

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

August 23, 1989

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Nassau Resources, Inc.
c/o Jerome P. McHugh & Associates
P.O. Box 809
Farmington, NM 87499-0809

Attention: Fran Perrin

RECEIVED
AUG 23 1989
OIL CON. DIV
DIST. 3

Administrative Order DD-28

Dear Ms. Perrin:

Under the provisions of General Rule 111 (c), (d) and (e), Nassau Resources, Inc. made application to the New Mexico Oil Conservation Division on July 26, 1989, for authorization to directionally drill its proposed Carracas Unit 13-A Well No. 14, Rio Arriba County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 11 (d) and (e) of the Division General Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Nassau Resources, Inc., is hereby authorized to directionally drill its Carracas Unit 13-A Well No. 14, the surface location of which shall be 800 feet from the South line and 1760 feet from the West line (Unit N) of Section 13, Township 32 North, Range 5 West, Rio Arriba County, New Mexico, by kicking off from the vertical at a depth of approximately 500 feet, and drilling in such a manner as to bottom in the Basin-Fruitland Coal Gas Pool within a 50 feet radius of a point 1700 feet from the South line and 1300 feet from the West line (Unit L) of Section 13, being a standard coal gas well location for said pool.

PROVIDED HOWEVER THAT: prior to directional drilling, the operator shall determine the subsurface location of the kick-off point; and

PROVIDED FURTHER THAT: subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to kick-off point with shot points not more than 100 feet apart; the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, 310 Old Santa Fe Trail, Room 206, Santa Fe, New Mexico 87503, and the operator shall notify the Division's Aztec District Office of the date and time said survey is to be commenced.

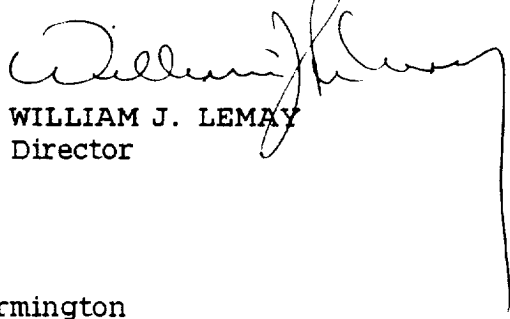
(2) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(3) The W/2 of said Section 13 shall be dedicated to the well forming a standard 320-acre spacing and proration unit for said pool.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
US Forest Service - Blanco
NM Oil and Gas Engineering Committee - Hobbs

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OCT 1989
OIL CON. DIV.
SANTA FE



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: 8-1-89

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

DD-X

I have examined the application dated 7-26-89

for the Nassau Resources, Inc - Carracas Unit 13H #14
Operator Lease & Well No.

N-13-32-5 and my recommendations are as follows:
Unit, S-T-R

IF AT ALL POSSIBLE PLEASE APPROVE
THIS APPLICATION, THE OPERATOR IS
TRYING TO AVOID INTERFERENCE

Yours truly,

E. Burch

July 24, 1989

New Mexico Oil Conservation Division
Attn: Michael Stogner
P O Box 2088
Santa Fe, New Mexico 87504

RECEIVED

JUL 26 1989

**OIL CON. DIV.
DIST. 3**

RE: Application for Administrative Approval of
Directional Drilling
Nassau Resources, Inc., Carracas Unit 13 A #14
Section 13, 132N, R5W, NMPM
Rio Arriba County, New Mexico

Dear Mr. Stogner:

Nassau Resources, Inc., hereby requests administrative approval to directionally drill the subject well as follows:

Proposed Surface Location:	800' FSL and 1760' FWL
Proposed Bottom Hole Location:	1700' FSL and 1300' FWL (within a 50' radius)
True Vertical Depth:	Approx. 4200'
Measured Depth:	Approx. 4300'

The well is approved at a legal location, but is only 1820' west of the NRI Carracas Unit 13 A #15 (completed 3/2/89) and approximately 1900' north northeast of the NRI Carracas Unit 24 A #4 (completed 4/11/89). Due to archeological and topographic considerations the well cannot be located at a location more to the north and west, which will be a more desirable target, geologically.

This well is in Nassau's Carracas Unit. All offsetting operators, as shown on the attached lease map, have been notified of this application by certified mail. Kindermac Partners and Jerome P. McHugh are operating affiliates with Nassau Resources, Inc. Although Amoco Production Co. is a party to the unit, they have also been notified.

Also attached are copies of the C-102 plat, a topographic map (showing both the surface and bottom hole locations) and a schematic of the well bore.

Please contact me immediately if anything further is required to complete this application.

