SUBMIT IN TRIPLICATE®

(Other instructions on reverse side)

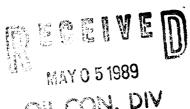
Form approved. Budget Bureau No. 1004-0136 Expires August 31, 1985

| November 1983) formerly 9-331C) | UNITED STATES DEPARTMENT OF THE INTERIOR | | | | | |
|------------------------------------|--|--|--|--|--|--|
| | BUREAU OF LAND MANAGEMENT | | | | | |
| APPLICATIO | N FOR PERMIT TO DRILL, DEEPEN, O | | | | | |
| | | | | | | |

| | DEPARTMENT | 5. LEASE DESIGNATION AND SERIAL NO. | | | | | |
|---|----------------------------|---|--|----------|------------------------|----------------|------|
| | BUREAU OF | NM 30015 | | | | | |
| APPLICATION | FOR PERMIT 1 | O DRILL, DEEP | EN, OR PLUG B | ACK | 6. IF INDIAN, ALLOTTEE | OR TRIBE NAME | ٠ |
| | LL 🗓 | DEEPEN | PLUG BAC | CK 🗆 | 7. UNIT AGREEMENT NA | | - |
| b. TYPE OF WELL OIL GA WELL W | AS X OTHER | | INGLE X MULTIP | LE | 8. FARM OR LEASE NAM | | • |
| . NAME OF OPERATOR | <u> </u> | | | | Carracas Uni | it 31 B | |
| NASSAU RESC | OURCES, INC. | | | | 9. WELL NO. | | • |
| . ADDRESS OF OPERATOR | | | | | #1 | | |
| P. O. Box 8 | 309, Farmington, | N.M. 87499 | | | 10. FIELD AND POOL, O | | - |
| | eport location clearly and | | - WS Fruitland | COAL | - | | |
| At surface 1190' FNL - | - 700' FFI. | | 11. SEC., T., R., M., OR B AND SURVEY OR AR | LK. | • | | |
| At proposed prod. zon | | | | | A | | |
| no proposed production | • | | | | NE/4 Sec. 31, | T32N, R4W | NMP: |
| 4. DISTANCE IN MILES A | AND DIRECTION FROM NEAR | REST TOWN OR POST OFFIC | E. | | 12. COUNTY OR PARISH | 13. STATE | • |
| ± 30 miles | N. of Gobernado | or, N.M. | | | Rio Arriba | NM | |
| 5. DISTANCE FROM PROPU LOCATION TO NEAREST | | OF ACRES ASSIGNED | | | | | |
| PROPERTY OR LEASE L | INE, FT. | '90' | 2,482.20 | 10 1 | _160.0 | | |
| S. DISTANCE FROM PROPO TO NEAREST WELL, DI | | 20. ROTA | ARY OR CABLE TOOLS | | • | | |
| OR APPLIED FOR, ON THE | | '3 mile | 3900' | | Rotarv | | |
| 1. ELEVATIONS (Show who | ther DF, RT, GR, etc.) | DRILLING OPERATION | | | 22. APPROX. DATE WOL | AK WILL START* | • |
| 7195' GL; 7 | '207' KB | | NCE WITH ATTACHED | | 10/88 | | |
| 3. | | "GENERAL REOUIREN PROPOSED CASING AN | D CEMENTING PROGRA | M This a | 10/88 | thnical and | 85 S |
| | | , | <u> </u> | nracac | dural review pursuant | TO 43 OFF 316 | |
| SIZE OF ROLE | BIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | | ppealopursuants to dis | | _ |
| 12-1/4" | 9-5/8" | 36# | 250' | 150 c | u.ft. circ. to | surface. | |
| 7-7/8" | 5-1/2" | 15.5# | 3900' | 845 c | u.ft. circ. to | surface. | |
| | | | | 1 | | | |

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 ± 3900'. 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.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data of 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. 21. Field Supt. 8/26/88 (This spe PERMUT NO

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

FINUCC

*See Instructions On Reverse Side

Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the fictitions or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

All distances much be from the miles to the first of the

| | | · | All dias | encre must be i | rem th | e outer hou | ndarles el | the Section | ١. | | |
|---|--------------------------|---------------------|-----------|------------------------------|--------------------|---|------------|-------------|--|--------------------|--|
| Nassau Resources, Inc. | | | | | Carracas Unit 31 B | | | | | Well No. | |
| Unit Letter | Secu | | Township | | ١ | Range | | County | | | |
| Α | | 31 | | 2 North | ı | 4 Wes | t | County | Rio Arriba | | |
| Actual Fastage Loc | allon o | Wells | | | | | | | | | • |
| 1190 | | from the | North | line and | , | 90 | Ico | t from the | East | | line |
| Ground Level Clav. | | | | P∞I Basin Fruitland Coal | | | | | aleq Yes adal | | |
| 7195 | l | Fruitlan | | | l | | | | | | 0.0 |
| 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. | | | | | | | | | | | |
| interest an | ia royi | itty). | | | | | | | | | (both as to working |
| 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? XX Yes No If answer is "yes;" type of consolidation Unitization - Carracas Unit | | | | | | | | | | | |
| If answer i this form if No allowab | s "no nece: le wil | ;" list the ssary.) | owners an | d tract desc | riptio inter | ns which | have ac | tually be | en consolida | ated. (| Use reverse side of zation, unitization, ved by the Division. |
| | ! | • | | NW 20015 | | *************************************** | | 1 | | CERT | IFICATION |
| | M S: 25 | OURCE AREA | | NM 30015 Kinderma 100% | e Pa | rtners | 1190' | 790 - | tained her | ein is s knowle | het the information con- ive and complete to the idge and bellef. Perrix |
| | | | | | - | - | | | None Fran | Peri | in |
| | | | | | | | | | Position Admi | n. As | sst. |
| | ୍ଦି | ZX. | | | | | | I | | au Re | esources, Inc. |
| | į | | SECTION | 31 | | i | | | Date | /.3/ | 189 . |
| | 1 | | | | | | | | showning notes in the second of the second o | | RISENAME CAPPACATION MEL MANUEL MANUE |
| | 1 | | | | | 1 | | | Date Surveyor Augus | it 11, | |
| | | | | | | | | · | fingistered i | | unal Englaced |
| | <u>_</u> | | | 7 | | 4====; | | ושבבב | Contincor V | (d) / lo. | 5979 |

