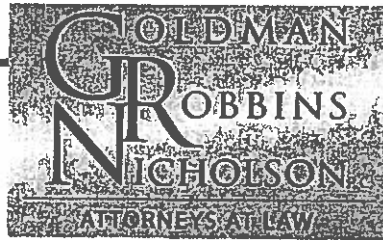


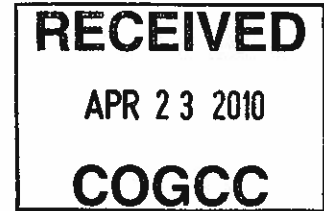
MICHAEL A. GOLDMAN
JEFFERY P. ROBBINS
LINDSEY K. S. NICHOLSON
DOUGLAS J. REYNOLDS
JOSH W. MACK



679 E. 2ND AVENUE, SUITE C
PO BOX 2270
DURANGO, CO 81302
970/259.8747
FAX 970/259.8790

April 12, 2010

State of Colorado
Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203



Re: Payment of Proceeds Hearing Request- Echols Unit #2-12U, Echols-Ute #1-12U, and SE Bayfield 34-7 #12U-1 Wells
Our client: Lois Hood
Our File No.: 2269.001

To whom it may concern:

Please find attached the Payment of Proceeds Hearing Request we are filing on behalf of our client, Lois Hood. Please consider this letter as additional documentation to the Hood Payment of Proceeds Hearing Request for the above referenced wells. We have filed this hearing request on behalf of Lois E.M. Hood, the owner of mineral interests in La Plata County, Colorado, more particularly located in Township 34 North, Range 6 West, Section 17 and Township 34 North, Range 7 West, Section 1U. These interests have been leased to BP through the Oil and Gas Lease attached hereto as Exhibit A (the "Lease"). While BP has developed the minerals in Section 17, it has not developed the minerals in Section 1U. Section 1U is part of the drilling unit that includes lands to the south in the northern one-half of Section 12U pursuant to Rule 5 of Cause No. 112, Order No. 112-61 of the Oil and Gas Conservation Commission of the State of Colorado, dated September 7, 1988, which states in pertinent part: "(t)he fractional sections south of the Southern Ute line in Township 34 North for all ranges so affected shall be included with the 320-acre drilling and spacing units in the full section to the south, and the units shall be stand-up units if at all possible." The three wells in northern half Section 12U are operated by Samson Resources Company ("Samson").

We do not know whether Samson has made any royalty payments to BP for the above referenced wells. As such, we have served both Samson and BP with notice of failure to pay royalties pursuant to C.R.S. § 34-60-118.5(7) for the following wells:

- | | |
|---|------------------|
| 1) Facility Name: Echols Unit
API# 05-067-09168 | Facility # 2-12U |
| 2) Facility Name: Echols-Ute
API# 05-067-06859 | Facility # 1-12U |
| 3) Facility Name: SE Bayfield 34-7
API# 05-067-08754 | Facility # 12U-1 |

State of Colorado
Oil and Gas Conservation Commission
April 12, 2010
Page 2

Ms. Hood, through counsel, originally sent notice to Samson on August 13, 2009, and BP on February 16, 2010 requesting payment of proceeds with interest. These letters are attached as Exhibit B hereto. These demands were renewed to both Samson and BP in a March 5, 2010, letter addressed to both BP and Samson. This letter is attached as Exhibit C hereto. We have received responses to the earlier letters from both Samson and BP which seem to indicate that both companies believe that Ms. Hood is not entitled to any royalties. See correspondence with both Samson and BP, attached as Exhibit D hereto. We have not received any response to our final notice. In any event, no payment has been forthcoming. However, we believe that Ms. Hood is entitled to royalty payments as a co-tenant in the same drilling unit as the three Samson wells.

We have attached the production reports from these wells for your convenience as Exhibits E, F and G respectively. We have not attached any checkstubs or a completed Form 37 because Ms. Hood has never received a checkstub for any these wells. Thus, neither missing information nor sales volume reconciliation information is at issue. We now ask the Commission to order payment of proceeds from all three of these wells to Lois E.M. Hood from Samson and/or BP along with interest on all such proceeds as required by C.R.S. § 34-60-118.5(4) and reasonable attorney's fees and costs as set forth in C.R.S. § 34-60-118.5(6).

Thank you for your attention in this matter. Please contact this office if we can provide any additional documentation and with regard to scheduling a hearing.

Sincerely yours,

GOLDMAN, ROBBINS & NICHOLSON, P.C.



Jeffery P. Robbins
Direct email: r Robbins@gm-law.com

JPR/km

Attachments: Exhibits A through G

cc: Mike Hill (via e-mail)

FORM
38
Rev
1/10

State of Colorado
Oil and Gas Conservation Commission
1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

PAYMENT OF PROCEEDS HEARING REQUEST

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well), attach required documentation and mail to: COGCC, 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 or fax to: (303) 894-2109. COGCC will investigate the report and determine what action, if any, should be taken.

PAYEE INFORMATION

NAME OF PAYEE: **PHONE NO:**

ADDRESS: **FAX:**

CITY: **STATE:** **ZIP:** **E-MAIL:**

PAYEE NUMBER:

MINERAL INFORMATION

WELL NAME: **COUNTY:**

QTR/QTR SEC: TOWNSHIP: RANGE:

API NUMBER:

NON-COMPLIANCE ISSUES NOT RESOLVED
(PLEASE CHECK ALL THAT APPLY)

- Required checkstub detail not provided: _____
- Late payment _____
- Non payment _____ **X**
- No interest paid on late payment _____
- No response to Form 34A inquiry _____

All pertinent documentation must be attached. This includes: completed copy of operator contact Form 37, proof of mailing, response (if received from operator), redacted checkstub detail and any other documentation necessary.

FORM
38
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1/10

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PAYEE NUMBER:

MINERAL INFORMATION

WELL NAME: **COUNTY:**
QTR/QTR SEC: TOWNSHIP: RANGE:
 API NUMBER:

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(PLEASE CHECK ALL THAT APPLY)

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 Late payment _____
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PAYEE INFORMATION

NAME OF PAYEE: Lois E.M. Hood **PHONE NO:** (970)259-8747
ADDRESS: c/o Goldman, Robbins & Nicholson, P.C., P.O. Box 2270 **FAX:** (970)259-8790
CITY: Durango **STATE:** CO **ZIP:** 81302 **E-MAIL:** robbins@grn-law.com
PAYEE NUMBER: _____

MINERAL INFORMATION

WELL NAME: Echols Unit #1-12U **COUNTY:** La Plata
QTR/QTR SEC: TOWNSHIP: RANGE:
 NW/NW 12U 34N 7W **API NUMBER:** 05-067-06859

NON-COMPLIANCE ISSUES NOT RESOLVED
(PLEASE CHECK ALL THAT APPLY)

Required checkstub detail not provided: _____
 Late payment _____
 Non payment _____ X
 No interest paid on late payment _____
 No response to Form 34A inquiry _____

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