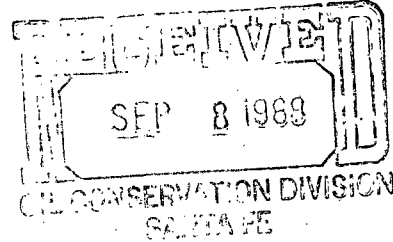


September 6, 1988

New Mexico Oil Conservation Division  
Attn: Mike Stogner  
P O Box 2088  
Santa Fe, NM 87504-2088



RE: Application for Unorthodox Location  
Nassau Resources, Inc.  
Carracas Unit 17 B #15  
650' FSL - 2070' FWL  
Sec. 17, Township 32 North, Range 4 West, NMPM  
Rio Arriba County, New Mexico

Gentlemen:

Nassau Resources, Inc., hereby requests administrative approval of an unorthodox location for the captioned well based upon archeological findings and Carson National Forest requirements.

This well was originally staked 790' FSL and 1850' FEL; however, the archeological survey revealed cultural material and pit houses. The present proposed location has been tentatively agreed upon with the U.S. Forest Service after an on site inspection. It utilizes an existing well pad, with the proposed pad being situated so as to protect a natural spring and disurb a minimum of timber. Also, the proposed location requires no access road, which meets USFS guidelines for off-road vehicle restriction.

Attached is a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest indicating their guidelines for development.

This well is in Nassau's Carracas Unit. As indicated by the attached lease plat, all offsetting leases are owned by Kindermac Partners, Inc. Kindermac, an operating affiliate of Nassau Resources, has been notified of this application.

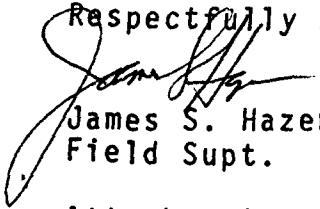
Also attached are production and topographic maps of the area and a C-102 plat.

New Mexico Oil Conservation Division  
Application for Unorthodox Location  
Carracas Unit 17 B #15

September 2, 1988

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

Respectfully submitted,



James S. Hazen  
Field Supt.

Attachments

XC: ✓ Ernie Busch, NMOCD, Aztec, NM  
✓ Kindermac Partners

fp

All distances must be from the outer boundaries of the Section.

Operator Nassau Resources, Inc.		Lease Carracas Unit 17 B		Well No. 15
Unit Letter O	Section 17	Township 32 North	Range 4 West	County Rio Arriba
Actual Footage Location of Well: 650 feet from the South line and 2070 feet from the East line				
Ground Level Elev. 7370	Producing Formation Fruitland	Pool W C Fruitland	Dedicated Acres 160.0 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

*Standard 640 acre Section*  
*- No Fruitland Pool in the area.*

SECTION 17

NM 28277  
Kindermac Partners 100%  
Purchased from  
Mitchell Energy Co. 8/3/88

650' 2070'

Nassau Resources, Inc.  
Carracas Unit 17 B #15  
Appl. for Unorthodox Loc.

### CERTIFICATION

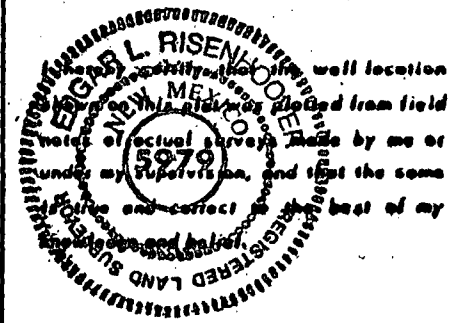
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name  
James S. Hazen

Position  
Field Supt.

Company  
Nassau Resources, Inc.

