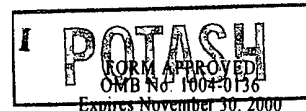


OPER. OGRID NO. 20165
PROPERTY NO. 34032
POOL CODE 86040
E EFF. DATE 6/18/04
APPLICANT API NO. 3D-D25-36733



Lease Serial No.
I-108976
If Indian, Allottee or Tribe Name

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No.	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. Outlaw 22 Fed. Com., #1	
2. Name of Operator Samson Resources		9. API Well No. <u>3D-D25-36733</u>	
3a. Address Samson Plaza--Two W. 2nd St. Tulsa, OK 74103	3b. Phone No. (include area code) (918) 591-1531	10. Field and Pool, or Exploratory Teas Penn Gas	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 660' FNL & 1980' FEL At proposed prod. zone same <u>Unit B</u> P-111-P Potash		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 22-T20S-R33E	
14. Distance in miles and direction from nearest town or post office* 41 miles northeast of Carlsbad, NM		12. County or Parish Lea	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of Acres in lease 400	17. Spacing Unit dedicated to this well 320	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1924'	19. Proposed Depth 14,000'	20. BLM/BIA Bond No. on file NM-2037	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3593' GL	22. Approximate date work will start* July 5, 2004	23. Estimated duration 6 weeks	

24. Attachments **Capitan Controlled Water Basin**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <u>George R. Smith</u>	Name (Printed/Typed) George R. Smith	Date 4/27/04
Title Agent for Samson Resources		
Approved by (Signature) <u>/s/ Linda S. C. Rundell</u>	Name (Printed/Typed) Linda S. C. Rundell	Date MAY 28 2004
Title STATE DIRECTOR	Office NM STATE OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Lease Responsibility Statement: Samson Resources accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof.

DECLARED WATER BASIN
CEMENT BEHIND THE 16"
CASING MUST BE CIRCULATED

P-111-P Potash
CEMENT BEHIND THE 11 3/4"
CASING MUST BE CIRCULATED

BRS.
George R. Smith, agent

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36733	Pool Code 86040	Pool Name Teas Penn Gas
Property Code 34032	Property Name OUTLAW FEDERAL COM. "22"	Well Number 1
OGRID No. 20165	Operator Name SAMSON RESOURCES	Elevation 3593'

Surface Location

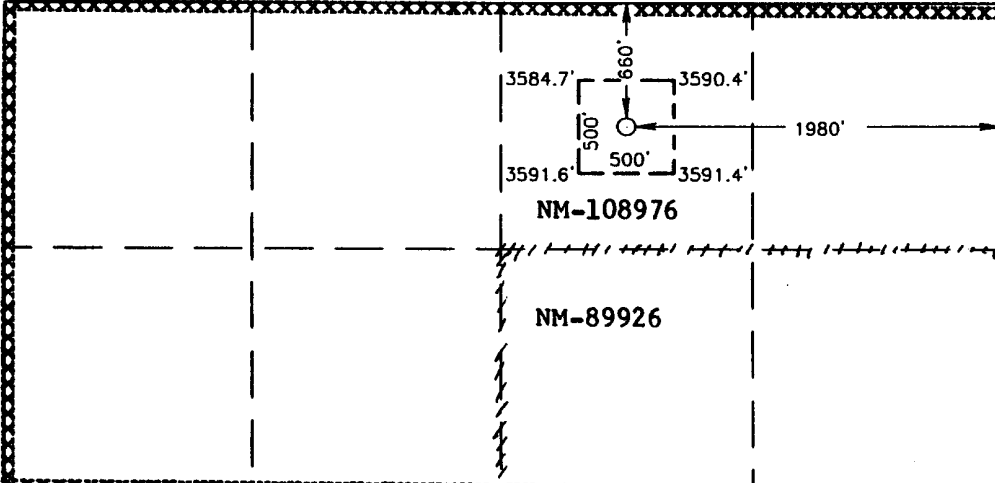
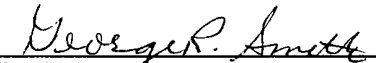
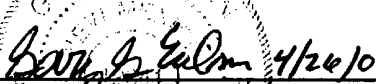
UL or lot No. B	Section 22	Township 20-S	Range 33-E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 1980	East/West line EAST	County LEA
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Bottom Hole Location If Different From Surface

