#### STATE OF NEW MEXICO



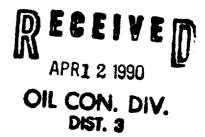
## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

## **OIL CONSERVATION DIVISION**

GARREY CARRUTHERS
GOVERNOR

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

April 9, 1990



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

Attention: Fran Perrin

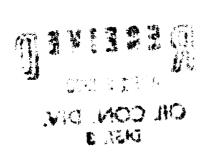
Administrative Order NSP-1597(L)

Dear Ms. Perrin:

Reference is made to your application dated February 14, 1990 for a 236.72-acre non-standard gas proration unit consisting of the following acreage in the Basin-Fruitland Coal Gas Pool:

RIO ARRIBA COUNTY, NEW MEXICO TOWNSHIP 32 NORTH, RANGE 5 WEST, NMPM Irregular Section 10: Lots 1 through 4 and the S/2 N/2

It is my understanding that this unit is to be dedicated to your Carracas Unit "10-A" Well No. 8 to be drilled at an unorthodox coal gas well location 800 feet from the North line and 540 feet from the East line (Unit H) of said Section 10, hereby approved pursuant to 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.



Nassau Resources, Inc. Administrative Order NSP-1597(L) April 9, 1990 Page 2

Also, by authority granted me under the provisions of Rule 6 of said Order No. R-8768, the above non-standard gas proration unit is hereby granted.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington

US Forest Service - Blanco



## STATE OF NEW MEXICO

# ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

RREY CARRUTHERS
GOVERNOR

1(XX) FIIO BHAZOS FIOAD AZTEC, NEW MEXICO 87410 (505) 334-8178

Date:
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: NSP
I have examined the application dated 2-16-90
for the NASSAN RESOURCES, INC CARRACAS U-10A#8 Operator Lease & Well No.
H-10-32N-5W and my recommendations are as follows:
Approne
Yours truly,
James Busels

February 14, 1990

New Mexico Oil Conservation Division ATTN: Mike Stogner P O Box 2088 Santa Fe, New Mexico 87504

RE: Application for Unorthodox Location and Non-standard Proration Unit Nassau Resources, Inc. Carracas Unit 10 A #8 800' FNL - 540' FEL Sec. 10, T32N, R5W, NMPM Rio Arriba County, N. M.



## Gentlemen:

Nassau Resources, Inc. hereby requests administrative approval of an unorthodox location for the captioned well based upon topographic conditions and Carson National Forest requirements.

As indicated by the attached topographic map, the terrain is this section is extremely rough and no other drill sites are feasible which meet Carson National Forest guidelines for development. Also cultural resources have ruled out development of other locations in this section.

Nassau Resources, Inc. also requests administrative approval of a non-standard proration unit. Section 12 is a fractional section, bordering the State of Colorado on the north. The non-standard proration unit consists of 236.72 acres.

This well is in Nassau's Carracas Unit. Amoco Production Co. and Meridan Oil, offsetting operators as indicated by the attached lease plat, have been notified of this application by certified mail. Kindermac Partners is an operating affiliate with Nassau Resources, Inc. and has been notified of this application.

Also attached are the C-102 plat, lease plat, production map, and a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest.

Main Office Jerome P. McHugh & Associates Operating Affiliate: Nassau Resources, Inc. 650 South Cherry, Suite 1225 Denver, Colorado 80222 (303) 321-2111 NASSAU RESOURCES, INC. Application for Unorthodox Location and NSP February 14, 1990

Page 2

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

Respectfully submitted,

Fran Perre

Fran Perrin Admin. Asst.

FP/cm Attachments

XC: Ernie Busch, NMOCD, NM Kindermac Partners Amoco Production Co. Meridian Oil Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

Operator

# State of New Mexico thergy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

Well No.

DISTRICT 1 P.O. Box 1980, Hobbs, HM 88240

## **OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
PO Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd , Aziec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

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Hassau Resources Inc.			. Carracas Unit 10 A				
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## LEASE PLAT

Township 32 North, Range 5 West

Rio Arriba County, New Mexico

## R 5 W

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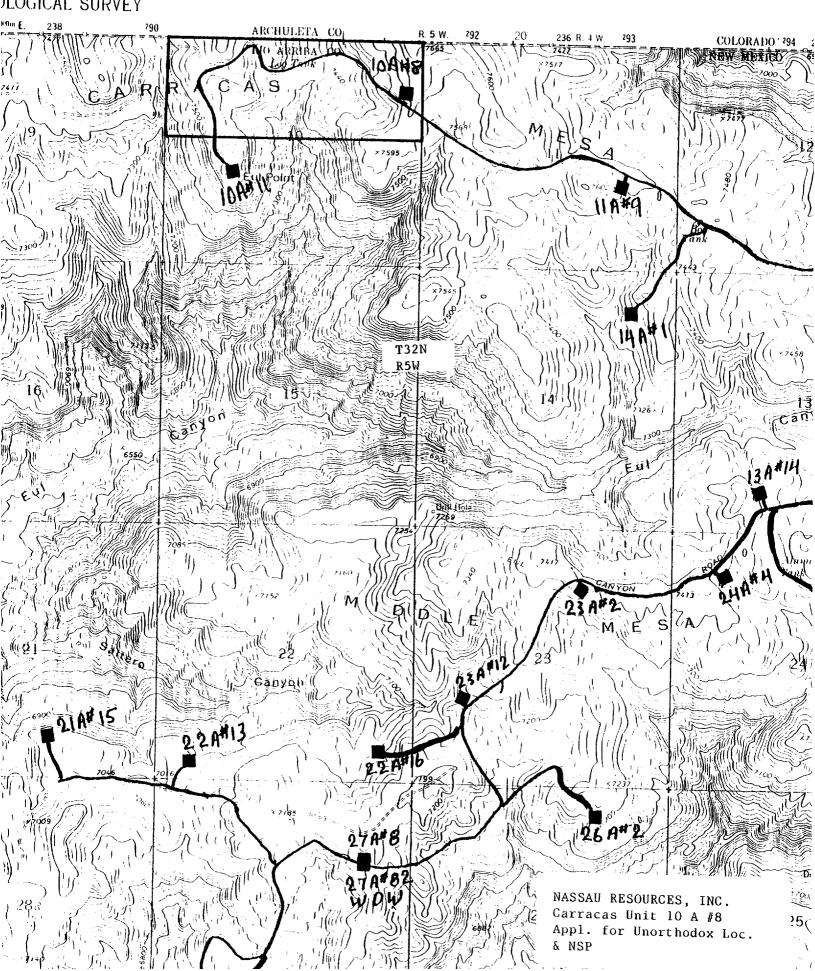
### Offsetting Operators:

