				ATS-	-01-0	89
Form 3160-3 (April 2004)	C	D-HOBBS		OMB N	APPROVED 0 1004-0137 March 31, 2007	
C UNITED S DEPARTMENT OF	STATES			5 Lease Serial No.		
BUREAU OF LAN	D MANAGEN	-				
APPLICATION FOR PERMI	IT TO DRIL	L OR REENTER O	CD-AR	TESIAndian, Allotee		
1a. Typc of work: X DRILL	REENTER			7 If Unit or CA Agr	ement, Name	and No.
				8. Lease Name and		36831
Ib. Type of Well: Onl Well X Gas Well Ott	her	Single Zone X Mult	iple Zone	Federal "11	" Well 8	
2 Name of Operator SAMSON RESOURCES COMPANY		AD P. HARGROVE	657	9. API Well No.	ZALI	、
3a. Address		one No. (melude area code)		10. Field and Pool, or	Exploratory	\
Two West Second Street, Tulsa, OK 741	103	(918) 583-1791		<sup>DH</sup> Le <b>a</b> -Bo	ne Sprin	IS MORT
4. Location of Well (Report location, clearly and in accordan At surface <b>560</b> FNL & <b>660</b> FWL	SN Attac	thad Dated 9-		11. Sec., T. R. M. or E Section 11,	•	
At proposed prod. zone same Unit D		ontrolled Water Basin				
14. Distance in miles and direction from nearest town or post of 24 miles SW of Hobbs, NM	office*			12. County or Parish Lea	13.	State NM
15. Distance from proposed*	16. N	lo. of acres in lease	17. Spacin	g Unit dedicated to this	well 12 12 -	
location to nearest property or lease line, fL (Also to nearest drig. unit line, if any) 660		320		160 acres 91	well 12737	*15767
<ol> <li>Distance from proposed location* to nearest well, drilling, completed,</li> </ol>	l l	roposed Depth	20. BLM/	BIA Bond Notion file	NOV 2007	. 18
applied for, on this lease, ft. N/A		13,900'	<u> </u>	A N	leceive	1920
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3652' GL	22 4	pproximate date work will st 8/15/2007		23. Estimated duratio	n Hobbs daÿs)	N.N.
	24.	Attachments		000		150
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Fores SUPO shall be filed with the appropriate Forest Service Of</li> </ol>	st System Lands, ffice).	the 5. Operator certifi	cation specific info	ns unless covered by an ormation and/or plans a:	-	·
25. Signature		Name (Printed/Typed)			Date	
Title		Kennet	h C. Dick	keson	6-29	<u>s·07</u>
Authorized Agent					,	
Approved by (Signature) /s/ Don Peterson		Name (PrintersTyped)on	Peterso	ิวก	DateNOV	5 2007
Title FIELD MANAGER		Office CARLS				· · · ·
Application approval does not warrant or certify that the appli	icant holds legal	or equitable title to those rig	DAU F hts in the sub	IELD OFFIC	ntitle the appli	cant to
conduct operations thereon. Conditions of approval, if any, are attached.	Ū			WO YEARS		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 ma	ake it a crime fo	r any person knowingly and	willfully to m	ake to any department of	r agency of th	e. United
States any false, fictitious or fraudulent statements or represent	tations as to any n	natter within its jurisdiction.				
*(1) structions on page 2)						
E ATTACHED FOR			AF	PROVAL SUD		
NDITIONS OF APPROVAL			GF	PROVAL SUB		
			AN	D SPECIAL S		15
Conditions of Approval Ap	proval for		AT	TACHED	ITULA	IUNS
Drilling only Cannot produce a Standard location is approved	until Non-	Oil Cor		ion Division		;
OCD Santa Fe office.	a by the	Condition CANN	ns of appl OT produ	roval : Approval ce Downhole Co n Santa Fe.	for drilling mmingled	g ONLY until

