

NASSAU

Nassau Resources, Inc.

P. O. Box 809

Farmington, NM 87499-0809

(505) 326-7793 Fax: (505) 327-0859

June 30, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

New Mexico Oil Conservation Division
ATTN: Mike Stogner
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: Application for Non-standard Location
Nassau Resources, Inc.
Carracas Unit-PC 23 B #6
2265' FNL - 2210' FWL
Sec. 23, T32N, R4W, NMPM
Rio Arriba County, NM

Gentlemen:

Nassau Resources, Inc., hereby requests administrative approval of a non-standard location for the captioned well based upon topographic conditions. Due to rugged terrain and private land use on the fee acreage, it is the only suitable location within our geologic target. This location for a Pictured Cliffs well was staked after consultation with the Forest Service.

Amoco Production Co., the only offsetting operator, is also a party to the unit has been notified of this application by certified mail. McHugh Companies, is an operating affiliate with Nassau Resources, Inc.

Also attached are copies of the APD, surveyor's plat, topographic and production maps.

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

Respectfully submitted,

Fran Perrin

Fran Perrin
Regulatory Liaison

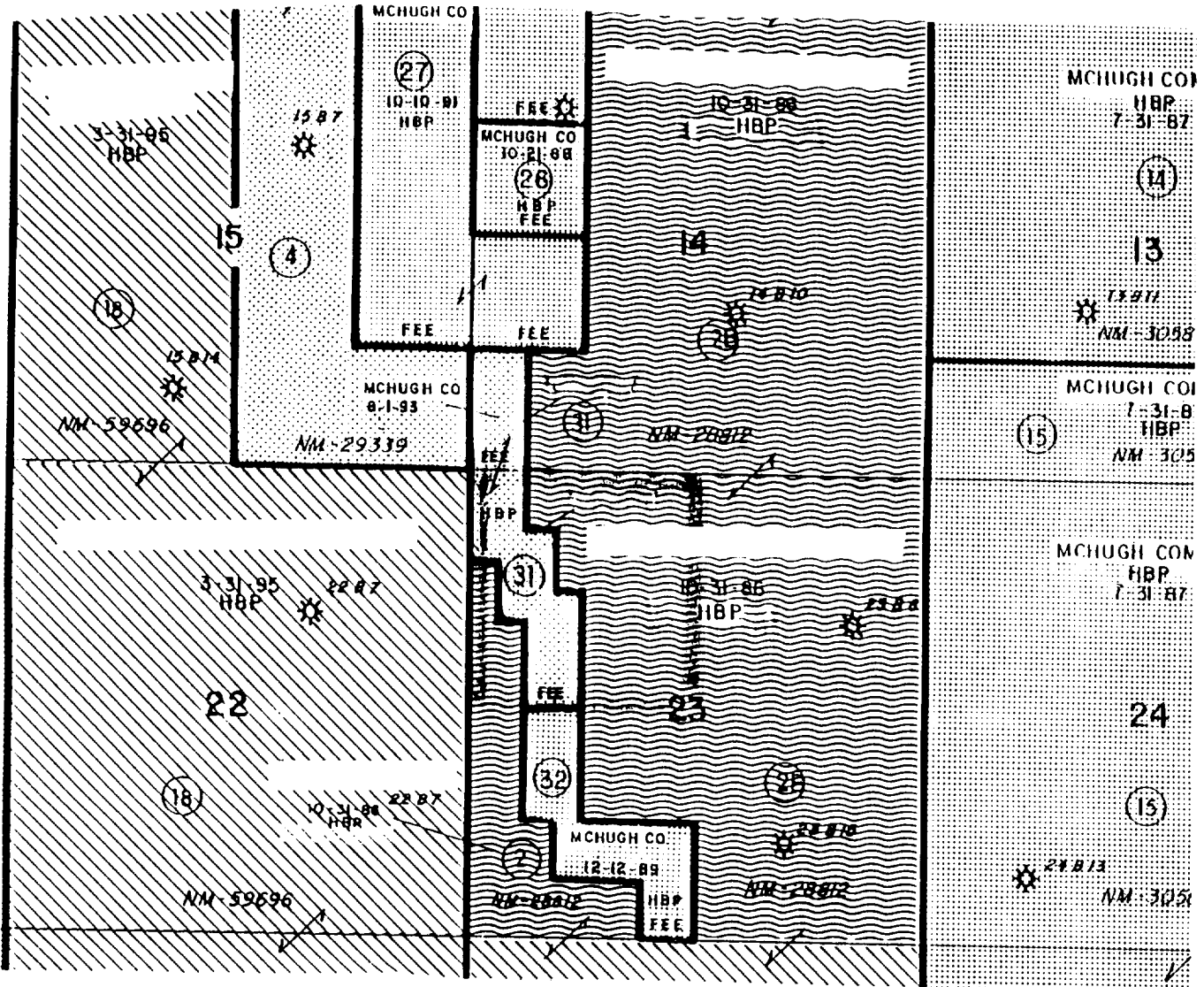
Attachments

XC: Ernie Busch, NMOCD, Aztec, NM
Amoco Production Co.
McHugh Companies

RECEIVED
JUL - 3 1995
OIL CON. DIV.
DIST. 3

LEASE PLAT

Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico



- S/2 Section 14: Various McHugh Fee Leases - McHugh Companies 100%
NM 28812 - McHugh Companies 100%
- SE/4Section 15: Various McHugh Fee Leases - McHugh Companies 100%
NM 29339 - McHugh Companies 100%
- E/2 Section 22: NM 59696 - McHugh Companies 75% and Amoco Production 25%
- E/2 Section 23: NM 28812 - McHugh Companies 100%
- SW/4Section 23: NM 28812 - McHugh Companies 100%
Various McHugh Fee Leases - McHugh Companies 100%

McHugh Companies is an operating affiliate with Nassau Resources.

NASSAU RESOURCES, INC.
Carracas Unit-PC 23 B #6
APPLICATION FOR NON-STANDARD LOC.
Exhibit A

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE BORE MULTIPLE BORE

2. NAME OF OPERATOR
 NASSAU RESOURCES, INC.