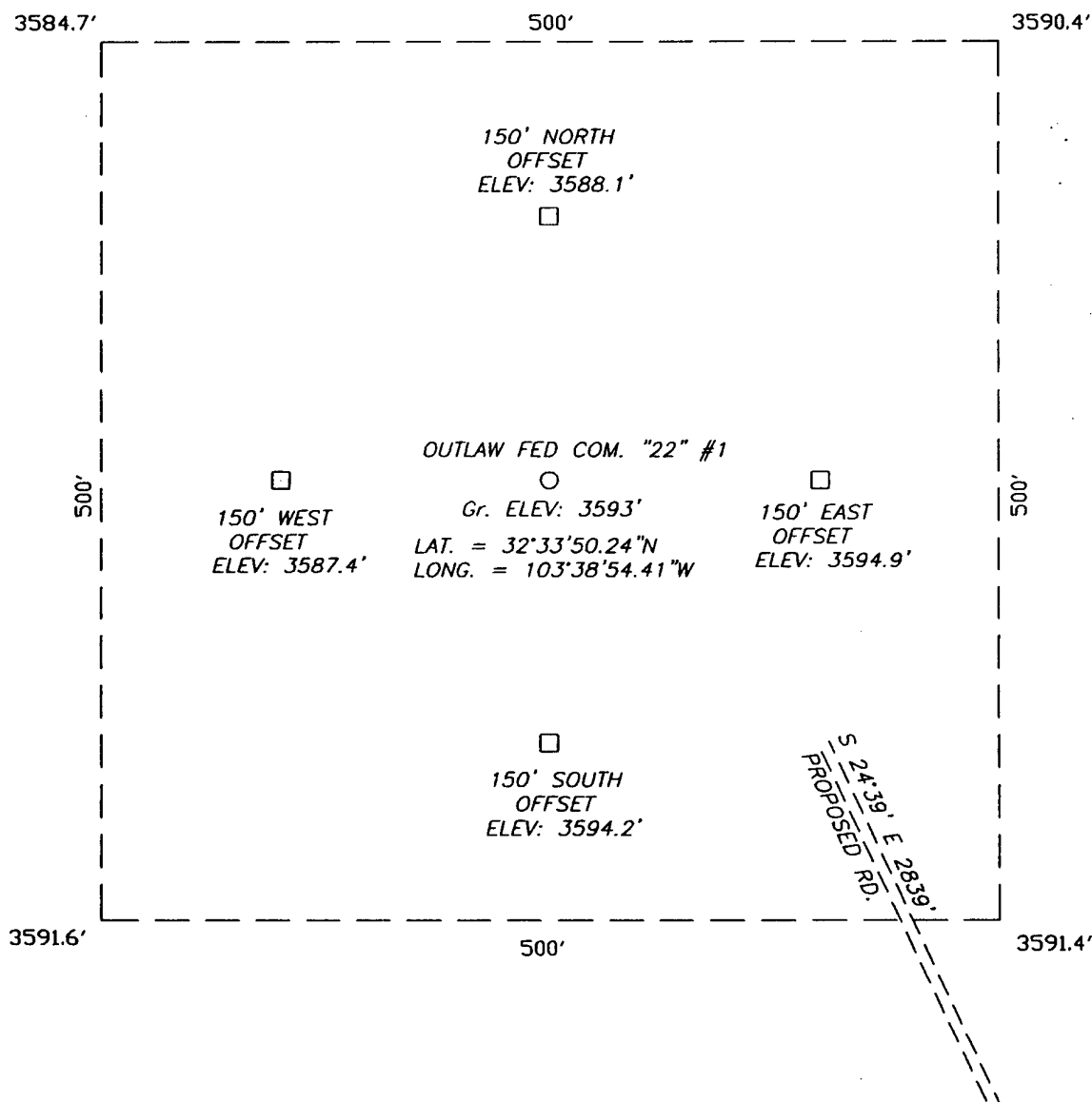
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 320	Joint or Infill	Consolidation Code com	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

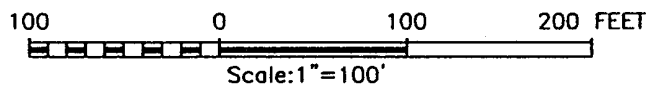
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature George R. Smith Printed Name Agent Title April 27, 2004 Date
GEODETIC COORDINATES NAD 1927 NME Y = 569557.4 N X = 711003.1 E LAT. = 32°33'50.24"N LONG. = 103°38'54.41"W	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. April 05, 2004 Date Surveyed  Signature & Seal of Professional Surveyor 04.11.0397 Certificate No. GARY EDSON 12841

SECTION 22, TOWNSHIP 20 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM U.S. HWY #62-180 AT MILEPOST #73.1. GO SOUTH ON GOOD CALICHE RD. FOR 0.3 MILES. TURN LEFT (EAST) AND GO 0.45 MILES. TURN RIGHT (SOUTH) AND GO 0.7 MILES. TURN LEFT (EAST) AND GO 0.15 MILES. TURN RIGHT (SOUTH) AND GO 0.3 MILES, VEER (SW) FOR 0.4 MILES AND VEER BACK SOUTH FOR 0.25 MILES. TURN RIGHT (WEST) AND GO 0.5 MILES TO OLD WELL FOLLOW PROPOSED RD. SURVEYED NORTH APPROX. 0.5 MILES TO THIS LOCATION.



