

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

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

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 applicable regulations)

At surface

790' FSL - 1850' FWL

At proposed prod. zone

1850' FSL - 790' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

± 33 miles North of Gobernador, N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 790'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

1/3 mile

16. NO. OF ACRES IN LEASE

2,525.47

19. PROPOSED DEPTH

4140'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

100.0

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

7/92

23.

procedural review pursuant to 43 CFR 3165.3
and applicable regulations and approved by the BLM

DRILLING OPERATIONS AUTHORIZED AND
SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	9-5/8"	36#	250'
7-7/8"	5-1/2"	15.5#	4140'

150 cu.ft. circ. to surface
897 cu.ft. circ. to surface

Plan to directionally drill the subject well as follows:

Proposed Surface Location: 790' FSL & 1850' FWL (No change)

Bottom Hole Location: 1850' FSL & 790' FWL (Within a 100' radius)

True Vertical Depth: 4230' - Approximately

Measured Depth: 4628' - Approximately

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.

The previously approved APD on this well expired 4/27/91. .
APD number is #30-039-24422.

The New Mexico Oil Conservation Division had approved this directional drilling plan 9/18/91, Administrative Order DD-29.

GAS IS NOT DEDICATED.

"Approval of this action does
not warrant that the applicant
holds legal or equitable rights
or title to this lease."

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 logs, hole and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED M.B. McHugh

TITLE Field Coord.

DATE 8/23/91

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

APPROVED
AS AMENDED

APPROVED BY _____

TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

NOV 20 1991
AREA MANAGER

NMOCD

*See Instructions On Reverse Side

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OFFICE OF THE
DIRECTOR

Operator Nassau Resources, Inc.			Lease Carracas Unit 17			Well No. 14		
Unit Letter N	Section 17	Township 32 North	Range 4 West	County Rio Arriba				
Actual Footage Location of Wells 790 feet from the SOUTH line and 1850 feet from the EAST line								
Ground Level Elev. 7435		Producing Formation Fruitland		Pool Basin Fruitland Coal		Drillhole Diameter 320		Acres 14

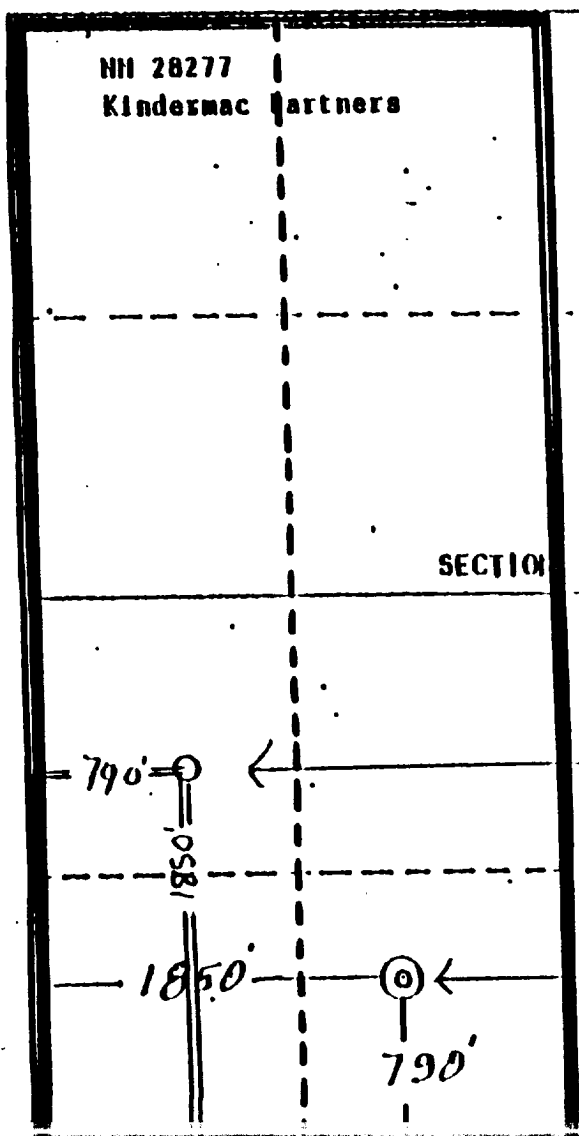
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1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
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



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OIL CON. DIV.
DIST. 3

NASSAU RESOURCES, INC.
Carracas Unit 17 B #14
Appl. for Directional Drilling

SECTION 17

Bottom Hole Location

Surface Location

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
9/11/89

SEAL L. RISENHOFF
NEW MEXICO
1990

Date Surveyed
6-16-88

Registered Professional Engineer
and/or Land Surveyor

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OIL COM. DIV.
U.S. DEPT. OF COM.
WASHINGTON, D.C.