Form 3160-5 (August 2007)	DEPARTME	ITED STATES NT OF THE INTERI LAND MANAGEMI	OR	D-NOBBS	•		OM	DRM APPROV 4B NO 1004-0 pires July 31, 2	0137
	SUNDRY NOTICES	AND REPORTS	ON WE	LLS			5. Lease ben		
						6. If Indian, Allottee or Tribe Name		, Name	
	SUBMIT IN TRIPLICA	TE - Other instruction	ons on p	age 2	·····	2	7. If Unit or C	A/Agreement,	Name and/or No
1. Type of Well       Oil Well       X       2. Name of Operator	Gas Well Other						8 Well Name Federal 11	and No 😽 1-2 <del>0-34</del>	<u> </u>
	irces Company						No. 8 9. API Well N	lo.	
3a. Address 200 N. Lorai	ine St., Ste 1010; Midla	ind <u>, TX</u> 79701		ne No. ( <i>include are</i> 132) 683-7 <u>0</u> 63			10 Field and	Pool, or Explo	Tratory Area
4 Location of Well (	Footage, Sec , T., R., M., or Survey	Description)	<b>-</b>				Lea Undsg		natory mea
510' FNL & 8	310' FWL Sec. 11-20S-34E						11. County of	r Parish, State	
·		·····					Lea		NM
12.	CHECK APPROPRIATI	E BOX(ES) TO IN	DICATE	NATURE OF N	OTICE	E, REPO	RT, OR OTH	ER DATA	
ТҮРЕ	OF SUBMISSION			ТҮР	E OF A	CTION			
X No	otice of Intent	Acidize		Deepen	I I	Production	(Start/Resume)	Water S	Shut-Off
Su Su	ibsequent Report	Alter Casing		Fracture Treat		Reclamatio		Well Inte	egrity
		Casing Repair		New Construction Plug and Abandon		Recomplet	e iy Abandon	Other_	·····
L Fu	nal Abandonment Notice	Convert to Inject		Plug Back		Water Disp		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Attach the Bor following com testing has bed determined tha Change Loo From	l is to deepen directionally or recom nd under which the work will be pe pletion of the involved operations. en completed. Final Abandonment at the final site is ready for final inspe cation: 660' FNL & 660' FWL 510' FNL & 810' FWL	rformed or provide the If the operation results Notices shall be filed o	Bond No. in a multir	on file with BLM/ le completion or re	BIA. R. complet	equired s ion in a r eclamatio	ubsequent repo new interval, a I on, have been co	rts shall be file Form 3160-4 si ompleted, and	d within 30 days hall be filed once the operator has
14. I hereby certify t Name (Printed/I	that the foregoing is true and correct			<u> </u>					
Duke R			Tit	le Landmai	n				
Signature	Jule From	sh	Da	te 9/27/07					
	THI	S SPACE FOR FE	DERAL		ICE U	ISE			
Approved by	/s/ Don Peters	on		TIMFIELD	MAI	NAGI	ER 🔤	Date NOV	5 2007
the applicant holds lega	, if any, are attached. Approval of this not il or equitable title to those rights in the su conduct operations thereon.		tıfy that	Office CAR	LSE	BAD I	FIELD O	FFICE	
	n 1001, and Title 43 U.S C. Section 1212, statements or representations as to any m		erson knowi	ngly and willfully to ma	ake to an	iy departme	ent or agency of th	he United States	any false, ,
							,		

