

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

June 24, 2008



OXY USA WTD limited partnership Attention: Mr. Robbie Abraham P. O. Box 4294 Houston, Texas 77210-4294

Re:

Osudo 33 State Com № 2 Well Section 33, W½, T-20-S, R-36-E, NMPM, Lea County, New Mexico

Gentlemen:

Samson Resources Company (Samson) hereby proposes drilling Samson's Osudo 33 State Com № 2 Well as an 11,750' Morrow gas test well at a location of 660' FSL & 660' FWL of Section 33, Township 20-South, Range 36-East, NMPM, Lea County, New Mexico. This is Samson's SECOND MORROW GAS TEST WELL TO BE DRILLED IN AN ESTABLISHED 320 ACRE COMMUNITIZED SPACING UNIT PURSUANT TO THE OSUDO (MORROW) POOL RULES. Lea County records indicate that OXY USA WTP limited partnership owns 25% of the undivided mineral rights in the SW¼ of Section 33, as to all depths for a total of 40 net acres.

Therefore, Samson respectfully requests that OXY (i) participate in the drilling of the aforementioned test well by executing and returning the enclosed AFE, \$3,732,745 total dry hole and completion costs, (ii) or grant Samson a term assignment covering all its right, title and interest in the SW¼ of Section 33, T20S, R36E, NMPM, Lea County, New Mexico. Said term assignment being based on a consideration payment of \$12,000.00 (\$300.00 per acre x 40 acres) for a two (2) year primary term, and delivering to Samson not less than an 80% net revenue interest leasehold. All BEING SUBJECT TO FINAL MANAGEMENT APPROVAL AND THE EXECUTION OF A MUTUALLY ACCEPTABLE TERM ASSIGNMENT.

Please be advised that Samson reserves the right to withdrawn its offers at any time, without notice, subsequent to the expiration of sixty (60) days from the date of this letter or expiring on or before Friday, August 22, 2008. Should you have questions, please contact my office at telephone number 432-686-6309.

Sincerely,

SAMSON RESOURCES COMPANY

Thomas R. Land, CPL Senior District Landman

Oil Conservation Division

Case No.

Exhibit No.

FORM #35663 VERSION: 06/06 ,c 390% 9849 7496 9321 U.S. PAT. NO. 5,501,393 THE WALZ TO: CERTIFIED OXY USA WTP Limited Partnership HaadlaalalaadHaadalalahdalalad **MAILER™** OXY USA WTP Limited Partnership Attn: Robbie Abraham Attn: Robbie Abraham P.O. Box 4294 Label #1 P.O. Box 4294 Houston, TX 77210-4294 Houston, TX 77210-4294 ALONG THIS LINE **SENDER:** Holly Dominguez HandlandahlandHandalakillikadall **REFERENCE:** Osudo 33 State Com #2 OXY USA WTP Limited Partnership Attn: Robbie Abraham Label #2 P.O. Box 4294 PS Form 3800, January 2005 0.42 Houston, TX 77210-4294 RETURN Postage RECEIPT 2.70 Certified Fee SERVICE 2.20 Return Receipt Fee 0.00 Restricted Delivery Samson Resources Company 5.32 Total Postage & Fees 200 N. Loraine St. US Postal Service POSTMARK OR DATE **Suite 1010** Label #3 Receipt for Midland, TX 79701 **Certified Mail** No Insurance Coverage Provided Do Not Use for International Mail FOLD AND TEAR THIS WAY---- OPTIONAL HaallankalakaalHassitalakilakailel **Certified Article Number** OXY USA WTP Limited Partnership Certieled Wall Attn: Robbie Abraham P.O. Box 4294 Houston, TX 77210-4294 Charge 7160 3901 9849 7496 9321 RETURN RECEIPT REQUESTED FOLD AND TEAR THIS WAY -COMPLETE THIS SECTION ON DELIVERY Received by (Please Print Clearly) B. Date of Delivery Signature Address 7160 3901 9849 7496 9321 D. Is delivery address different from item 1? Yes 3. Service Type CERTIFIED MAIL 4. Restricted Delivery? (Extra Fee)

Thank you for using Return Receipt

| Carry |

Tom Land

From:

Tom Land

Sent: To: Monday, May 19, 2008 2:20 PM 'Robbie_Abraham@oxy.com'

Subject:

FW: My Contact Information

Good Afternoon Robbie,

Samson has spudded its Osudo 33 State Com #1 Well and still would like to work out a term assignment with OXY on its mineral interest in the SW/4 of Section 33. Has a decision been made? Thanks, Tom.

