

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
**Reese Fullerton**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



October 7, 2008

Mr. James Bruce  
P.O. Box 1056  
Santa Fe, NM 87504

## Administrative Order NSL-5933

**Re: Samson Resources Company  
Lea Unit Federal Well No. 29  
API No. 30-025-39077  
1310 feet FNL and 1948 feet FWL  
Unit C, Section 24-20S-34E  
Lea County, New Mexico**

Dear Mr. Bruce:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR08-22455567**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico, on behalf of Samson Resources Company (Samson), on August 11, 2008, and

(b) the Division's records pertinent to this request.

Samson has requested to drill the above-referenced well at an unorthodox well location, as described above in the caption of this letter. The E/2 NW/4 of Section 24 will be dedicated to this well in order to form a standard 80-acre spacing unit in the undesignated Lea-Bone Spring Pool (37570). Spacing in this pool is governed by Rules 2 and 3 of the Special Rules and Regulations for the Lea-Bone Springs Pool, as adopted by Order R-1827 issued on December 8, 1960, which provide for 80-acre units with wells to be located within 150 feet of the center of a quarter/quarter section. This location is more than 150 feet south of the center of the NE/4 NW/4 of Section 24.

Your application on behalf of Samson has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).



October 7, 2008

Page 2

It is our understanding that you are seeking this location to avoid interference with a pipeline that crosses the unit and to comply with United States Bureau of Land Management surface citing requirements.

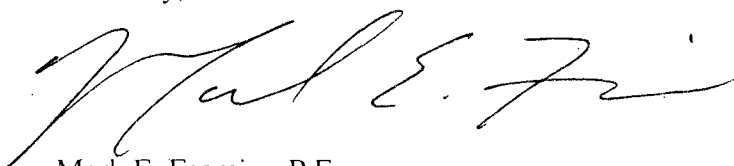
It is also understood that notice of this application to offsetting operators or owners is unnecessary because the only encroachment is internal to the spacing unit.

Pursuant to the authority conferred by Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 40.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Hobbs  
United States Bureau of Land Management - Carlsbad