## 11/16/2007 FRI 10:26 FAX 432+683+6847 Samson Companies

. 5 1 . State of New Mexico DISTRICT I Energy, Minerals and Natural Resources Department Form C-102 1626 N. PRENCH DR., HOBBS, NM 88240 Revised October 12, 2005 OIL CONSERVATION DIVISION Submit to Appropriate District Office DISTRICT II State Lease - 4 Copies Fee Lease - 3 Copies 1301 W. CRAND AVENUE, ARTESIA, NM 68210 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505 DISTRICT III 1000 Rio Braxos Rd., Aztec, NM 87410 WELL LOCATION AND ACREAGE DEDICATION PLAT DISTRICT IV D AMENDED REPORT 1280 9. ST. FRANCIS DR., SANTA FR. NM 87505 80D Pool Name API Number LGAS 0-025-3861 ea nn Q Well Number Property Name Property Code 8 6831 FEDERAL 20-34-11 Operator Name Elevation OGRID No 3654 SAMSON RESOURCES 20165 Surface Location East/West line County Section Lot Ida Feet from the North/South line Feet from the Range UL or lot No. Township 510. NORTH 810 WEST LEA D 20-S 34-E 11 Bottom Hole Location If Different From Surface Bast/West line County Lot Idn Feet from the North/South line Feet from the UL or lot No. Section Township Range Order No. Dedicated Aches Joint or Infill Consolidation Code ٠. 0 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 that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unlessed miscarel interest in the labd including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such minerel or working interest, or is a voluntary pooling agreement or a compulsory pooling order hereisfors antered by the division. 810 SEE DETAIL DETAIL 11/15/07 3653.9' 3655.0 Signature Date Duke 000 0 Printed Name 800 650.6 3651.6 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was pictled from field notes of actual surveys made by the of under my supervision, and that the same is true and convect to the best of my belief. GEODETIC COORDINATES NAD 27 NME Y=580507.0 N X=745454.1 E G EIOS 007 LAT.=32.593391' N reyed MEX MJN Date sΰ. LONG = 103.536368° W ature a Seal or Şig O  $\mathbf{P}_{\mathbf{r}}$ ianolee-92649 REGIS D 12641 Certificate No. GARY EDSCN

Ø1004/004

DISTRICT I

1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office

#### OIL CONSERVATION DIVISION 1301 W. GRAND AVENUE, ARTESIA, NM 68210 State Lease - 4 Copies Fee Lease - 3 Copies 1220 SOUTH ST. FRANCIS DR. DISTRICT III Santa Fe, New Mexico 87505 1000 Rio Brazos Rd., Aztec, NM 87410 DISTRICT IV WELL LOCATION AND ACREAGE DEDICATION PLAT □ AMENDED REPORT 1220 S. ST. FRANCIS DR., SANTA PE, NM 87505 Pool Code Pool Name API Number -025-3861 ea ß 0 Well Number Property Name Code 8 FEDERAL 20-54-11 **Operator** Name Elevation SAMSON RESOURCES 3654 Surface Location East/West line Lot Idn Feet from the North/South line UL or lot No. Feet from the County Section Township Range D 510 NORTH 810 WEST LEA 11 20-S 34-E Bottom Hole Location If Different From Surface East/West line Lot Idn Feet from the North/South line Feet from the County UL or lot No. Section Township Range **Dedicated** Acres Joint or Infill **Consolidation** Code Order No. 81 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 3 OPERATOR CERTIFICATION 5 I hereby certify that the information I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. 810 SEE DETAIL DETAIL 3655.0' 3653.9' 10/17/07 Signature Duke Roush $\cap$ 800 Printed Name 600' 3650.6 3651.6 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. GEODETIC COORDINATES NAD 27 NME Y=580507.0 N X=745454.1 E 1050 2007 LAT.=32.593391° N Date SurveyedMEX MJN LONG.=103.536368\* W Signature Seal Professional Surve 귀 07 in the second se 7:11 Certificate No. GARY EIDSON

