

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. NM 30585	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR NASSAU RESOURCES, INC. 15515				7. UNIT AGREEMENT NAME Carracas Unit	
3. ADDRESS OF OPERATOR P O Box 809, Farmington, NM 87499				8. FARM OR LEASE NAME Carracas Unit 25 B 8321	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 920' FNL - 1850' FWL At proposed prod. zone				9. WELL NO. 3	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 34.5 miles north of Gobernador, NM				10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal 71629	
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest dril. unit line, if any) 1850'		16. NO. OF ACRES IN LEASE 2,080.0		17. NO. OF ACRES ASSIGNED TO THIS WELL N/320.0	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1/2 mile (proposed)		19. PROPOSED DEPTH 3600'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6855' GL; 6868' KB		DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" PROPOSED CASING AND CEMENTING PROGRAM		22. APPROX. DATE WORK WILL START* 9/1/89	
23. QUANTITY OF CEMENT				This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.	
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12-1/4"	9-5/8"	36#	300'	165 cu.ft. circ. to surface	
8-3/4"	5-1/2"	15.5#	3600'	1370 cu.ft. circ. to surface	

Plan to drill with spud mud to set 350' of surface casing. Will then drill with water and gel-chem. mud to test the Fruitland coal zone at ±3600'. Will run IES, CDL and Microlog 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.

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OIL CON. DIV.
DIST. 3

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 <u>James S. Hazen</u> TITLE <u>Field Supt.</u> DATE <u>7/18/89</u>	
(This space for Federal or State office use)	
PERMIT NO. _____	APPROVAL DATE _____
APPROVED BY _____ TITLE _____	
CONDITIONS OF APPROVAL, IF ANY:	

APPROVED
AS AMENDED

NSL-255
2775

NMOCD

*See Instructions On Reverse Side

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AREA MANAGER

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OR COM DIA
DIST 3



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

April 5, 1990

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

Attention: Fran Perrin

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DIST. 3

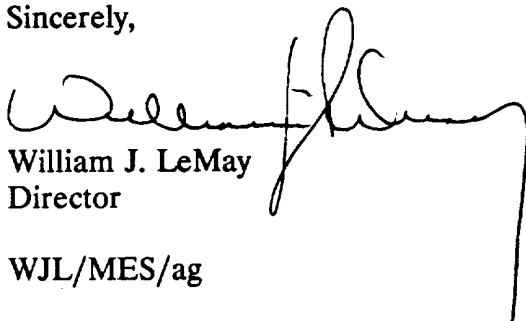
Administrative Order NSL-2779

Dear Ms. Perrin:

Reference is made to your application dated February 14, 1990 for a non-standard coal gas well location for your Carracas Unit "25-B" Well No. 3 to be located 920 feet from the North line and 1850 feet from the West line (Unit C) of Section 25, Township 32 North, Range 4 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. The N/2 of said Section 25 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
US Forest Service - Blanco
Case File No. 9905

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JUN 5 1964
MILITARY
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Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Nassau Resources, Inc.			Lease Carracas Unit 25 B		Well No. 3
Unit Letter C	Section 25	Township 32 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 920 feet from the North line and 1850 feet from the West line					
Ground level Elev. 6855	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 320.0 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.

OPERATOR CERTIFICATION

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

Signature

Printed Name

James S. Hazen

Position

Field Supt.

Company

Nassau Resources, Inc.