Samson Resources

OUTLAW FEDERAL COM. "22" #1 LOCATED
660' FROM THE NORTH LINE AND 1980'
FROM THE EAST LINE OF SECTION 22,
TOWNSHIP 20 SOUTH, RANGE 33 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 04/05/04	Sheet 1 of 1 Sheets
W.O. Number: 04.11.0397	DRAWN BY: A.W.B. Rev. 4/24/04
Date: 04/07/04	DISK: CD#10
04.11.0397	Scale: 1"=100'

JOHN WEST SURVEYING COMPANY

412 N. DAL PASO - HOBBS, NEW MEXICO - 505-393-3117

APPLICATION FOR DRILLING

SAMSON RESOURCES

Outlaw 22 Federal Com., Well No. 1
660' FNL & 1980' FEL, Sec. 22-T20S-R33E
Lea County, New Mexico
Lease No.: NM-108976
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Samson Resources submits the following items of pertinent information in accordance with BLM requirements:

1. The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

Rustler	1,350'	Penn Shale	12,150'
Yates	3,066'	Strawn	12,300'
Capitan	3,532'	Atoka	12,500'
Delaware	5,250'	Morrow	13,200'
1 st Bone Spring	9,400'	T.D.	14,000'
Wolfcamp	11,600'		

3. The estimated depths at which water, oil or gas formations are anticipated to be encountered:
Water: Surface water between 100' - 300'.
Oil: Possible in the Delaware below 5200'.
Gas: Possible in Atoka below 12,500' and the Morrow below 13,200'.

4. Proposed Casing Program:

HOLE SIZE	CASING SIZE	WEIGHT	GRADE	JOINT	SETTING DEPTH	QUANTITY OF CEMENT
18 1/2"	16"	75.0#	K-55	BT&C	0' - 1,375'	Circ 890 sx "C" cement
14 3/4"	11 3/4"	54.5#	K-55	LT&C	0' - 3,510'	Circ. 1330 sx. HLC Prem Plus
10 5/8"	8 5/8"	32.0#	HC-K-55	LT&C	0' - 5,215'	Circ. 900 sx. Interfill C & Prem
7 7/8"	5 1/2"	20.0#	P110	LT&C	0' - 14,400' , 14,000'	1050 sx Zoneseal & 250 sx super H TOC 5000'

5. Minimum Specifications for Pressure Control Equipment:

NU 21 3/4" 2M WP Hydril & test to 800 psi before drilling 14 3/4" hole.

NU 13 5/8" 10M WP Shaffer, double over single w/ 13 5/8" Hydril annular preventer before drilling the 10 5/8" & 7 7/8" holes. Perform 3M test before drilling 10 5/8" hole & 5M test before drill 7 7/8" hole. See Exhibit "E".

6. MUD PROGRAM:		MUD WEIGHT	VIS.	W/L CONTROL
0' - 1,375':	Fresh water mud:	8.4 - 9.2 ppg	28 - 29	No W/L control
1,375' - 3,510':	Fresh/native brine	10.0 - 10.4 ppg	26 - 29	No W/L control
3,510' - 5,215':	Fresh water + addit.	8.8 - 9.6 ppg	26 - 29	No W/L control
5,215' - 12,300':	Fresh water/Cut brine	8.4 - 9.2 ppg	26 - 29	No W/L control
12,300' - 14,000':	Cut Brine/xcd Polymer	9.4 - 11.5 ppg	29 - 42	W/L control: <10cc

7. Auxiliary Equipment: Blowout Preventer, flow sensors and stabbing valve.

SAMSON RESOURCES

Outlaw 22 Federal Com., Well No. 1

Page 2

8. Testing, Logging, and Coring Program:

Drill Stem Tests: None unless conditions warrant.

Logging: 5,215' to T.D: CNL-DNL w/GR-Cal.

5,215' to Surface: CNL-GR

Coring: Rotary sidewall if dictated by logs.

9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight. Estimated evacuated BHP = 6160 psi and surface pressure of 3080 psi with a temperature of 200°.

10. H_2S : None expected. The Mud Log Unit will be cautioned to use a gas trap to detect H_2S and if any is detected the mud weight will be increased along with H_2S inhibitors sufficient to control the gas.

11. Anticipated starting date: July 5, 2004.

Anticipated completion of drilling operations: Approximately 6 weeks.

MULTI POINT SURFACE USE AND OPERATIONS PLAN

SAMSON RESOURCES

Outlaw 22 Federal Com., Well No. 1
660' FNL & 1980' FEL, Sec. 22-T20S-R33E
Lea County, New Mexico
Lease No.: NM-108976
(Development Well)

