

Jason Kellahin  
W. Thomas Kellahin  
Karen Aubrey

KELLAHIN and KELLAHIN  
*Attorneys at Law*  
El Patio - 117 North Guadalupe  
Post Office Box 2265  
Santa Fe, New Mexico 87504-2265

OIL CONSERVATION DIVISION  
SANTA FE

Telephone 982-4285  
Area Code 505

November 29, 1984

Mr. Richard Stamets  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Samson Resources Company  
NMOCD Case 8421

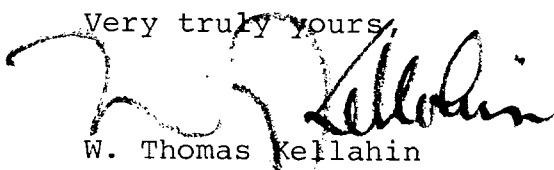
Dear Mr. Stamets:

Our firm filed an application on behalf of Samson Resources Company in the above referenced case which is now set for hearing on December 19, 1984.

As a result of a conflict of interest, we are withdrawing from this case.

Please be advised that Mr. Perry Pearce, of the Montgomery Firm, has agreed to represent Samson Resources Company and Mr. Bill Carr of the Campbell Firm has agreed to represent Sun Exploration and Production Company.

Very truly yours,

  
W. Thomas Kellahin

WTK:ca

cc: William F. Carr, Esq.  
Perry Pearce, Esq.  
Steve Area, Samson Resources  
J. T. Power, Sun Exploration

RECEIVED

DEC 1 1984

OIL CONSERVATION DIVISION

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION  
OF SAMSON RESOURCES COMPANY FOR  
COMPULSORY POOLING AND AN UNORTHODOX  
LOCATION, LEA COUNTY, NEW MEXICO.

Case 8421

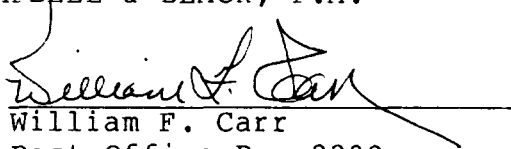
ENTRY OF APPEARANCE

Comes now, CAMPBELL & BLACK, P.A., and hereby enters its  
appearance in the above-referenced cause for Sun Exploration  
and Production Company.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By

  
William F. Carr  
Post Office Box 2208  
Santa Fe, New Mexico 87501  
(505) 988-4421

ATTORNEYS FOR SUN EXPLORATION  
AND PRODUCTION COMPANY



Samson Resources Company

TULSA DIVISION  
AUTHORITY FOR EXPENDITURE

PROSPECT: Vada WELL NAME: \_\_\_\_\_ AFE No. B8419  
LOCATION: Section 8-9S-34E COUNTY, STATE: Lea County, NM  
OBJECTIVE: Penn Bough "C" (Oil) TD: 9750' PREPARED BY: KEW  
EXPLORATION \_\_\_\_\_ DEVELOPMENT X RECOMPLETION \_\_\_\_\_ WORKOVER \_\_\_\_\_ DATE 9/26/84

INTANGIBLES		DRY HOLE	COMPLETED WELL
Surface Damages & Right of Way	1	\$ 5,000	\$
Roads & Location	2	15,000	
Rathole & Conductor Service	3		
Mobilization/Demobilization	4		
Drilling Daywork <u>2</u> /Days @ <u>\$4200</u> /Day	5	8,400	
Drilling Footage <u>9750</u> Feet @ <u>\$16.00</u> /Foot	6	156,000	
Drilling Turnkey	7		
Fuel, Water & Power	8	7,500	
Mud, Materials & Services	9	14,000	
Bits, Reamers & Stabilization	10		
Directional Equipment & Services	11		
Rental Equipment	12	4,000	
Logging & Formation Evaluation	13	24,000	3,000
Cementing - Equipment, Materials & Services	14	12,000	7,000
Inspection Services	15		
Transportation	16		
Supervision & Technical Services	17	10,000	4,000
Pipe Crews - Equipment & Labor	18	2,500	4,000
Labor & Supplies	19	1,000	1,000
Insurance	20	3,300	
Overhead	21	4,400	1,700
Plugging & Abandonment	22	6,000	
Completion Rig <u>7</u> Days @ \$ <u>1300</u> /Day	23		9,100
Completion Tools & Equipment - Rentals	24		2,000
Perforating	25		4,000
Acidizing, Fracturing & Sand Control	26		15,000
Wireline Services	27		500
Miscellaneous & Contingency	28	13,000	3,000
Total Intangibles		\$ 286,100	\$ 54,300