OPERATIONS PLAN

OPERATOR: NASSAU RESOURCES, INC.
WELL NAME: Carracas Unit 17 B #14
FIELD: Basin Fruitland Coal
SURFACE LOCATION: 790' FSL - 1850' FWL
BOTTOM HOLE LOCATION: 1850' FSL - 790' FWL
Sec. 17, T32N, R4W, NMPM
Rio Arriba County, New Mexico
ELEVATION: 7435' GL

EXPECTED FORMATION TOPS: TVD

Ojo Alamo	3350'
Kirtland	3540'
Fruitland	3930'

LOGGING PROGRAM: DIL-GR-SP & FDC-CNL-GR-CALIPER

SAMPLES: Catch samples every 10' from 3870' to TD.

CASING PROGRAM:

<u>Hole</u> <u>Size</u>	<u>Depth</u>	<u>Csg.</u> <u>Size</u>	<u>Wt./Ft.</u>	<u>Grade &</u> <u>Condition</u>
12-1/4"	300'	9-5/8"	36#	J-55, New
Cement: 140 sx Class "B" w/ 2% CaCl (165 cu.ft.)				
8-3/4"	4628'	5-1/2"	15.5#	K-55, New
Measured depth				
Cement: 615 sx 65/35 poz w/ 12% gel & 1/4#/sk flowseal				
100 sx 50/50 poz w/ 2% gel, 6-1/4#/sk gilsonite				
& 1/4#/sk flowseal (1750 cu.ft.)				

WELLHEAD EQUIPMENT: 9-5/8" x 11" 600 series Bradenhead &
11" x 7-1/16" 600 series, 2000 psi working pressure well
head.

TECHNICAL PERSONNEL:

James S. Hazen, Field Supt.
Nassau Resources, Inc.
P O Box 809
Farmington, NM 87499
(505) 326-7793 Office
(505) 334-8225 Home

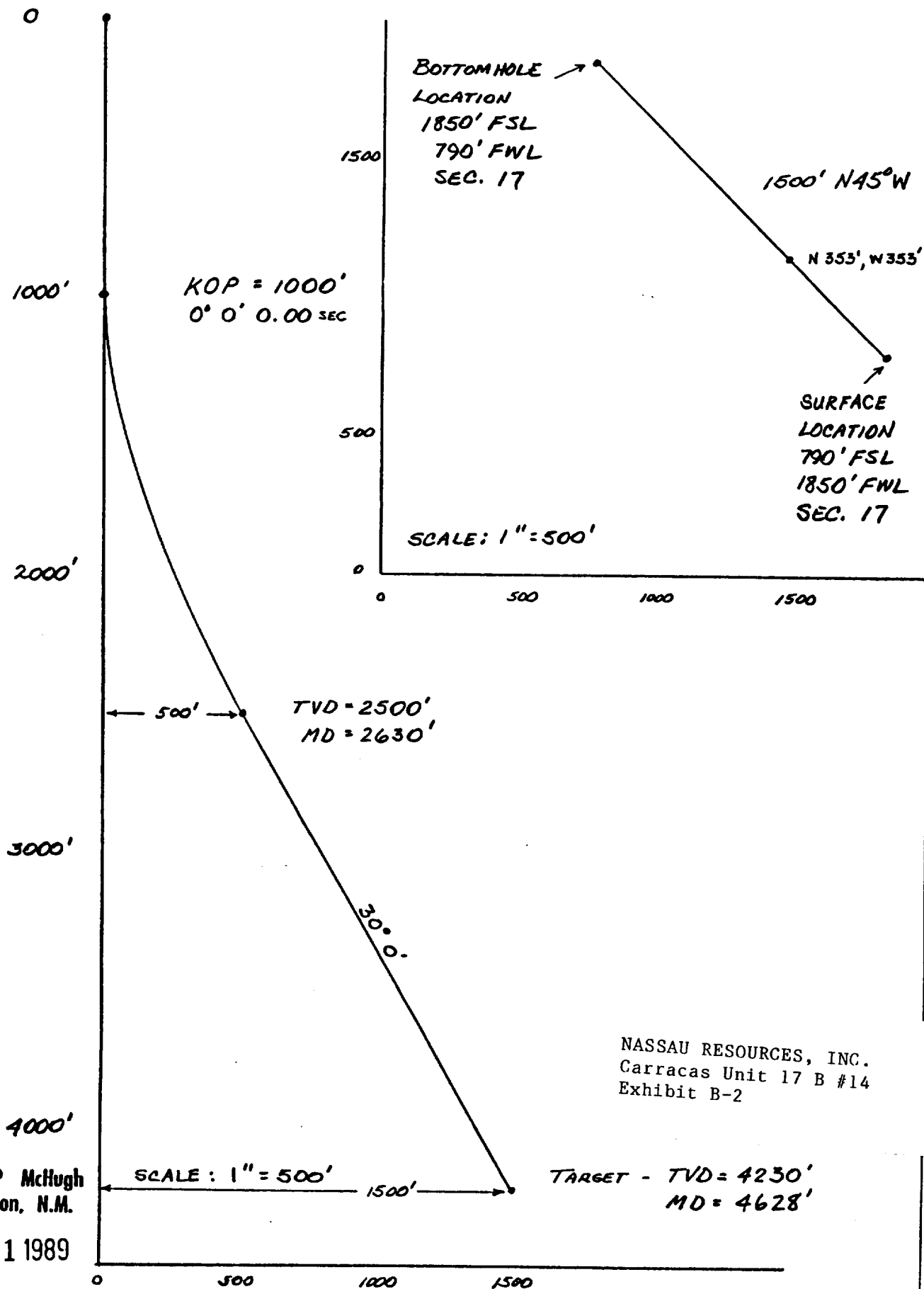
Gary Johnson, Petroleum Engr.
Nassau Resources, Inc.
650 South Cherry St. #1225
Denver, CO 80222
(303) 321-2111 Office
(303) 688-9864 Home

