

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐
b. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐
2. NAME OF OPERATOR
NASSAU RESOURCES, INC.
3. ADDRESS OF OPERATOR
P.O. BOX 809, Farmington, N.M. 87499
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
430' FNL - 800 FEL
At proposed prod. zone
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
30 mi. N. of Gobernador, NM
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
430'
16. NO. OF ACRES IN LEASE
824.25
17. NO. OF ACRES ASSIGNED TO THIS WELL
160.0
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1-2/3 mile
19. PROPOSED DEPTH
3730'
20. ROTARY OR CABLE TOOLS
Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6960' GL; 6971' KB
22. APPROX. DATE WORK WILL START*
10/15/88
23. PROPOSED CASING AND CEMENTING PROGRAM

5. LEASE DESIGNATION AND SERIAL NO.
NM 29340
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
Carracas Unit
8. FARM OR LEASE NAME
Carracas Unit 36 A
9. WELL NO.
#1
10. FIELD AND POOL, OR WILDCAT
Fruitland Coal
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
A Sec. 36, T32N, R5W NMP
12. COUNTY OR PARISH
Rio Arriba
13. STATE
NM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|-----------------------------|
| 12-1/4" | 9-5/8" | 36# | 250' | 150 cu.ft. circ. to surface |
| 7-7/8" | 5-1/2" | 15.5# | 3730' | 806 cu.ft. circ. to surface |

Plan to drill with spud mud to set 250' of surface casing. Will then drill with water and gel-chem. mud to test the Fruitland coal zone at \pm 3730'. Will run DIL-GR-SP and FDC-CNL-GR Caliper logs. If well appears productive, will set 5-1/2" casing at TD, cement in 1 stage, selectively perforate, frac, clean out after frac and complete with 2-7/8" tubing.

GAS IS NOT DEDICATED.

RECEIVED
MAY 10 1988
OIL CON. DIV.
10:31:00

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED James S. Hazen TITLE Field Supt. DATE 9/12/88
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY: _____

APPROVED
AS AMENDED
MAY 11 1988
AREA MANAGER

NSL-2588

NM000

*See Instructions On Reverse Side

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

| | | | | |
|--|----------------------------------|------------------------------|--------------------------------|----------------------|
| Operator Nassau Resources, Inc. | | Lease Carracas Unit 36 A | | Well No. 1 |
| Unit Letter A | Section 36 | Township 32 North | Range 5 West | County Rio Arriba |
| Actual Footage Location of Well: 430 feet from the North line and 800 feet from the East line | | | | |
| Ground Level Elev. 6960 | Producing Formation Fruitland | Pool Basin Fruitland Coal | Dedicated Acres 320.0 Acres | |

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 Unitization- Carracas Unit

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.

| | | |
|--|---------------------------------------|----|
| RECEIVED MAIL ROOM 89 FEB -1 AM 9:30 FARMINGTON RESOURCE AREA FARMINGTON, NEW MEXICO | SECTION | 36 |
| | NM 29340 Amoco Production Co. 100% | |

| | |
|---|------------------------|
| CERTIFICATION | |
| I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. | |
| <i>Fran Perrin</i> | |
| Name | Fran Perrin |
| Position | Admin. Asst. |
| Company | Nassau Resources, Inc. |
| Date | January 31, 1989 |
| | |
| Date Surveyed | August 24, 1988 |
| Registered Professional Engineer and/or Land Surveyor | |
| <i>Edgar L. Risenhoover</i> | |
| Certificate No. | 5979 |