Thomas R. Land
Senior District Landman
Samson Companies
200 N. Loraine, Suite 1010
Midland, Texas 79701
Phone 432-686-6309
Cell 432-553-8099
Fax 432-686-6399
tland@samson.com

----Original Message----

From: Tom Land

Sent: Tuesday, April 15, 2008 10:20 AM

To: 'Robbie_Abraham@oxy.com'

Cc: Gary DuPriest; Kenneth Krawietz; Joe Schwab; Bob Nims; Gerry Petree; Duke Roush

Subject: FW: My Contact Information

Good Morning Robbie,

I got your message concerning Oxy's desire to have the option to convert its ORRI to a working interest if Samson's Osudo 33 State Com #1 well achieves payout. If Oxy will commit today to executing a term assignment, which must be executed and delivered to Samson on Samson's term assignment form prior to spudding said well, Samson will be willing to accept the following:

- 1. OXY grant Samson a term assignment covering all its right, title and interest in the SW¼ of Section 33, T20S, R36E, NMPM, Lea County, New Mexico. Said term assignment being based on a consideration payment of \$12,000.00 (\$300.00 per acre x 40 acres) for a two (2) year primary term, and delivering to Samson not less than an 80% net revenue interest leasehold. Oxy will have a 30-day option period to convert its ORRI to a 25% working interest APO, proportionally reduced to its designated pooled unit interest (i.e.: 3.125% Unit Working Interest APO); or
- 2. OXY grant Samson a term assignment covering all its right, title and interest in the SW¼ of Section 33, T20S, R36E, NMPM, Lea County, New Mexico. Said term Assignment being based on a consideration payment of \$12,000.00 (\$300.00 per acre x 40 acres) for a two (2) year primary term, and delivering to Samson not less than an 75% net revenue interest leasehold, with no option to convert APO.

An agreement between Oxy and Samson will replace all terms presently in place with the issuance of the Compulsory Pooling Agreement. Please let me know as soon as possible so that I can prepare the proper document for Oxy's execution.

Sincerely,

Thomas R. Land Senior District Landman Samson Companies 200 N. Loraine, Suite 1010 Midland, Texas 79701 Phone 432-686-6309 Cell 432-553-8099 Fax 432-686-6399 tland@samson.com

----Original Message----

From: Tom Land

Sent: Friday, April 11, 2008 10:49 AM To: 'Robbie_Abraham@oxy.com'

Cc: Gary DuPriest; Kenneth Krawietz; Joe Schwab; Bob Nims; Gerry Petree; Duke Roush

Subject: RE: My Contact Information

Good Morning Robbie,

The managers that were suppose to be out of the office until next week showed up this morning to discuss Oxy's proposal to participate in Samson's Osudo 33 State Com #1 Well located in Lea Co., NM. Due to the present situation and timing all that Samson can accept at this point from Oxy is the offered term assignment. Please let me know if Oxy decides to accept Samson's previously emailed terms, and if so, I will prepare the appropriate term assignment. Also due to Samson's drilling schedule, Samson can only offer Oxy the term assignment trade until 5:00 PM, Tuesday, April 15, 2008. After that date Samson will be forced to operate per the terms of the Compulsory Pooling Order.

Sincerely, Tom.