3. ADDRESS AND TELEPHONE NO.
 P O Box 809, Farmington, NM 87499-0809 505 326-7793

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface
 2265' FNI. & 2210' FWL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 ±16 miles E/SE of Arboles, CO.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
 430'

16. NO. OF ACRES IN LEASE
 2522.12

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.
 2500'

19. PROPOSED DEPTH
 3840'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 6610' GR, est.; 6622' DF, 6623' KB

22. APPROX. DATE WORK WILL START
 8/15/95

5. LEASE DESIGNATION AND SERIAL NO.
 NM 28812

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 Carracas Unit

8. FARMOR LEASE NAME WELL NO.
 Carracas Unit-PC 23 B #6

9. APPROVAL NO.

10. FIELD AND POOL, OR WILDCAT
 Carracas-Pictured Cliffs

11. SEC., T., R., W., OR BLS. AND SURVEY OR AREA
 Sec. 23, T32N, R4W, NMPM

12. COUNTY OR PARISH
 Rio Arriba

13. STATE
 NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	350'	210 cu. ft. to surface
8-3/4"	5-1/2"	5.5#	3900'	1281 cu. ft. 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 Pictured Cliffs zone at ± 3900'. Will run DII-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.

Plan to submit an application for an unorthodox location to OCD.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

SIGNED Fran Perrin Fran Perrin TITLE Regulatory Liaison DATE 6/15/95

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject land
 CONDITIONS OF APPROVAL, IF ANY:

NASSAU RESOURCES, INC.
 Carracas Unit-PC 23 B #6
 APPLICATION FOR NON-STANDARD LOC.
 Exhibit B

APPROVED BY _____ TITLE _____

*See Instructions On Reverse Side

1980, Hobbs, NMI 88241-1980
 District II
 PO Drawer 111, Artesia, NMI 88211-0719
 District III
 1000 Rio Hrazos Rd., Aztec, NMI 87410
 District IV
 PO Box 2080, Santa Fe, NMI 87504-2080

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APN Number		Pool Code		Pool Name	
		96154		Carracas-Pictured Cliffs	
Property Code		Property Name			Well Number
		Carracas Unit-PC 23 B			6
GRID No.		Operator Name			Elevation
		Nassau Resources, Inc.			6610' Estimated

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	23	32N	4W		2265	North	2210	West	Rio Arriba