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, to be followed in rehabilitating the surface environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a USGS/BLM Topo map showing the location of the proposed well as staked. The well site location is approximately 41 road miles northeast of Carlsbad, New Mexico. Traveling east from Carlsbad there will be approximately 37.0 miles of paved highway and 4 miles of gravel oilfield road.
- B. Directions: Travel east from Carlsbad, NM on U.S. Highway 62/180 for approximately 32 miles to NM Highway #176. Continue east on #62/180 for 5.3 miles, .1 mile east of MM #73. Turn south, at a Woodbine Pet. and a Shackleford Oil Co. sign, for .3 mile to an east/west crossroad. Turn east for .5 mile then south for 2.2 miles to a P/A well site 1980' FSL & 660' FEL Sec. 22-T20S-R33E. The proposed access road will start on the southeast corner of the pad and will run northwest to for 2900' to the southeast corner of the proposed well site.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The proposed access road is approximately 2900 feet in length and 12 feet in width and is color coded red on Exhibit "A".
- B. Construction: The proposed access road will be constructed by grading and topping with compacted caliche and will be properly drained.
- C. Turnouts: Two turnouts will be required, increasing the width to 20 feet for passing.
- D. Culverts: None required.
- E. Cuts and Fills: There will be cuts and fills to level sand dunes and basins.
- F. Gates, Cattle guards: None required.
- G. Off Lease R/W: An off lease Right of Way is required and is being applied for.

3. LOCATION OF EXISTING WELLS:

- A. Existing wells within a two-mile radius are shown on Exhibit "C".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. Samson Resources has no production facilities on the lease at this time.
- B. If the well proves to be commercial, the necessary production facilities, gas production-process equipment and tank battery, if required, will be installed on the drilling pad.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with fresh water that will be obtained from private or commercial sources and will be transported over the existing access roads.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. Caliche for the access road and well site pad will be obtained on location, if available, or from an approved Federal pit located in the SENW of Sec. 14-T20S-R33E. No surface materials will be disturbed except those necessary for actual grading and construction of the drill site and access road.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock and wildlife from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or a separate disposal application will be submitted to the BLM for approval.
- E. Oil produced during operations will be stored in tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. Trash, waste paper, garbage and junk will be contained in trash bins to prevent scattering and will be removed for deposit in an approved sanitary landfill within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

- A. None required.

9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The pad and pit area has been staked and flagged, 500' X 500'.
- B. Mat Size: 300' X 210', plus 150' X 150' mud pits. The pits will be on the north.
- C. Cut & Fill: There will be a cut of 3 feet on the east with fill to the north and west
- D. The surface will be topped with compacted caliche and the mud pits will be plastic lined.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not required for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in an aesthetically pleasing a condition as possible
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled as soon as they are dry enough to work after completion or abandonment.

11. OTHER INFORMATION:

- A. Topography: The proposed well site and access road is located in the Querecho Plains. The location has an overall northwesterly slope of 1% from an elevation of 3597 feet.
- B. Soil: The topsoil on the well site and access road is reddish brown colored fine sand. The soil is of the Pyote Soils and Dune Land series.
- C. Flora and Fauna: The vegetation at the well site is a fair to sparse grass cover of three-awn, dropseed, bluestem, grama, muhly and other miscellaneous native grasses along with plants of mesquite, yucca, shinnery oak brush, sage, broomweed, cacti and miscellaneous weeds and wildflowers. The wildlife consists of rabbits, coyotes, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Ponds and Streams: None.
- E. Residences and Other Structures: None, but existing oil field facilities.
- F. Land Use: Cattle grazing.
- G. Surface Ownership: The proposed well site and access road are on Federal surface.
- H. There is no evidence of archaeological, historical or cultural sites in the area. Archaeological Survey Consultants, P.O. Box 2285, Roswell, NM 88202 are conducting an archaeological survey and their report will be submitted to the appropriate government agencies.

12. OPERATOR'S REPRESENTATIVE:

- A. The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

Todd Wiley
Samson Resources
Samson Plaza-Two West Second St.
Tulsa, OK 74103-3103
Office Phone: (918) 591-1531