12641

Form 31 (June 19	DEPARTME	ITED STATES INT OF THE INTERIOR OCD-HOBBS	FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993
		S AND REPORTS ON WELLS	5. Lease Designation and Serial No. NM-0631
Do no	t use this form for proposals to di	rill or to deepen or reentry to a different reservoir OR PERMIT-" for such proposals	6. If Indian, Allottee or Tribe Name
	SUBMIT	IN TRIPLICATE	7. If Unit or CA, Agreement Designation
1. Type	Oil na Gas		
	Well Well Other		8. Well Name and No.
	ison Resources Company	(918) 583-1791	Federal "11" #8
3. Addre	ss and Telephone No.	100	9. API Well No.
	on of Well (Footage, Sec., T., R., M., or Survey De	10. Field and Pool, or Exploratory Area	
	•	Morrow/Lea Penn	
	' FNL & 660' FWL, Section 11, T-2 County, NM	11. County or Parish, State	
			Lea County, NM
12.	CHECK APPROPRIATE BOX(s	) TO INDICATE NATURE OF NOTICE, REPORT, C	OR OTHER DATA
	TYPE OF SUBMISSION	TYPE OF ACTION	
	Notice of Intent	Abandonment	Change of Plans
	Subsequent Report	Recompletion	New Construction
	(Z) Subsequent Report	Plugging Back	Non-Routine Fracturing
	Final Abandonment Notice	Casing Repair	Water Shut-Off
		Altering Casing	Conversion to Injection
		X Other Change of field name and depth	Dispose Water
···			(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinet details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markders and zones pertinent to this work.)\*

.

Sundry submitted to change field name and depth of well.

14. I hereby certify that the foregoing is the abe correct Signed	Title Agent	Date 8-7-07
(This space for Federal or State office use) /S/ Don Peterson Conditions of approval, if any:	FTELD MANAGER	Date NOV 5 2007

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Title 18 U.S.C. Section 1001, makes 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.

Form 3160-5 (June 1990)	DEPARTME	ITED STATES NT OF THE INTERIOR LAND MANAGEMENT	OCD-HOBBS	FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993
			,	5. Lease Designation and Serial No. NM-0631
Do not use this	form for proposals to di	S AND REPORTS ON WEI fill or to deepen or reentro OR PERMIT-" for such p	v to a different reservoir.	6. If Indian, Allottee or Tribe Name
	SUBMIT	IN TRIPLICATE		7. If Unit or CA, Agreement Designation
1. Type of Well	0			
	Gas Well 🗌 Other	,		8. Well Name and No.
2. Name of Operator				Federal "11" #8
	urces Company	(918) 5	83-1791	9. API Well No.
3. Address and Telepho Two West 2r	one No. nd Street, Tulsa, OK 74:	103		
	10. Field and Pool, or Exploratory Area			
4. Location of Well (Foo	Bone Spring/Morrow			
	50' FWL, Section 11, T-2	20-S, R-34-E,		11. County or Parish, State
Lea County, N	IM			Lea County, NM
12. CHEC	K APPROPRIATE BOX(s	) TO INDICATE NATURE	OF NOTICE, REPORT, O	R OTHER DATA
TYPE C	OF SUBMISSION		TYPE OF ACTION	
X Notic	be of intent	Abandonmer	nt	Change of Plans
_			n	X New Construction
Subs	equent Report	Plugging Bac	*	Non-Routine Fracturing
_		Casing Repa		Water Shut-Off
Final Abandonment Notice		Altering Casi	ng	Conversion to Injection
		Other		Dispose Water
				(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinet details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markders and zones pertinent to this work.)\*

Samson Resources Company desires to install a three-phase electric overhead powerline to serve the Federal 11 #8 Well. The route for the powerline is shown on the attached plat. An archaeological report for this project will be submitted under separate cover.

		<u>.</u>
14. I hereby certify that the foregoind is true and correct		
Signed AMACA	THE KENNETH C DICKESON, AGENT	Date 6-25-07
(This space for Federal or State office use) /S/ Don Peterson		
Approved by	TitleFIELD MANAGER	Date NOV 5 2007

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Title 18 U.S.C. Section 1001, makes 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.