11 Bottom Hole Location If Different From Surface

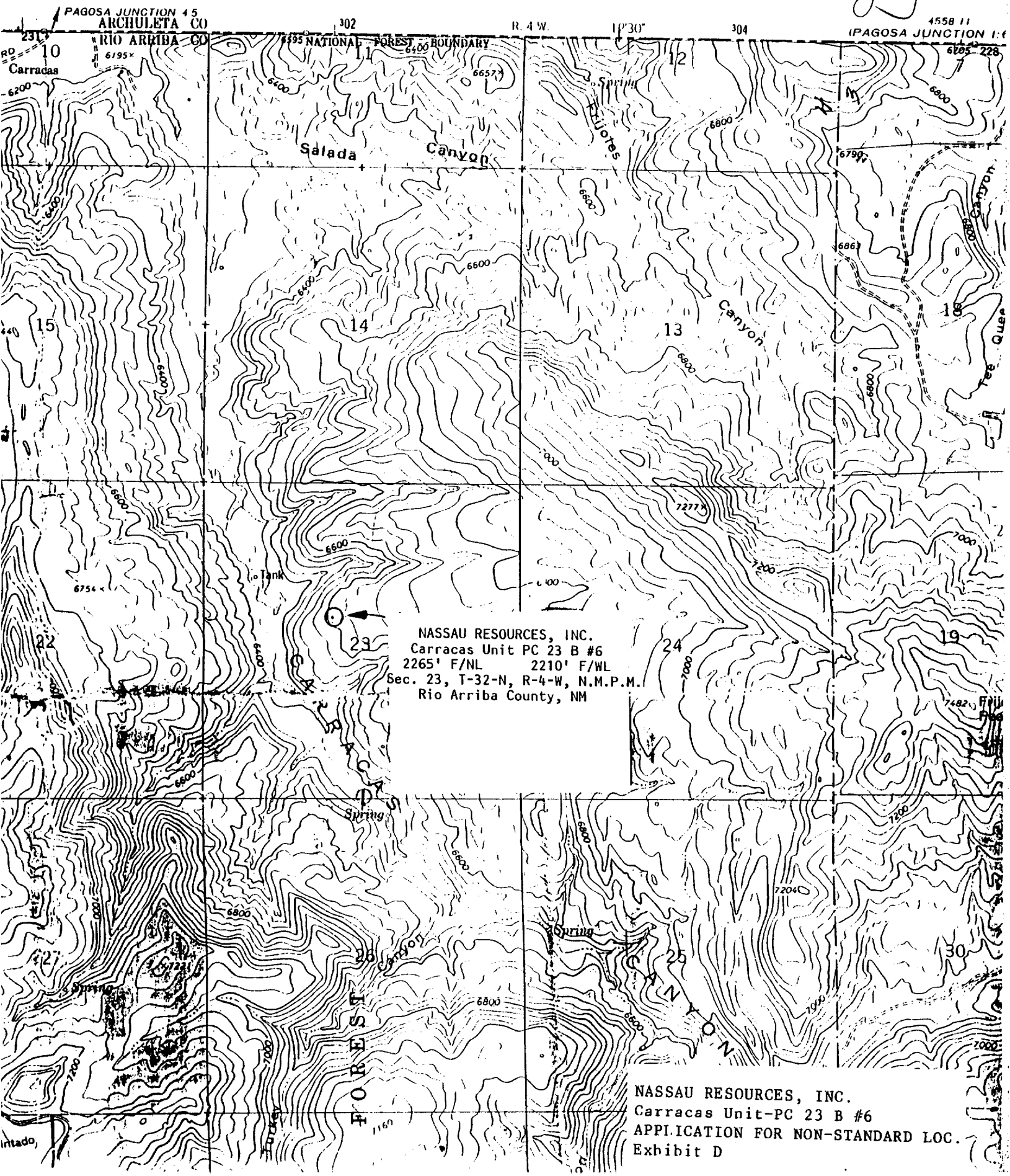
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