Thank you,

Fran Perrin

Fran Perrin

Main Office
Jerome P. McHugh & Associates
Operating Affiliate: Nassau Resources, Inc.
650 South Cherry, Suite 1225
Denver, Colorado 80222
(303) 321-2111

xc: ✓ Ernie Busch, NMOCD
Amoco Production Co.
Celeste C. Grynberg
Jerome P. McHugh and
Kindermac Partners

Attachments

All distances must be from the outer boundaries of the Section.

Operator Nassau Resources, Inc.			Lease Carracas Unit 13 A		Well No. 14
Unit Letter N	Section 13	Township 32 North	Range 5 West	County Rio Arriba	
Actual Footage Location of Well: 800 feet from the SOUTH line and 1760 feet from the WEST line					
Ground Level Elev. 7405	Producing Formation Fruitland		Pool Basin Fruitland Coal		Dedicated Acres 320

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Carracas Unit - Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

Application for Directional
Drilling
Carracas Unit 13 A #14

SECTION 13

NH 29760
Amoco Production

RECEIVED
DEPT. OF LAND & MINERALS
SANTA FE, N.M.
DEC 14 1988

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Fran Perrin

Name
Fran Perrin

Position
Admin. Asst.

Company
Nassau Resources, Inc.

Date
12/8/88

I hereby certify that the location shown on this plat is the correct location of the well and that the same is correct to the best of my knowledge and belief.

