

UNITED STATES
DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION TO DRILL" for permit for such proposals

RECEIVED
BLM

98 SEP 14 PM 12:54

070 FARMINGTON, NM

SUBMIT IN TRIPLICATE

RECEIVED

86T - 8 1998

OIL CON. DIV.
DIST. 3

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
NASSAU RESOURCES, INC

3. Address and Telephone No.
650 CHERRY STREET, SUITE 1225, DENVER CO 80246-1894 (303) 321-2114

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1835' FSL & 1495' FWL, NE/4 SW/4 SEC 10-32N-5W

5. Lease Designation and Serial No.
NM-30351

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
CARRACAS UNIT

8. Well Name and No.
CARRACAS UNIT #501

9. API Well No.
30-039-25852

10. Field and Pool, or Exploratory Area
BASIN DK

11. County or Parish, State
RIO ARRIBA, NM

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Drilling Operations</u>	<input type="checkbox"/> Dispose Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

8-04-1998 Spud surface hole with bit #1 @ 1645 hrs 8/3/1998. Drilling ahead.

8-05-1998 TD surface hole with bit #1 (12-1/4", HTC, OSC3) at 1124'. Circulate hole clean and TOH. Ran 9-5/8" casing and cemented. Plug down at 0515 hrs 8/5/98. Details on tomorrows report. WOC.

8-06-1998 NU BOP and test. PU bit # 2 (8-3/4", HTC,GT09C) and drill float collar and 46' of cement. Drill new hole to 1960'. Continue Drilling ahead. Details of 7" casing cement report: Ran 24 Jts 9-5/8" 36# K-55 LT&C Casing 1092.62', landed at 1106' w/ float at 1067'. BJ cemented with 250 sacks (439 ft3) Class H cement w/ 65/35 Poz - 6% Gel - 1/4# Celloseal per sack w/ 2% CaCl. Tailed w/ 210 sacks (250 ft3) Class H 1/4# Cello Seal / sack 2% CaCl. Displace plug w/ 82.5 bbls water. Circulated out 25 bbls cement. Plug down @ 5:15 am, 8-5-98. Deviations: 3/4° @ 1375', 1° @ 1905'.

8-07-1998 Drilling ahead. Deviations: 1-1/2° @ 2405', 1-1/4° @ 2656', 3/4° @ 2908'. MW = 9.0, Vis = 42, WL = 8.0.

8-08-1998 Trip for bit #2. Deviations: 1° @ 3159', 1-1/4° @ 3410'.

8-09-1998 Drilling ahead. Deviations: 1° @ 3544', 1-1/4° @ 3795', 1° @ 4032'. MW = 9.1, Vis = 50, WL = 7.0.

Continued on Reverse Side

14. I hereby certify that the foregoing is true and correct

Signed GARY JOHNSON *Gary Johnson* Title DRILLING MANAGER Date September 8, 1998

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

ACCEPTED FOR RECORD

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMCCD

FARMINGTON DISTRICT OFFICE

8-10-1998 Drilling ahead. Deviations: 3/4° @ 4282', 1-1/24° @ 4530'. MW = 9.1, Vis = 50, WL = 6.0.

8-11-1998 Drilling ahead. Deviations: 1° @ 5029'. MW = 9.0, Vis = 60, WL = 6.0.

8-12-1998 Drilling ahead. Deviations: 1° @ 5536'. MW = 9.2, Vis = 65, WL = 8.0.

8-13-1998 Trip for bit #3 (8-3/4", HTC, GT09C) at 5967'. Drilling ahead with bit #4 (8-3/4", HTC, GT09C). Deviation: 1/2° @ 6029'. MW = 9.1, Vis = 55, WL = 8.0.

8-14-1998 Drilling ahead. Deviation: 1° @ 6529'. MW = 9.3, Vis = 65, WL = 8.0.

8-15-1998 TFB #4 (8-3/4", HTC, GT-09C). Drilling ahead. Deviation: 3/4° @ 7061'. MW = 9.3, Vis = 57, WL = 7.0.

8-16-1998 Drilling ahead. Deviation: 1° @ 7570'. MW = 9.2, Vis = 45, WL = 8.0.

8-17-1998 Drilling ahead. MW = 9.1, Vis = 55, WL = 8.0.

8-18-1998 Drilling ahead. MW = 9.1, Vis = 63, WL = 6.0.

8-19-1998 Drill into Dakota with bit #5 (7-7/8", HTC, GT09C). TOH. Found 10 - 12 inserts missing from bit. TIH with junk basket to recover inserts prior to coring. MW = 9.2, Vis = 70, WL = 6.0.

8-20-1998 TIH with junk basket and circulate hole. TOH and recovered 10 inserts. TIH with core #1 and drill to 8867'. TOH with core. MW = 9.3, Vis = 76, WL = 6.8.

8-21-1998 TOH and recovered 10' of core. Core bit was wore out and core barrel was jammed. TIH with bit #6 and junk basket. Dril. 1' and circulate and condition hole clean. TOH. Pick up coring tools and TIH to continue coring upper Dakota.

8-22-1998 Core 12'. TOH and lay down coring tools. TIH and wash to bottom. Continue drilling. MW = 9.2, Vis = 70, WL = 8.0.

8-23-1998 Drill to 8920' with bit #9 (7-7/8", HTC, DP4523). Circulate and TOH. Pick up core barrel and TIH.

8-24-1998 TOH and recovered 3' of core. Core is fractured and brittle, making recovery difficult. TIH with rerun corehead. Currently coring at 8925'. MW = 9.1, Vis = 50, WL = 6.0.

8-25-1998 TOH with core barrel. Laid down coring tools. TIH with bit #11 (7-7/8", STC, F67) and continued drilling ahead. MW = 9.1, Vis = 65, WL = 7.0.

8-26-1998 Drilling ahead. MW = 9.1, Vis = 65, WL = 7.0.

8-27-1998 Drilling ahead. MW = 9.0, Vis = 63, WL = 5.0.

8-28-1998 TD well with bit #11 (7-7/8", STC, F67) at 9270'. Circulate and condition hole. TOH for logs. Rig up loggers and log. MW = 9.0, Vis = 63, WL = 5.0.

8-29-1998 Logging with Halliburton.

8-30-1998 Logging with Halliburton.

8-31-1998 Ran 204 jts. (9294.67") of 5-1/2", 17#, N-80, LT&C casing and landed at 9288' KB. Float collar is at 9269' and stage collar at 5477'. Rig up BJ and cement 1st stage with 800 sx (1112 cu.ft.) of Cl "H" 50/50 poz with 4% gel, 0.6% FL25, and 1/4# celloflake/sk. Tailed with 100 sx (150 cu.ft.) of Cl "H" with 35% silica flour, 1/4# celloflake/sk, 1.5% FL-62, 0.3% CD-32, and 0.2% sm. Displaced plug with 100 bbls of water and 115 bbls of mud. Plug down at 1100 hrs 8/30/98. Opened stage collar and circulated for four hours. Cement 2nd stage with 950 sx (1938 cu.ft.) of Cl "H" 65/35 poz with 10% gel, 2% CaCl₂, and 1/4# celloflake/sk. Tailed with 505 sx (732 cu.ft.) of Cl "H" 50/50 poz with 4% gel, 0.4% FL52, and 1/4# celloflake/sk. 0.2% CaCl₂. Displaced plug with 127 bbls of water. Plug down at 1815 hrs 8/30/98. Circulated out 200 bbls of cement. ND BOP. Set slips with 160,000# & cut off casing. Set wellhead and released rig.