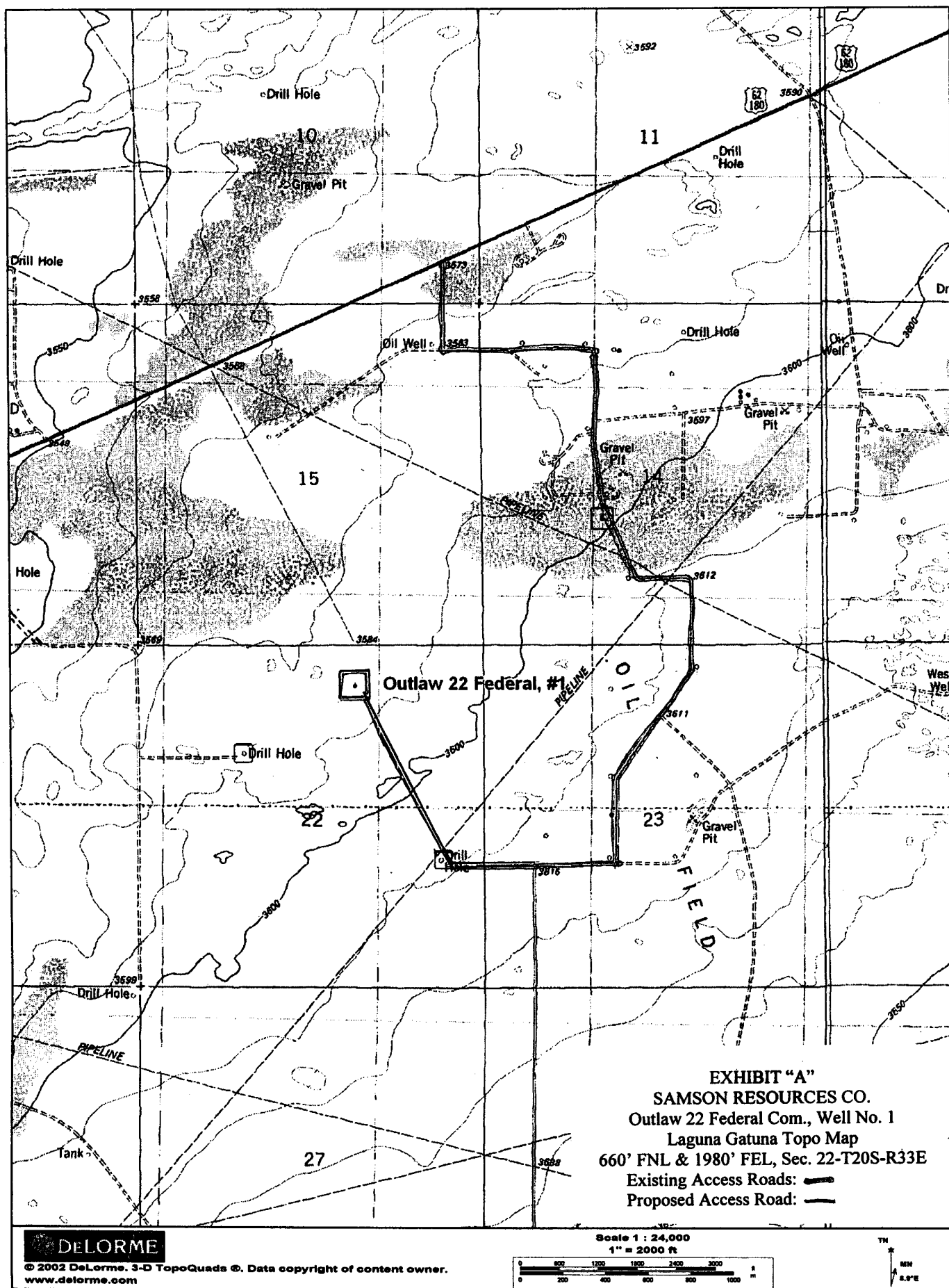
13. CERTIFICATION:

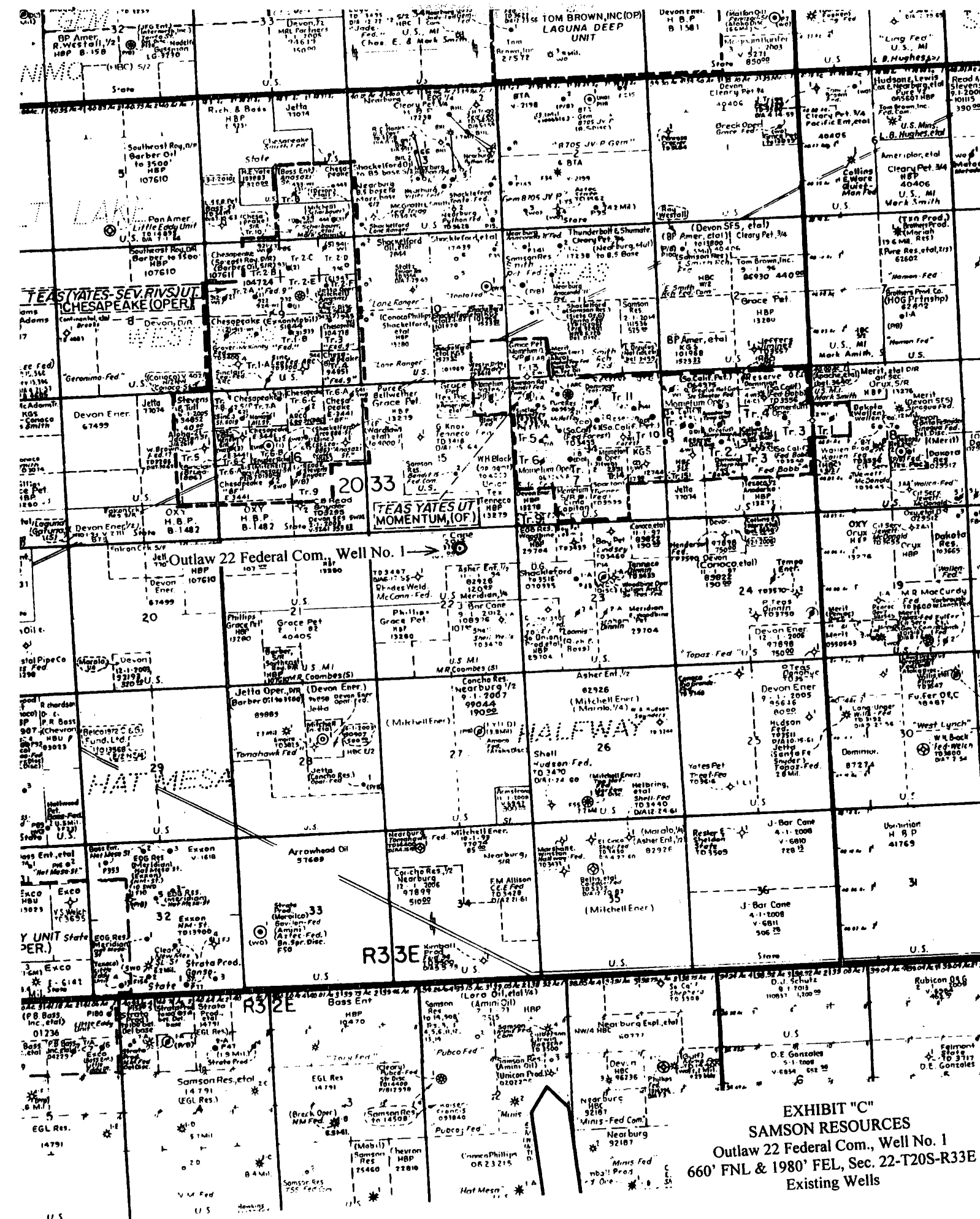
I hereby certify that I have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Samson Resources and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