Date Surveyed

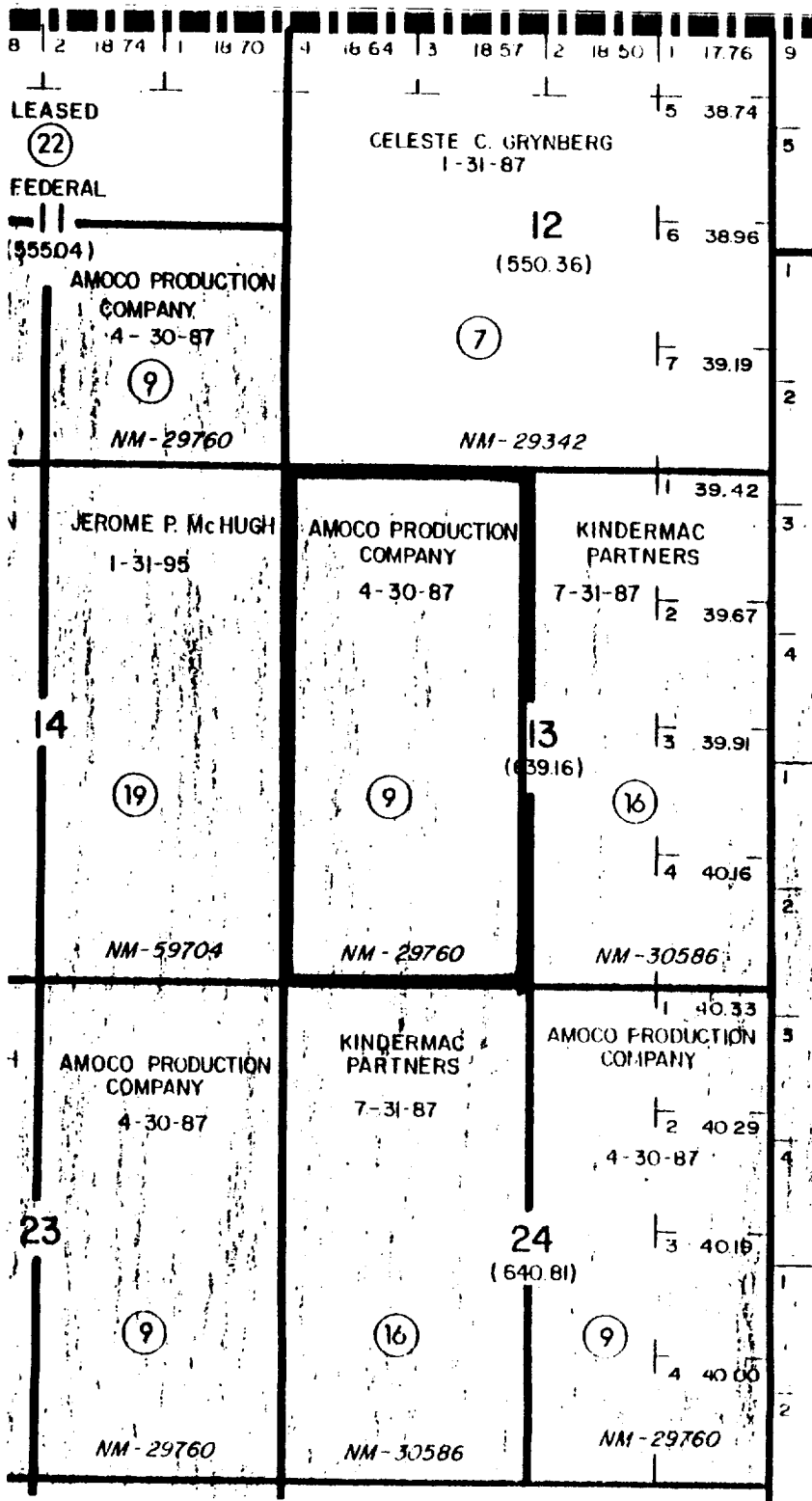
5-26-88

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979

LEASE PLAT

Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico

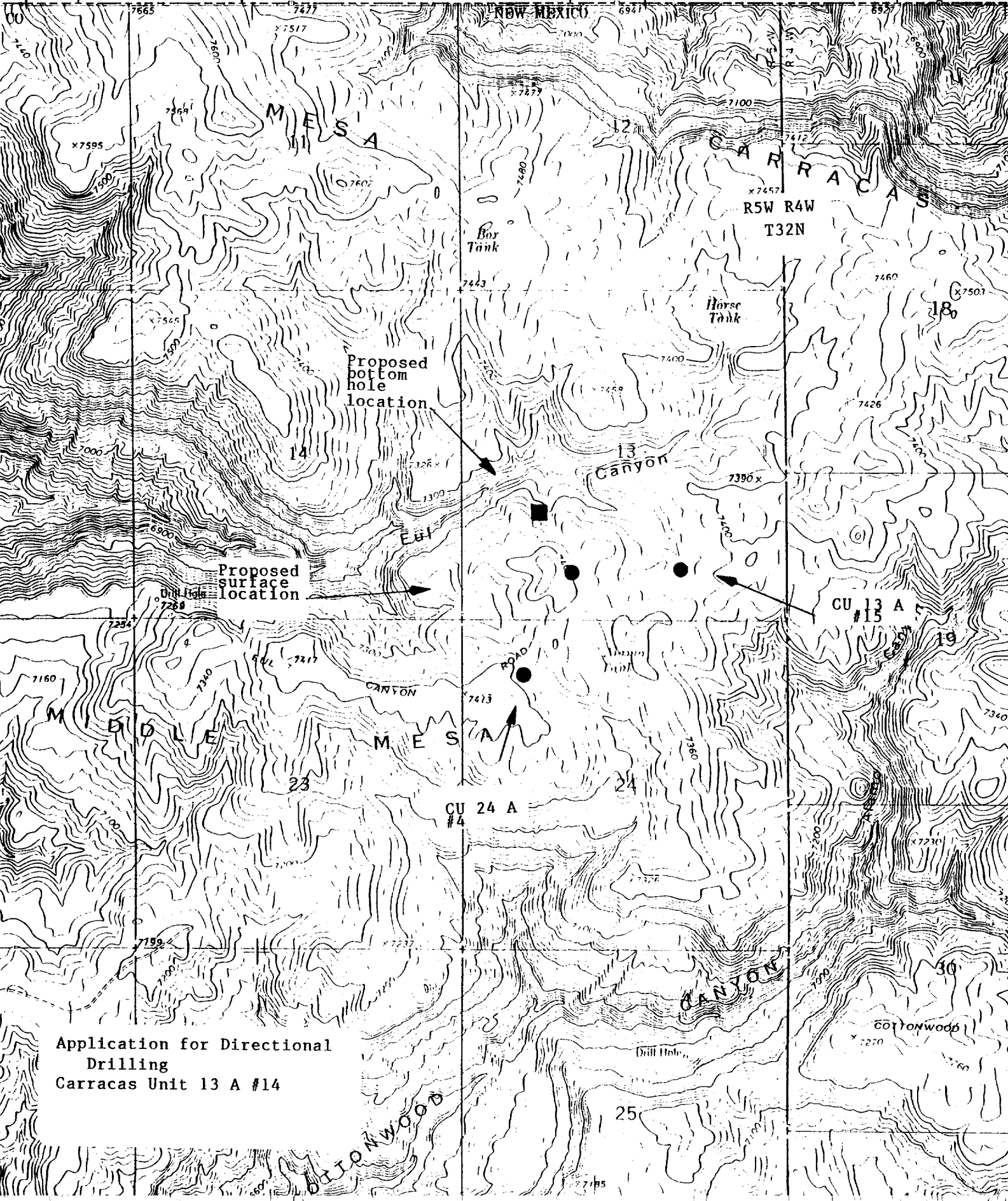


OFFSETTING OPERATOR:
Celeste C. Grynberg

PARTY TO THE UNIT:
Amoco Production Co.

OPERATING AFFILIATES:
Jerome P. McHugh
Kindermac Partners

Application for Directional
Drilling
Carracas Unit 13 A #14



NASSAU RESOURCES, INC.

WELL 13A-14

800' FSL, 1760' FWL SEC. 13

T 32N, R 05W

RIO ARRIBA CO., NM

