

NASSAU

Nassau Resources, Inc.
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June 17, 1999

United States Department of the Interior
Bureau of Land Management
Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

11 Carracas Unit 33-B
Sec 33 - T32N-R4W
Lease NM 330014

RECEIVED
JUL 22 1999

OIL CON. DIV.
DIST. 3

Re: APD for Carracas 33B-11

Attention: Mr. Duane Spencer
Team Leader, Petroleum Management Team

Dear Mr. Spencer:

Nassau Resources, Inc. hereby requests the APD for Carracas Well 33B-11 be extended. This well is permitted as a Fruitland Coal test in an undrilled 320-acre block of NM-30014 and NM-28277.

Nassau is considering drilling more Fruitland Coal wells pending the results of cavitation that is currently being carried out on wells in the Carracas area. If the cavitation proves successful as a procedure to rework existing wells, the procedure may also become the preferred method of completion for newly drilled wells.

Well No. 33B-11 is one of the first wells that would be drilled and completed using the cavitation completion should this method prove successful at Carracas.

Nassau would like to keep the APD in effect until the results of the cavitation procedure are known. Results may take up to one year to verify, as the cavitated wells will have to be produced and dewatered to see if the procedure is economic.

If you have any questions concerning this request, please advise.

Yours very truly,



Gary J. Johnson
Engineering Manager

APP. BY _____

Approved as Amended *BAK*
July 16, 1999

~~THIS APPROVAL EXPIRES JUN 18, 2000~~

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NM600

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