Thomas R. Land
Senior District Landman
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200 N. Loraine, Suite 1010
Midland, Texas 79701
Phone 432-686-6309
Cell 432-553-8099
Fax 432-686-6399
tland@samson.com
----Original Message----

From: Robbie_Abraham@oxy.com [mailto:Robbie_Abraham@oxy.com]

Sent: Thursday, April 10, 2008 3:46 PM

To: Tom Land

Subject: My Contact Information

Robbie Abraham, RPL | Land Negotiator | Occidental Permian Ltd.
P.O. Box 4294, Houston, Texas 77210-4294 Phone 713.366.5185 | Fax 713.985.1204 | Mobile 713.820.8407

Tom Land

From: Sent: Tom Land

Seni To: Monday, April 28, 2008 3:47 PM

To: Cc: 'Robbie_Abraham@oxy.com'

Subject:

Gary DuPriest; Kenneth Krawietz; Joe Schwab; Bob Nims; Gerry Petree; Duke Roush RE: My Contact Information

Good Afternoon Robbie,

Per our telephone conversation to extend Samson's offers as stated below to Friday, April 25th, has Oxy made any decisions? Thanks, Tom.

Thomas R. Land
Senior District Landman
Samson Companies
200 N. Loraine, Suite 1010
Midland, Texas 79701
Phone 432-686-6309
Cell 432-553-8099
Fax 432-686-6399
tland@samson.com

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Cc: Gary DuPriest; Kenneth Krawietz; Joe Schwab; Bob Nims; Gerry Petree; Duke Roush

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——Original Message——

From: Robbie_Abraham@oxy.com [mailto:Robbie_Abraham@oxy.com]

Sent: Thursday, April 10, 2008 3:46 PM

To: Tom Land

Subject: My Contact Information

Robbie Abraham, RPL | Land Negotiator | Occidental Permian Ltd.
P.O. Box 4294, Houston, Texas 77210-4294 Phone 713.366.5185 | Fax 713.985.1204 | Mobile 713.820.8407

Tom Land

From:

Tom Land

Sent:

Wednesday, April 09, 2008 5:21 PM

To:

'Nawaz_Khasraw@oxy.com'

Cc: Subject: Gary DuPriest; Joe Schwab; Bob Nims RE: Regarding Osudo 33 State Com No 1 Well

Dear Nawaz,

Per our telephone conversation on Wednesday, April 9, 2008, and pursuant to Order № R-12917, Case № 14090 granted by the State of New Mexico's Energy, Minerals and Natural Resources Department Oil Conservation Division, Samson will drill its Osudo 33 State Com № 1 Well as an 11,600′ Morrow gas test well at a location of 1,160′ FNL & 660′ FWL of Section 33, Township 20-South, Range 36-East, NMPM, Lea County, New Mexico. Assuming a successful completion in the Morrow formation, a 320 acre communitized spacing unit would need to be established pursuant to the Osudo (Morrow) Pool Rules. Lea County records indicate that Oxy USA WTP Limited Partnership owns 25% of the undivided mineral rights in the SW¼ of Section 33, as to all depths for a total of 40 net acres. Subject to said Order, Oxy's interest will be treated as 1/8th royalty and 7/8ths non-consent working interest or royalty equal to 1/8th x 1/4th x 4/8ths (1.5625% RI) which will be paid from date of first production, plus 7/8ths x 1/4th x 4/8ths non-consent working interest owner (10.9375% NCWIO) with said NCWIO subject to a 300% penalty as issued under said Order.

Therefore, Samson respectfully requests that OXY grant Samson a term assignment covering all its right, title and interest in the SW¼ of Section 33, T20S, R36E, NMPM, Lea County, New Mexico. Said term assignment being based on a consideration payment of \$12,000.00 (\$300.00 per acre x 40 acres) for a two (2) year primary term, and delivering to Samson not less than an 80% net revenue interest leasehold. All being subject to final management approval and the execution of a mutually acceptable term assignment.

Sincerely,

Thomas R. Land
Senior District Landman
Samson Companies
200 N. Loraine, Suite 1010
Midland, Texas 79701
Phone 432-686-6309
Cell 432-553-8099
Fax 432-686-6399
tland@samson.com

----Original Message-----

From: Nawaz_Khasraw@oxy.com [mailto:Nawaz_Khasraw@oxy.com]

Sent: Wednesday, April 09, 2008 3:57 PM

To: Tom Land

Subject: Regarding Osudo 33 State Com No 1 Well

Thanks,

Nawaz Khasraw Reservoir Engineer Oxy - Permian - Frontier/OBO Office: (713) 366-5312

Cell: (713) 392-9247 Fax: (713) 215-7948