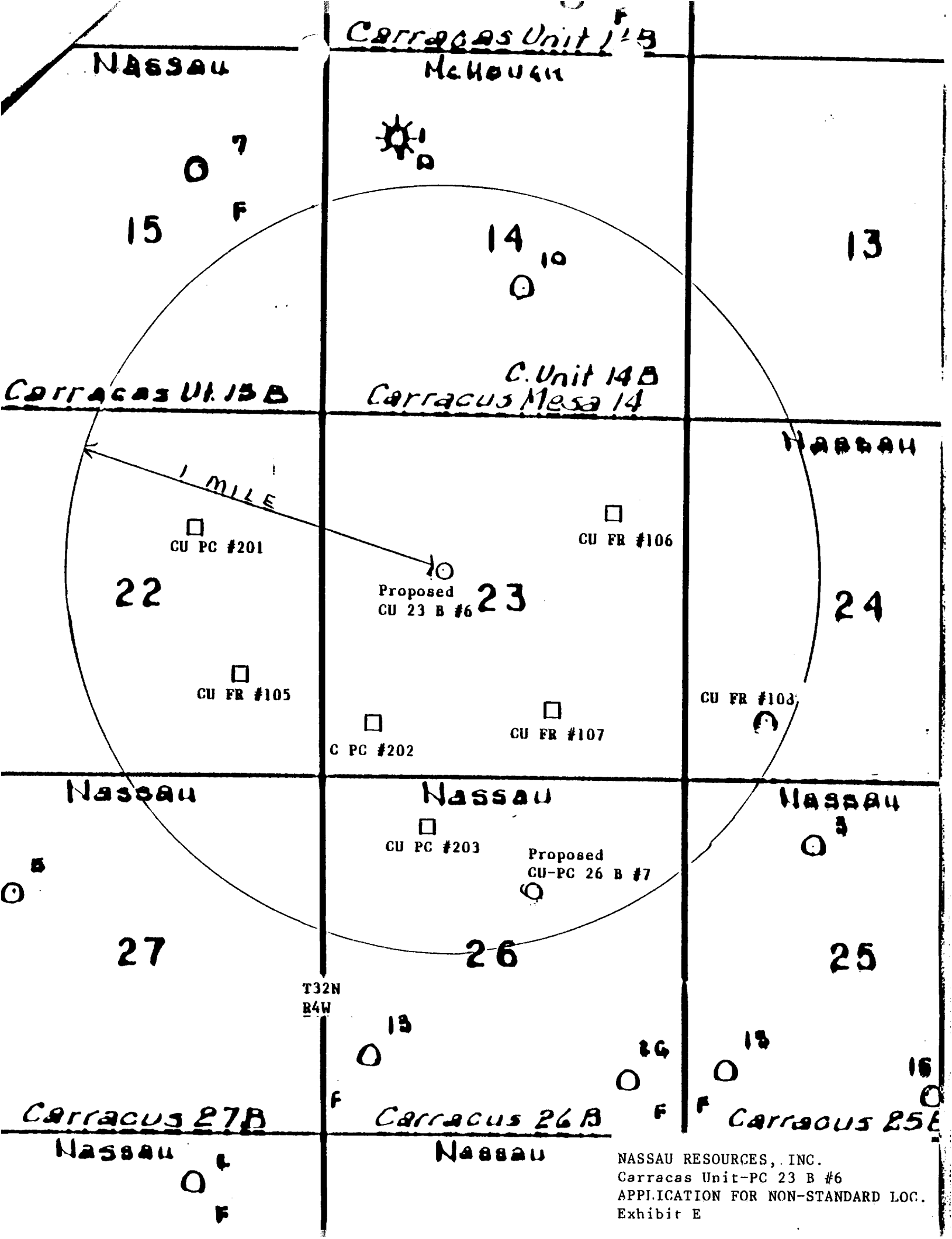
	NM 28812 McHugh Companies 100% 2265' 2210' Sec. 23	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Fran Perrin</i> Signature Fran Perrin Printed Name Regulatory Liaison Title 6/15/95 Date
	Various Fee Leases McHugh Companies 100%	18 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 belief. May 23, 1995 Date of Survey Signature and Seal of Surveyor: Certificate Number:
NASSAU RESOURCES, INC. Carracas Unit-PC 23 B #6 APPLICATION FOR NON-STANDARD LOC. Exhibit C		

Basin Surveying



NASSAU RESOURCES, INC.
Carracas Unit PC 23 B #6
2265' F/NL 2210' F/WL
Sec. 23, T-32-N, R-4-W, N.M.P.M.
Rio Arriba County, NM

NASSAU RESOURCES, INC.
Carracas Unit-PC 23 B #6
APPLICATION FOR NON-STANDARD LOC.
Exhibit D



Carracas Unit 15B

NASSAU

McHOUAN

15
7
F



14
10
O

13

Carracas Ut. 15B

C. Unit 14B
Carracus Mesa 14

NASSAU

1 MILE

CU PC #201

CU FR #106

22

Proposed
CU 23 B #6 23

24

CU FR #105

CU FR #103

C PC #202

CU FR #107

NASSAU

NASSAU

NASSAU

CU PC #203

Proposed
CU-PC 26 B #7

27

26

25

T32N
R4W

18
O

26
O

18
O

16
O

Carracus 27B

Carracus 26B

Carracus 25E

NASSAU

NASSAU

NASSAU RESOURCES, INC.
Carracas Unit-PC 23 B #6
APPLICATION FOR NON-STANDARD LOC.
Exhibit E

NASSAU

Nassau Resources, Inc.
P. O. Box 809
Farmington, NM 87499-0809
(505) 326-7793 Fax: (505) 327-0859

June 30, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Amoco Production Co.
Attn: J W Hawkins - Land Department, Proration Group
P O Box 800
Denver, CO 80201

RE: Application for Non-standard Location
Nassau Resources, Inc.
Carracas Unit-PC 23 B #6
2265' FNL - 2210' FWL
Sec. 23, T32N, R4W, NMPM
Rio Arriba County, NM

Dear Mr. Hawkins:

Enclosed is a copy of the subject Application for Unorthodox Location.

If Amoco Production Co., as an offsetting operator and party to the unit, has no objection to this application, we request that you notify the Oil Conservation Division as soon as possible. Please send a waiver to the attention of Michael Stogner, New Mexico Oil Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin
Regulatory Liaison

Enclosure

xc: NMOCD, Santa Fe, NM