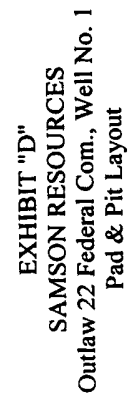
April 27, 2004



George R. Smith
Agent for: Samson Resources



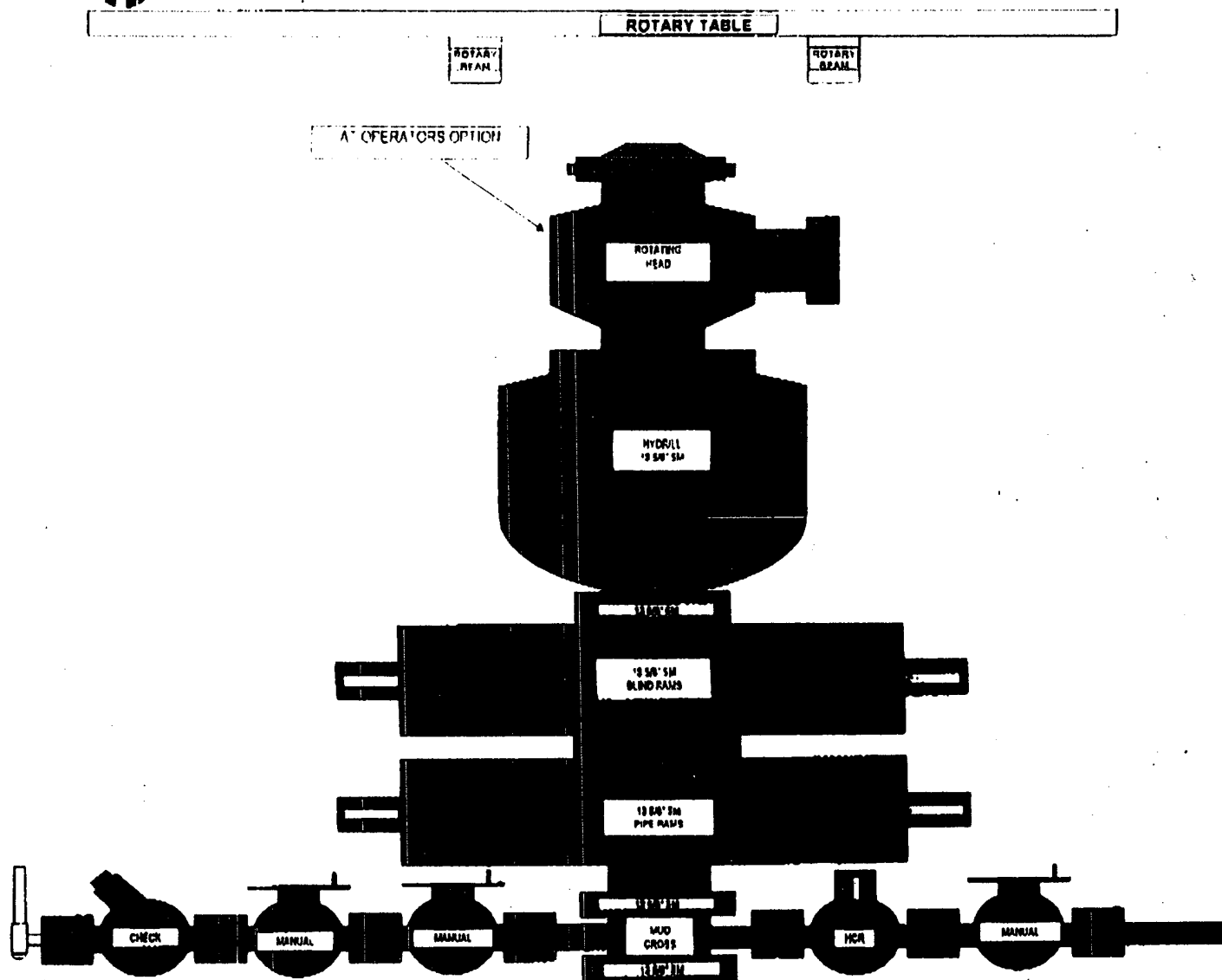




ACCESS
ROAD

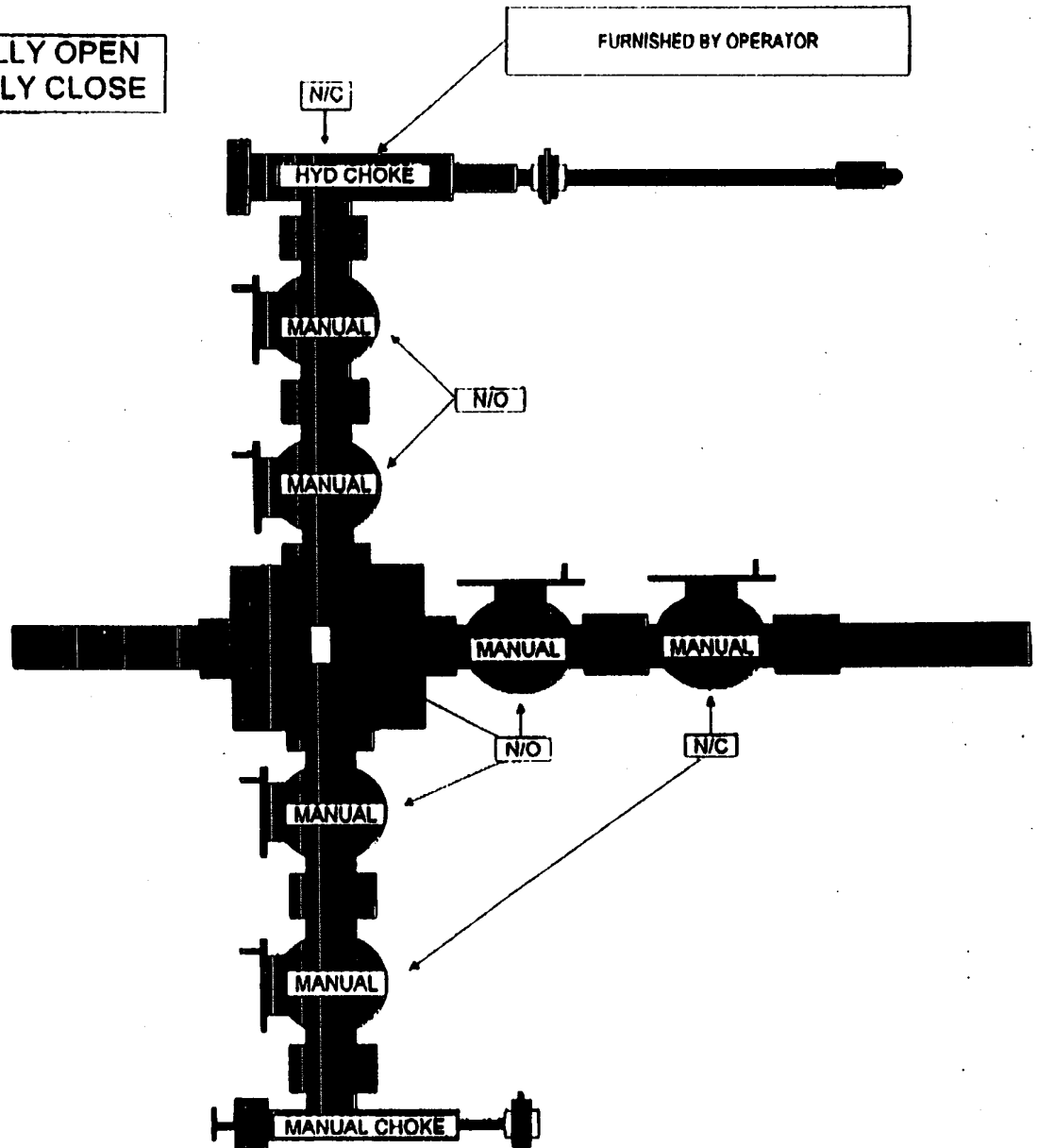


RIG 715 BOP LAYOUT





N/O = NORMALLY OPEN
N/C = NORMALLY CLOSE



District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: **SAMSON RESOURCES COMPANY** Telephone: **918-591-1386** e-mail address: **TKOSCELNY@SAMSON.CO**
Address: **TWO WEST SECOND ST, TULSA OK 74103-3103**