### **APPLICATION FOR DRILLING**

SAMSON RESOURCES COMPANY

Federal 11	Well No. 8
-660' FNL & 660' FWL, Se 510' A/ LEA COUNTY, N	ection 11, T20S, R34E,
LEA COUNTY, I	NEW MEXICO
Lease No.:	NM-0631
(Developm	ent Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Samson Resources Company 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	1600'
Yates	3500′
Seven Rivers	3920'
Delaware Sd	5475′
Bone Spring	8200′
Wolfcamp	11000′
Strawn	12140′
Atoka	12600′
Morrow	13000′

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 5600'- 6000'.
Gas:	Possible in the Atoka below 12,295' and Morrow 12,830'.

4. Proposed Casing Program:

HOLE	CASING SIZE	WEIGHT	GRADE	JOINT		
17 ½"	13-3/8"	48.0#	H-40	BT&C	0-1650'	<b>1</b> 500 sx
12 ¼"	9-5/8"	40.0#	HCK-55	BT&C	1650-5475'	1250 sx
8 <sup>3</sup> ⁄4 <sup>n</sup>	5 ½"	20.0#	P-110	LT&C	5475-13900'	<b>3</b> 1000 sx

5. Minimum Specifications for Pressure Control Equipment: Bind rams

A NU 13-5/8" OD Double Gate BOP over single w/13 5/8" 5M Hydril annular preventer will be installed on the 13-3/8" before drilling 12 ¼" and 8 ¾" holes and operated as a 5000 psi system. Will perform a 3M test on the casing and BOP before drilling 12 ¼" hole and a 5M test before drilling the 8 ¾" hole.

6. MUD PROGRAM:

DEPTH	DESCR	
0-1600'	Fresh water	8.4 ppg
1600-5400'	Brine water	10.0 ppg
5400-13900'	Cut Brine/Water	8.7-11.5 ppg

- 7. Auxiliary Equipment: Blowout Preventer, flow sensors and stabbing valve.
- 8. Testing, Logging, and Coring Program:

Drill Stem Tests:	None unless conditions warrant.
Logging:	5,600' to T.D.: CNL-DNL w/GR-Cal. 5,600' 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 = 5856 psi and surface pressure of 2928 psi with a temperature of 193°.
- 10.  $H_2S$ : None expected. None in existing wells in close vicinity, but 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: *August 15, 2007.* Anticipated completion of drilling operations: *Approximately 6 weeks.*





August 7, 2007

BUREAU OF LAND MANAGEMENT Attn: Ms. Cheryle Ryan 620 E. Greene Street Carlsbad, NM 88220-6292

Sundry Notice and APD documentation RE: 3162.4 NM0631 SAMSON RESOURCES COMPANY -- Federal 11 #8 Well 510 660 FNL & 660 FWL Section 11, T-20-S, R-34-E, N.M.P.M., LEA COUNTY, NEW MEXICO St

Dear Ms. Ryan:

In accordance with your letter dated August 2, 2007, enclosed herewith is the information, along with corresponding copies, that hopefully will satisfy the noted deficiencies as follows:

- 1. Use the attached BOP schematic and disregard the previous two that were submitted (see attached)
- 2. Casing will be new
- 3. Cement yields are:
  - a. Surface Lead 1.98. Tail 1.35. -
    - 300 100 b. Intermediate - Lead 2.76. Tail 1.32. c. Production - Lead 2.45- Tail 1.67. - 300

1200

4. If the BHP is correct the mud weight needed would be 8.1 ppg. However, if some sands are encountered that are not depleted we may need MW's up to 9.6 ppg.

From operator HAM

5. Operator certification on a separate page to certify entire APD (see attached)

Also enclosed herewith for your further handling is one original Sundry Notice and six copies for the captioned well. This sundry changes the field and depth of the well. Should you have any questions, please contact me at (432) 682-4002.

8/9/01 MAX ANTICIPATED PRESSURE 6550 psi @ 12600 Yours trub Ken Dickeson

Enclosures

Tlblm3(fed11-8)



### EXHIBIT "B"

### SAMSON RESOURCES COMPANY

,	Federal 11 Well No. 8
	660' FNL & 660' FWL, Section 11, T20S, R34E, ちい Lea County, New Mexico
	Lease No.: NM-0631
	(Development Well)

N.D.U.S.A.

