



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

September 20, 1988

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

Attention: James S. Hazen,
Field Superintendent

Administrative Order NSL-2581

Dear Mr. Hazen:

Reference is made to your application of September 8, 1988 for a non-standard gas well location for your Carracas "17-B" Well No. 15 to be located 650 feet from the South line and 2070 feet from the East line (Unit O) of Section 17, Township 32 North, Range 4 West, NMPM, to test the Fruitland formation, Rio Arriba County, New Mexico. The SE/4 of said Section 17 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said formation.

By the authority granted me under the provisions of General Rule 104 F(I), the above-described unorthodox location is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay", written over a horizontal line.

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
New Mexico Oil & Gas Engineering Committee - Hobbs
US Forest Service - Blanco