Facility or well name: **OUTLAW FEDERAL COM 22P#1** U/L or Qtr/Qtr **NE** Sec **22** T **20S** R **33E**
County: **LEA** Latitude **32 33 50.24** Longitude **103 88 54.41** NAD: 1927 ☒ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness 20 mil Clay <input type="checkbox"/> Volume 32,000 BBL bbl		Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 35'		Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)		Yes No	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)		Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)
		Ranking Score (Total Points)	20

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility: _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: **6/17/04**
Printed Name/Title: **TOM KOSCELNY, ENVIRONMENTAL SUPERVISOR**

Our certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: **6/17/04**

Printed Name/Title

Signature

PAGE 4

DELORE

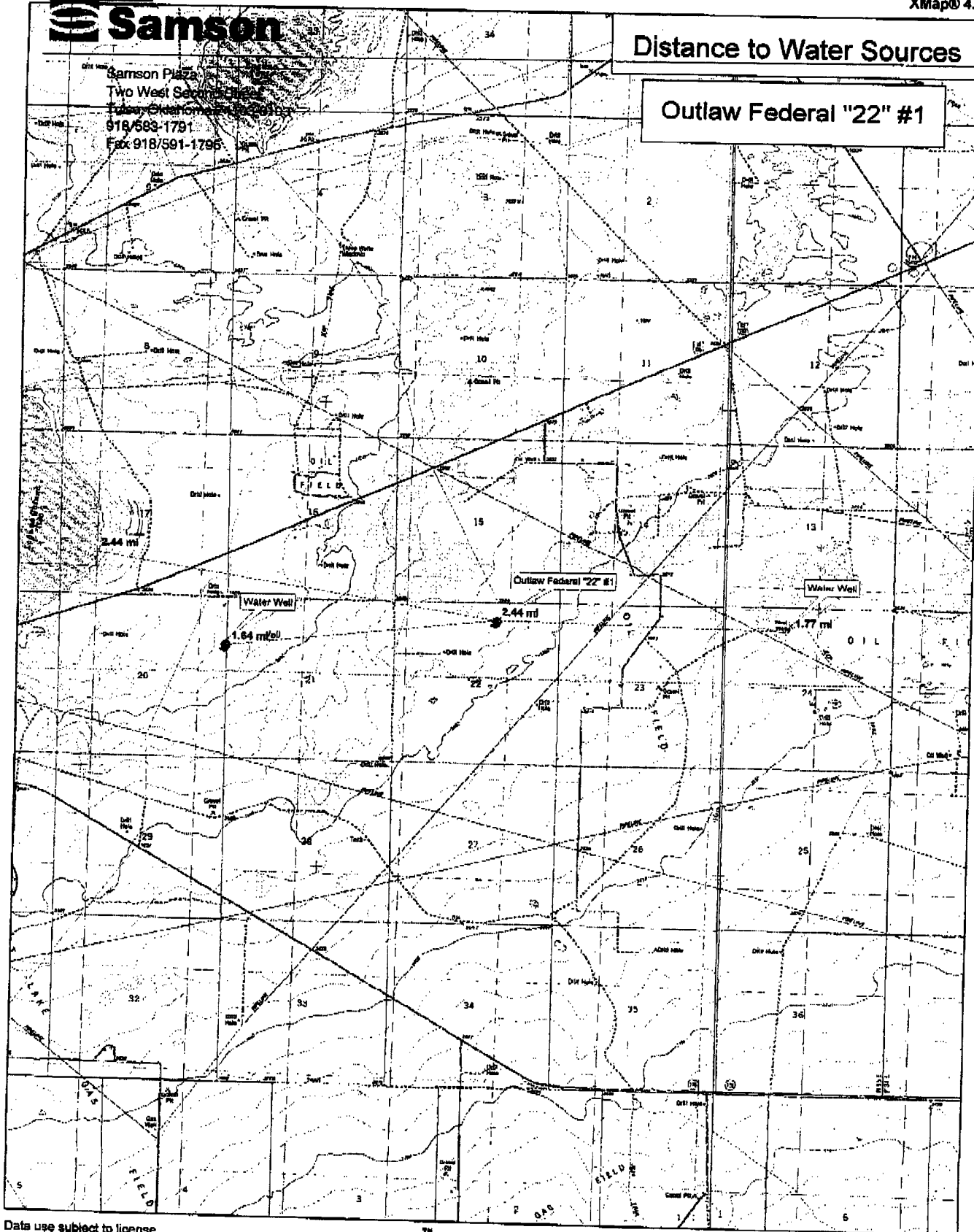
XMap® 4.5



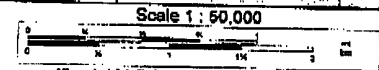
Samson Plaza
Two West Second Street
Tulsa, Oklahoma 74103
918/583-1791
Fax: 918/591-1796

Distance to Water Sources

Outlaw Federal "22" #1



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www.delorme.com



Data Zoom 12-0
TOTAL P.05