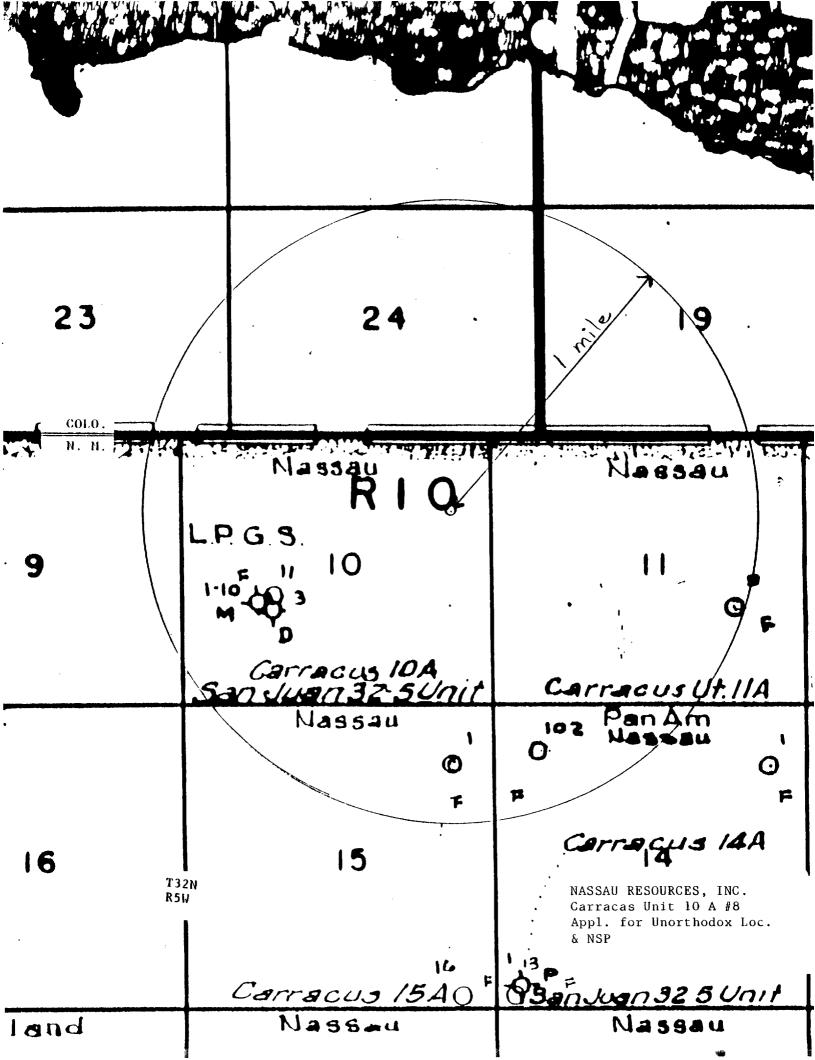
Meridian Oil

Amoco Production Co., Party to the unit

Kindermac Partners, Operating Affiliate of Nassau Resources, Inc.

# JNITED STATES IENT OF THE INTERIOR DLOGICAL SURVEY





Reply to 2820

Date August 3, 1988

Mr. James Hazen Nassau Resources, Inc. P.O. Box 809 Farmington, New Mexico 87499

#### Dear James:

It was brought to my attention by Mike Atchison that you will be needing to apply for some unorthadox locations for some of the wells in the Carracas Unit. The current location in need of unorthadox approval is the well location just northwest of the Carracas Administrative site, Section 18, T. 32 N., R. 4 W. The need for moving the location to the new site is based upon wildlife habitat protection and in keeping within the guidelines set forth in the Carson Forest Plan. The Plan, as you know, has a major emphasis in wildlife and wildlife habitat. Also key to this request for moving the location is the current Off-Road-Vehicle restriction policy in place over the entire Carracas Unit. This restriction is in place to limit off-road-vehicle travel within a key wildlife management area so that security area will not be lost by unnecessary road construction.

Whenever possible, locations will be required to be placed along open access roads. Further unorthadox locations can be expected within the Carracas Unit to keep in line with the management direction set forth for this area.

Because of this management direction and the probability of future relocations, I would hope the approval of these unorthadox locations can become routine. If not, please don't hesitate to contact me for further help or if needed to appear in person before the approving officer. If you have any questions, please give me a call.

Sincerely,

PHILIP R. SETTLES

District Forest Ranger

Philip R. Settles

Jerome P. McHugh Farmington, N.M.

CARING FOR THE LAND AND SERVING PEOPLE



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