

# NASSAU

Nassau Resources, Inc.  
650 South Cherry, Suite 1225  
Denver, Colorado 80222-1894  
(303) 321-2111 FAX (303) 321-1563

97 MAY 19 PM 2:28

May 16, 1997

070 FARMINGTON, NM

United States Department of the Interior  
Bureau of Land Management  
Farmington District Office  
1235 La Plata Highway  
Farmington, New Mexico 87401

RECEIVED  
MAY 23 1997

Attention: Mr. Duane W. Spencer  
Team Leader, Petroleum Management Team

OIL CON. DIV.  
DIST. 3

Re: Shut-in Wells  
Carracas Canyon Unit  
Rio Arriba County, New Mexico  
NMNM-29340 et al. (WC)  
3162.3-2 (7400)

CARRACAS UNIT 35A #8

H-35-32N-5W

CARRACAS UNIT FR #112  
E-34-32N-5W

Dear Mr. Spencer:

In reply to your letter of April 17, 1997 regarding wells number 8-35A SE NE Section 35, T32N R05W (Lease NMNM 29340) and No. 112FR SW NW Section 34, T32N R05W (Lease NMNM 30016), please be advised these wells were shut-in due to low gas prices. These wells are currently being used as pressure monitoring wells for the Fruitland Coal formation and are under consideration for return to production. Both wells are physically able to be produced.

Since gas prices have improved, all wells in the Carracas Unit are being evaluated for return to production.

Nassau Resources, Inc. requests these wells be continued in a shut-in status until well economics allow return to production.

Sincerely,



Gary J. Johnson  
Engineering Manager

THIS APPROVAL EXPIRES JUN 01 1998

**APPROVED**

MAY 21 1997

*to* **DISTRICT MANAGER**

MINERAL RESOURCES	
ADM 1	<i>JK</i>
NATV AM MIN COORD	_____
SOLID MIN TEAM	_____
PETRO MGMT TEAM	<i>2</i>
O & G INSPECT TEAM	_____
ALL TEAM LEADERS	_____
LAND RESOURCES	_____
ENVIRONMENT	_____
FILES	_____

NMOC.D