Date

7/18/89

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

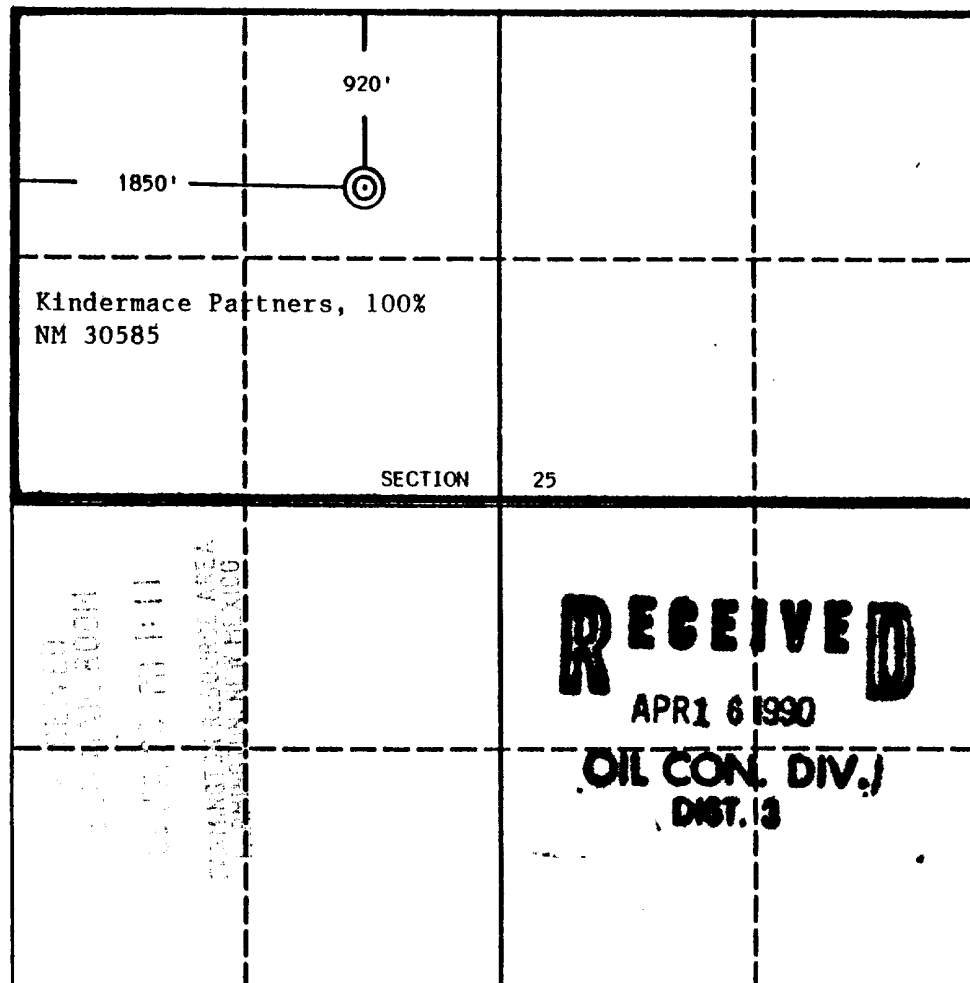
April 10, 1989

Signature & Seal of
Professional Surveyor

Certificate No.

5979

Edgar



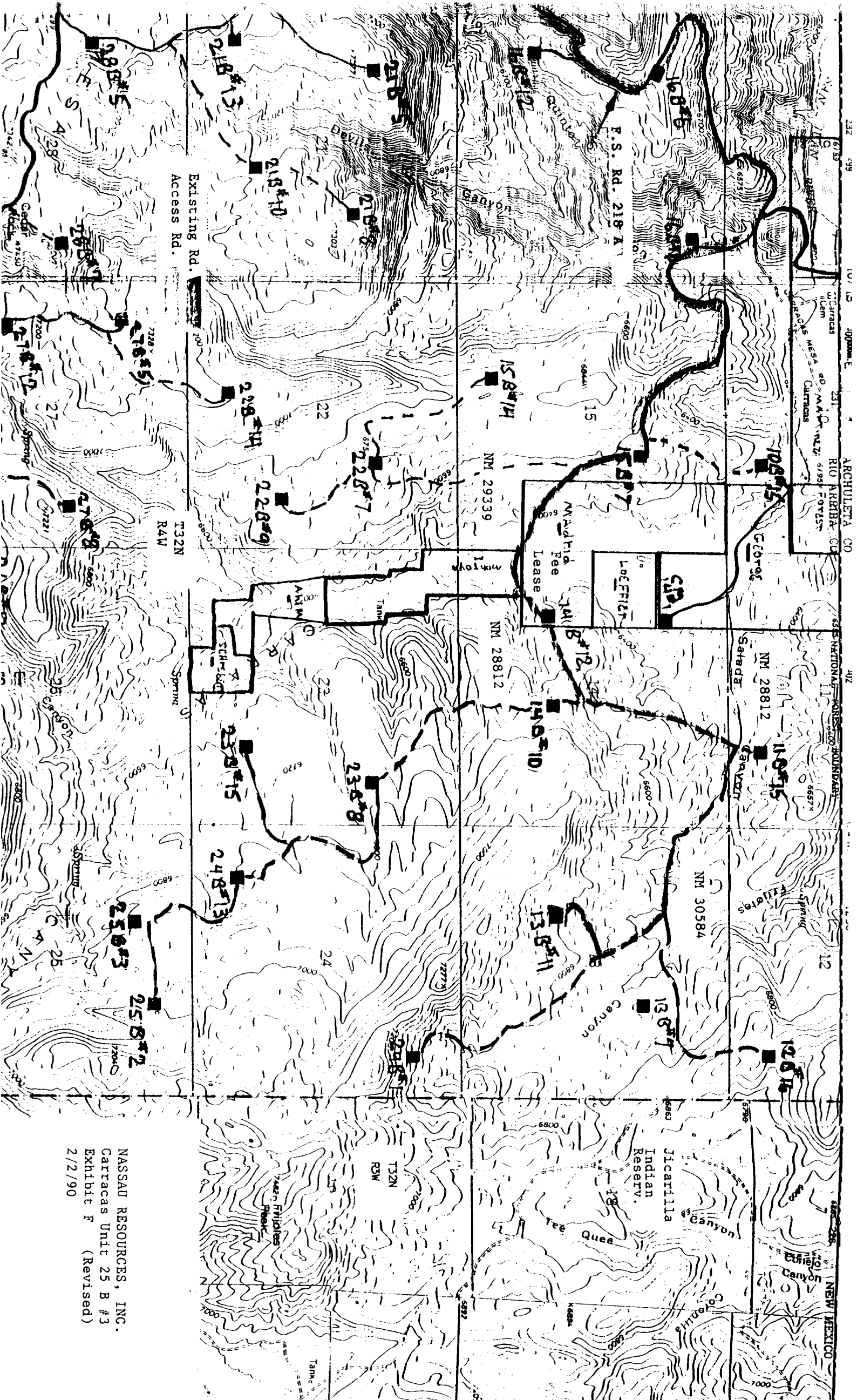
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OFFICE OF THE

SECRETARY



NASSAU RESOURCES, INC.
Carrizos Unit 25 B #3
Exhibit F (Revised)
2/2/90