill a well thereon.
2. Applicant proposes to drill its Osudo 32 State Com. Well No. 2, at an orthodox location in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 32, to a depth sufficient to test the Barnett Shale, and seeks to dedicate the E $\frac{1}{2}$ of Section 32 to the well to form a standard 320 acre spacing and proration unit for any formations and/or pools developed on 320 acre spacing within that vertical extent.
3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the E $\frac{1}{2}$ of Section 32 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 E $\frac{1}{2}$ of Section 32, pursuant to NMSA 1978 §70-2-17.

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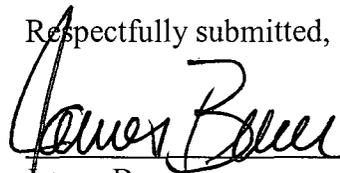
5. The E½ of Section 32 will be simultaneously dedicated to the proposed well and the Osudo 32 State Com. Well No. 1, located in the SE¼ of Section 32.

6. The pooling of all mineral interests underlying the E½ of Section 32 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 E½ of Section 32, from the surface to the base of the Barnett Shale;
- 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,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Samson Resources Company

PROPOSED ADVERTISEMENT

Case No. 13978: **Application of Samson Resources Company for compulsory pooling, Lea County, New Mexico:** Applicant seeks an order pooling all mineral interests from the surface to the base of the Barnett Shale underlying the E/2 of Section 32, Township 20 South, Range 36 East, NMPM. The unit is to be dedicated to the proposed Osudo 32 State Com. Well No. 2 to be drilled at an orthodox location in the NE/4NE/4 of Section 32. 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 unit is located approximately 9 miles southwest of Monument, New Mexico.

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