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Submit One Copy To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 March 18, 2009

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-30459
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Chiso D <input checked="" type="checkbox"/>
8. Well Number 1 <input checked="" type="checkbox"/>
9. OGRID Number 20165 <input checked="" type="checkbox"/>
10. Pool name or Wildcat Ojo Chiso-Morrow (Gas) <input checked="" type="checkbox"/>

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒

2. Name of Operator
Samson Resources ☒

3. Address of Operator
200 N. Loraine Ste 1010, Midland, TX 79701

4. Well Location
 Unit Letter K : 1980 feet from the South line and 2310 feet from the West line
 Section 23 Township 22S Range 34E NMPM Lea County Lea ☒

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3447 GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	P AND A <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPL <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	<input checked="" type="checkbox"/> Location is ready for OCD inspection after P&A

☒ All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
☒ Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
☒ A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- ☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment. *With exception of caliche per agreement with land owner, please see attachment.
☒ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
☒ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
☒ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
☒ All other environmental concerns have been addressed as per OCD rules.
☒ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Kenneth Krawietz TITLE Operations Manager DATE 07/19/2010

TYPE OR PRINT NAME Kenneth Krawietz E-MAIL: kkrawietz@samson.com PHONE: 432-683-7063

For State Use Only

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 7/22/2010

Conditions of Approval (if any):

7/22/10



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

July 15, 2010

The Merchant Livestock Co.
Attn: Tommy Pearson
P.O. Box 1055
Eunice, NM 88231

RE: Letter Agreement
Surface Remediation
Chiso D #001
Section 23, T22S, R34E
Lea County, NM

Dear Mr. Pearson:

Per our understanding, you wish Samson Resources to remediate the location of the captioned well by moving all caliche to one side of the location, for your later use, and reseeding the remainder.

Please sign and date this letter in the space provided below to acknowledge your agreement to these terms in the above described matter.

Regards,

A handwritten signature in black ink, appearing to read 'TGL'.

Teresa Glover Lamar
Samson – Permian
Surface Landman

A handwritten signature in black ink, appearing to read 'Tommy Pearson'.
7/16/10
Tommy Pearson
For The Merchant Livestock Co.