TANGIBLES			
Surface Csg <u>400</u> ft. <u>11-3/4"</u> <u>47#</u> <u>K55</u> @ <u>22.50</u> /ft.	1	\$ 9,000	\$
Intermediate Csg <u>4000</u> ft. <u>8-5/8"</u> <u>24&amp;32#</u> <u>K55</u> @ <u>13.75</u> /ft.	2	55,000	
Liner _____ ft. _____ @ _____ /ft.	3		
Production Csg <u>9750</u> ft. <u>5-1/2"</u> <u>17#</u> <u>K55&amp;N80</u> @ <u>9.00</u> /ft.	4		87,800
Production Tbg <u>9550</u> ft. <u>2-3/8"</u> <u>6.5#</u> <u>N80</u> @ <u>5.35</u> /ft.	5		51,100
Line Pipe _____	6		1,000
Intangible Installation Cost _____	7		1,000
Wellhead Equipment _____	8	5,000	10,000
Surface Equipment _____	9		25,000
Subsurface Equipment _____	10		15,000
Artificial Lift Equipment _____	11		60,000
Gas Compressor _____	12		
Miscellaneous & Non-Controllable Materials _____	13	500	1,000
Other Controllable Equipment _____	14	500	1,000
Total Tangibles		\$ 70,000	\$ 252,900
Total Cost		\$ 356,100	\$ 307,200

TOTAL COMPLETED WELL COST \$ 663,300

APPROVALS

Vice President of Drilling

Senior Vice President of Production

Senior Vice President of Exploration

For \_\_\_\_\_ Date \_\_\_\_\_

W.I. \_\_\_\_\_ Signature\* \_\_\_\_\_

\* This AFE is only an estimate. By returning one signed copy, you agree to pay your share of the actual costs incurred. Approval includes acceptance of Well Control Insurance if any, as noted above, unless written objection accompanies return of signed AFE.

BEFORE EXAMINER QUINTANA	
OIL CONSERVATION DIVISION	
EXHIBIT NO.	8
CASE NO.	8421

# MONTGOMERY & ANDREWS

PROFESSIONAL ASSOCIATION  
ATTORNEYS AND COUNSELORS AT LAW

J. O. Seth (1883-1963)  
Frank Andrews (1914-1981)

A. K. Montgomery  
Seth D. Montgomery  
Frank Andrews III  
Victor R. Ortega  
John E. Conway  
Jeffrey R. Brannen  
John B. Pound  
Gary R. Kilpatric  
Thomas W. Olson  
William C. Madison  
Walter J. Melendres  
Bruce Herr  
Michael W. Brennan  
Robert P. Worcester  
John B. Draper  
Nancy M. Anderson  
Janet McL. McKay  
Jean-Nikole Wells  
Mark F. Sheridan  
Joseph E. Earnest  
Stephen S. Hamilton  
W. Perry Pearce  
Phyllis A. Dow

Stephen J. Rhoades  
Brad V. Coryell  
Wesley B. Howard, Jr.  
Michael H. Harbour  
Robert J. Mroz  
John M. Hickey  
Timothy L. Butler  
Mack E. With  
Galen M. Buller  
Katherine A. Weeks  
Edmund H. Kendrick  
Helen C. Sturm  
Richard L. Puglisi  
James A. Hall  
Terri M. Couleur  
Stephen R. Kotz  
Christine Gray  
James C. Murphy  
B. Cullen Hallmark  
James R. Jurgens  
Ann M. Maloney  
Deborah J. Van Vleck

December 20, 1984

SANTA FE OFFICE  
325 Paseo de Peralta  
Post Office Box 2307  
Santa Fe, New Mexico 87504-2307

Telephone (505) 982-3873  
Telecopy (505) 982-4289

ALBUQUERQUE OFFICE  
Suite 200  
500 Copper Avenue, N.W.  
Post Office Box 2048  
Albuquerque, New Mexico 87103-2048  
Telephone (505) 242-9677

REPLY TO SANTA FE OFFICE

DEC 31 1984

Mr. Gilbert Quintana  
New Mexico Oil Conservation  
Divison  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Re: Application of Samson Resources Company for Compulsory  
Pooling and Unorthodox Location, Lea County, New Mexico  
Case #8421

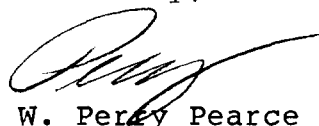
Dear Mr. Quintana:

Pursuant to the request made at the hearing for additional documentation of notice given to pooled parties, enclosed please find copies of the proof of notice of mailing. The Application was sent certified mail return-receipt-requested to the each of the parties who had not at that time agreed to lease or participate in the well.

As we stated at the hearing all interest owners other than Apache Corporation has agreed to lease or farm out to Samson Resources. Therefore the only interest pooled is that interest. The enclosed return receipt shows that a copy of this Application was received by Apache Corporation on November 2, 1984.

If I can be of any further assistance, please do not hesitate to contact me.

Sincerely,



W. Perry Pearce

WPP:mas  
9156-84-01  
Enclosures  
cc: Charles E. Lundeen  
Steve Area



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

**TONEY ANAYA**  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Mr. W. Perry Pearce  
Montgomery and Andrews  
Attorneys at Law  
P. O. Box 2307  
Santa Fe, New Mexico 87504

Re: CASE NO. 8421  
ORDER NO. R-7795

Applicant:  
**Samson Resources Company**

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

*B. L. Smith*

R. L. STAMETS  
Director

RLS / fd

Copy of order also sent to:

Hobbs OCD           x            
 Artesia OCD           x            
 Aztec OCD

Other \_\_\_\_\_