NASSAU RESOURCES, INC.
Carracas Unit 17 B #14
Exhibit B-1

DIRECTIONAL WELL PLAN

SECTION 17, T32N, R04W
RIO ARRIBA, NM

42 SHEETS 5 SQUARE
42 SHEETS 5 SQUARE
42 SHEETS 5 SQUARE
42 SHEETS 5 SQUARE

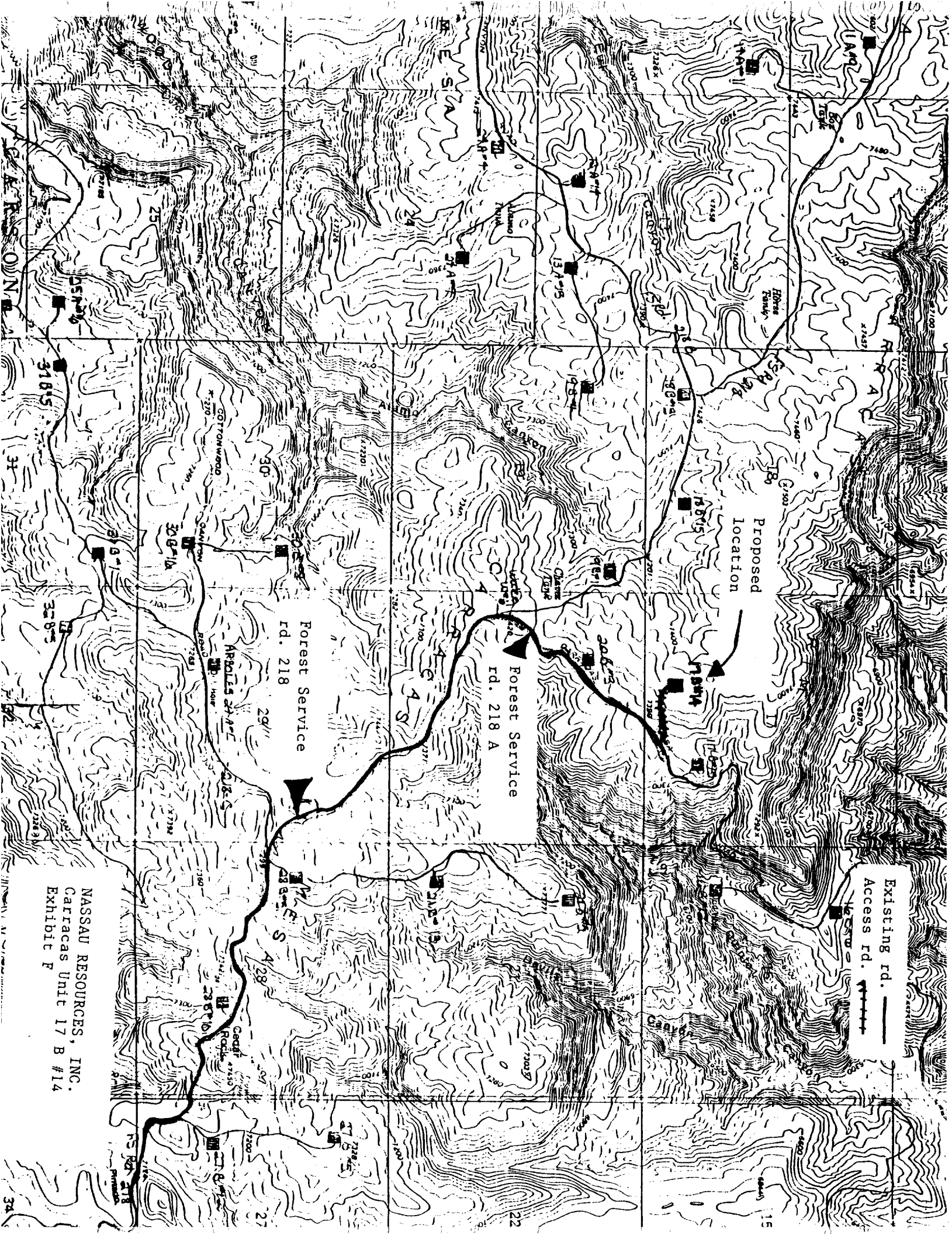


NASSAU RESOURCES, INC.
Carracas Unit 17 B #14
Exhibit B-2

Jerome P. McHugh
Farmington, N.M.

AUG 21 1989

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Existing rd. —
Access rd. - - - - -

Proposed
location

Forest Service
rd. 218 A

Forest Service
rd. 218

NASSAU RESOURCES, INC.
Carracas Unit 17 B #14
Exhibit F