

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS RECEIVED

AUG 03 2010

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2 Name of Operator
Samson Resources3a Address
200 N Loraine, Midland, TX 797013b Phone No (include area code)
432-683-7063

4. Location of Well (Footage, Sec, T, R, M, or Survey Description)

1980' FSL & 1830' FWL
Section 14 T20S R33E

5 Lease Serial No

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No

NM 114175

8. Well Name and No.
Maverick 14 Fed Com #19. API Well No.
30-025-3671910 Field and Pool, or Exploratory Area
Teas Penn Gas11 County or Parish, State
Lea County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

- 13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Water is stored in a tank battery on lease and hauled off lease by Key Energy Services. Please see attached.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

ACCEPTED FOR RECORD

JUL 31 2010

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kenneth Krawietz

Title Operations Manager

Signature

Date

07/15/2010

/s/ JD Whitlock Jr

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice 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.

Title

Date

Office

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 page 2)

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

AUG 05 2010

OFFICIAL FILE COPY

RECEIVED

AUG 03 2010

Number KAH-057-10

Page 1 of 1

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBSOCD

NOTICE OF INCIDENTS OF NONCOMPLIANCE

☒ Certified Mail - Return Receipt Requested 70090820000144000450

☐ Hand Delivered Received by

Identification

ID

Lease NMLC067265A

CA NMNM114175

Unit

PA

Bureau of Land Management Office				Operator			
HOBBS INSPECTION OFFICE				SAMSON RESOURCES COMPANY			
Address 414 WEST TAYLOR HOBBS NM 88240				Address TWO WEST SECOND STREET TULSA OK 74103			
Telephone 575.393.3612				Attention STEVE BURNETT			
Inspector HASTON				Attn Addr TWO WEST SECOND STREET TULSA OK 74146			
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
MAVERICK 14 FEDERAL COM	01	NESW 14	20S	33E	NMP	LEA	NM
Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

Date	Time (24 - hour clock)	Violation	Gravity of Violation
06/24/2010	11:00	OOGO #7 III A.B	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
07/19/2010			43 CFR 3163.1()

Remarks

PRODUCED WATER FROM THIS WELL IS BEING DISPOSED OF WITHOUT PRIOR APPROVAL. - SUBMIT ON SUNDRY NOTICE 3160-5, A REQUEST FOR WATER DISPOSAL APPROVAL. SUBMIT A COPY TO THIS OFFICE WITH THE "OFFICIAL FILE COPY" OF THE INCIDENT OF NONCOMPLIANCE. SUBMIT THE ORIGINAL AND 5 COPIES TO THE CARLSBAD FIELD OFFICE, 620 E. GREENE ST., CARLSBAD, NM 88220, WITHIN THE ABATEMENT PERIOD.

When violation is corrected, sign this notice and return to above address

Company Representative Title Eng Tech Signature Lia Ladd Date 7/15/10

Company Comments

WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2) All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4) Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer		Date	Time
<u>Ruthy Haston</u>		<u>6/24/10</u>	<u>11:30</u>

FOR OFFICE USE ONLY

Number	Date	Assessment	Penalty	Termination
33				
Type of Inspection				
SP				

WATER PRODUCTION & DISPOSAL INFORMATION

In order to process your disposal request, the following information must be completed:

1. Names(s) of all formation(s) producing water on the lease.

Morrow

2. Amount of water produced from all formations in barrels per day.

13 bbls/day

3. How water is stored on the lease.

water tank battery

4. How water is moved to the disposal facility

Trucked off by Key Energy

5. Identify the Disposal Facility by:

A. Facility Operator Name Key Energy

B. Name of facility of well name & number Christmas #3
Atha #1

C. Type of facility of well (WDW)(WIW), etc.

D. Location by $\frac{1}{4}$, $\frac{1}{4}$, Section, Township and Range 330 FNL + 230' FEL (W) Sec 28 T22S R34E
Sec 31 T21S R36E

6. Attach a copy of the State issued permit for the Disposal Facility.

Submit all of the above required information to the Carlsbad Field Office, 620 E. Greene St., Carlsbad, NM 88220, on a Sundry Notice Form 3160-5, 1 Original and 5 copies, within the required time frame. (This form may be used as an attachment to the Sundry Notice.)

Christmas #3 NM-15055

NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

ADMINISTRATIVE ORDER SWD-606

*APPLICATION OF GOLD STAR SWD LTD. COMPANY FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.*

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Rule 701(B), Gold Star SWD Ltd. Company made application to the New Mexico Oil Conservation Division on August 23, 1995, for permission to complete for salt water disposal its Christmas Well No.3 located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 28, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant herein, is hereby authorized to complete its Christmas Well No.3 located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 28, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the San Andres formation at approximately 3905 feet to 6002 feet through 2 3/8-inch plastic-lined tubing set in a packer located at approximately 3850 feet.

OFFICE OF THE SECRETARY - P.O. BOX 6439 - SANTA FE, NM 87505-6439 - (505) 827-5930
ADMINISTRATIVE SERVICES DIVISION - P.O. BOX 6439 - SANTA FE, NM 87505-6439 - (505) 827-5925
ENERGY CONSERVATION AND MANAGEMENT DIVISION - P.O. BOX 6439 - SANTA FE, NM 87505-6439 - (505) 827-5900
FORESTRY AND RESOURCES CONSERVATION DIVISION - P.O. BOX 1948 - SANTA FE, NM 87504-1948 - (505) 827-5830
MINING AND MATERIALS DIVISION - P.O. BOX 6439 - SANTA FE, NM 87505-6439 - (505) 827-5970
OIL CONSERVATION DIVISION - P.O. BOX 6439 - SANTA FE, NM 87505-6439 - (505) 827-7111
PARK AND RECREATION DIVISION - P.O. BOX 1947 - SANTA FE, NM 87504-1947 - (505) 827-7445

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 781 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the San Andres formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

Atha

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

NM 13029

CASE No. 4061
Order No. R-3694

APPLICATION OF MILLARD DECK OIL COMPANY
FOR SALT WATER DISPOSAL, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 26, 1969,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of March, 1969, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

- (1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.
- (2) That the applicant, Millard Deck Oil Company, is the
owner and operator of the Atha Well No. 1, located in Unit M of
Section 31, Township 21 South, Range 36 East, NMPM, South Eunice
Pool, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Seven Rivers and Queen
formations, with injection into the open-hole interval from
approximately 3752 feet to 3872 feet.
- (4) That the injection should be accomplished through
2 3/8-inch plastic-lined tubing installed in a packer set at
approximately 3730 feet and that a hydrostatically balanced
column of inert fluid should be maintained in the casing-
tubing annulus.

-2-

CASE No. 4061
Order No. R-3694

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Millard Deck Oil Company, is hereby authorized to utilize its Atha Well No. 1, located in Unit M of Section 31, Township 21 South, Range 36 East, NMPM, South Eunice Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers and Queen formations, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3730 feet, with injection into the open-hole interval from approximately 3752 feet to 3872 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined and that a hydrostatically balanced column of inert fluid shall be maintained in the casing-tubing annulus.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

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**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
9. Subject to like approval by NMOCD.

3/25/2010