### MANIFOLD SETUP



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### EXHIBIT "E"

### SAMSON RESOURCES COMPANY



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### EXHIBIT "A"

#### SAMSON RESOURCES COMPANY





## EXHIBIT "C"

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### SAMSON RESOURCES COMPANY



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# PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Samson Resources
LEASE NO.:	NM-0631
WELL NAME & NO.:	Federal 11 # 8
SURFACE HOLE FOOTAGE:	510' FNL & 810' FWL
BOTTOM HOLE FOOTAGE	
LOCATION:	Section 11, T. 20 S., R 34 E., NMPM
COUNTY:	Lea County, New Mexico

## I. DRILLING

## A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests
  - **Lea County**

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (505) 393-3612

- 1. A Hydrogen Sulfide (H2S) Drilling Plan is N/A.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
- 3. When floor controls are required, (3M or Greater) controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

## B. CASING

- 1. The 13.375 inch surface casing shall be set in the Rustler formation @ approximately 1650 feet and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement).
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial action will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 9.625 inch intermediate casing is:

Cement to surface. If cement does not circulate see B.1.a-d above.

3. The minimum required fill of cement behind the 5.5 inch production casing is:

Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

## C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

- 2. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. The tests shall be done by an independent service company.
  - b. The results of the test shall be reported to the appropriate BLM office.
  - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
  - d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
  - e. The formation below the 9.625 inch casing shoe shall be tested per Onshore Order 2.III.B.1.i.

## D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

## E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

## F. HAZARDS

- 1. Our geologist has indicated that there is potential for lost circulation in the Red Beds, Capitan Reef, Delaware and the Bone Springs.
- 2. Our geologist has indicated that there is potential for abnormal pressure in the Wolfcamp formation and the Pennsylvanian system.

Engineering can be reached @ 505-706-2779 for variances.

FWright: 9/4/07 (date)

### BLM Serial Number: NM-0631 Company Reference: Samson Resources Company Well No. & Name: Federal "11" #8

## STANDARD STIPULATIONS FOR OVERHEAD ELECTRIC DISTRIBUTION LINES

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 <u>et seq</u>. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, <u>et seq</u>. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, <u>et seq</u>.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. There will be no clearing or blading of the right-of-way unless otherwise agreed to in writing by the Authorized Officer.

5. Powerlines shall be constructed in accordance to standards outlined in "Suggested Practices for Raptor Protection on Powerlines," Raptor Research Foundation, Inc., 1981. The holder shall assume the burden and expense of proving that pole designs not shown in the above publication are "raptor safe." Such proof shall be provided by a raptor expert approved by the Authorized Officer. The BLM reserves the right to require modification or additions to all powerline structures placed on this right-of-way, should they be necessary to ensure the safety of large

perching birds. Such modifications and/or additions shall be made by the holder without liability or expense to the United States.

6. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

7. The BLM serial number assigned to this authorization shall be posted in a permanent, conspicuous manner where the power line crosses roads and at all serviced facilities. Numbers will be at least two inches high and will be affixed to the pole nearest the road crossing and at the facilities served.

8. Upon cancellation, relinquishment, or expiration of this grant, the holder shall comply with those abandonment procedures as prescribed by the Authorized Officer.

9. All surface structures (poles, lines, transformers, etc.) shall be removed within 180 days of abandonment, relinquishment, or termination of use of the serviced facility or facilities or within 180 days of abandonment, relinquishment, cancellation, or expiration of this grant, whichever comes first. This will not apply where the power line extends service to an active, adjoining facility or facilities.

10. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

11. Special Stipulations:

- For reclamation remove poles, lines, transformer, etc. and dispose of properly.
- Fill in any holes from the poles removed.
- See attached reclamation plans.