Date  
9/6/88



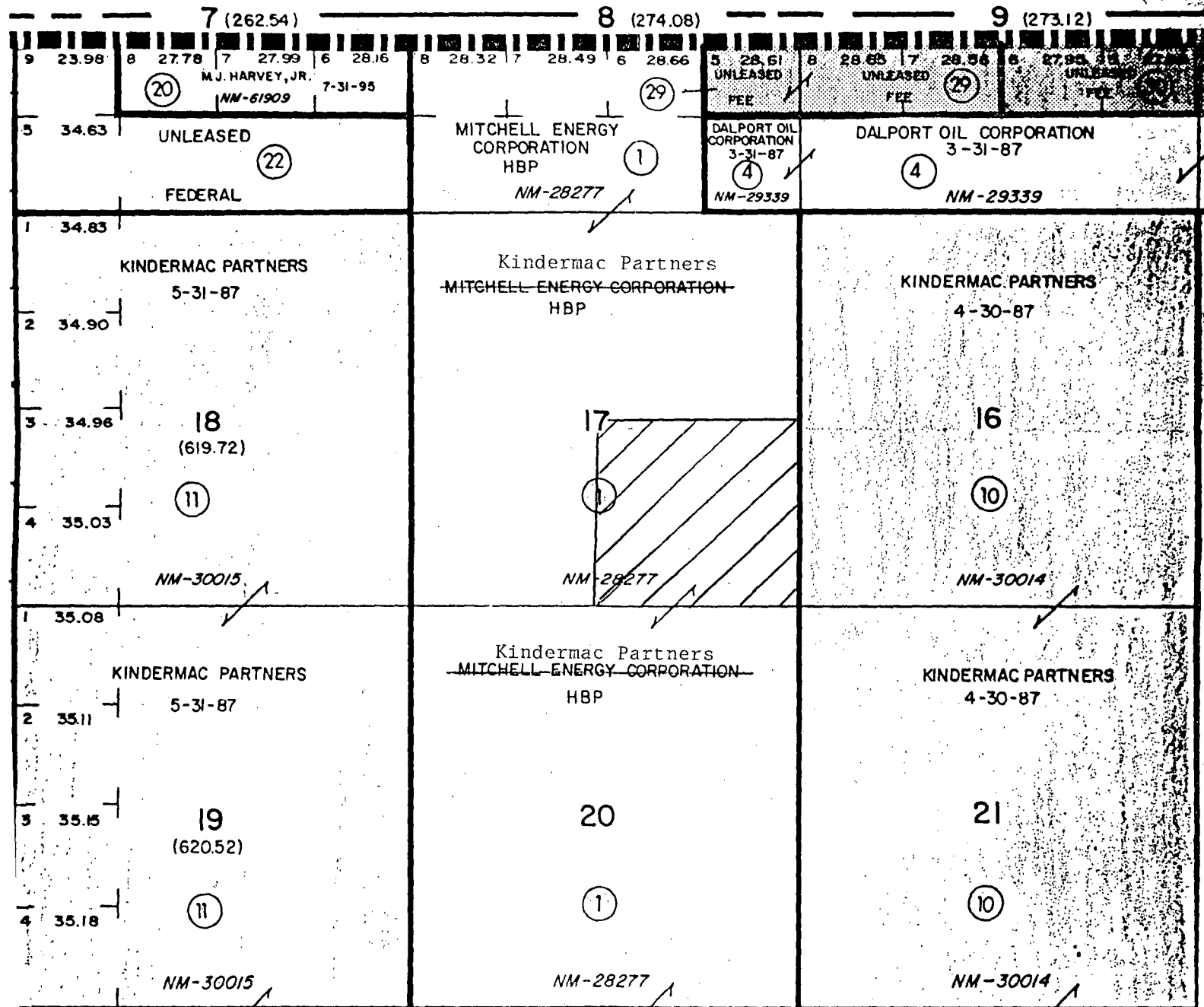
Date Surveyed  
August 24, 1988

Registered Professional Engineer  
and/or Land Surveyor

*Edgar L. Risenhoover*

Certificate No.

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



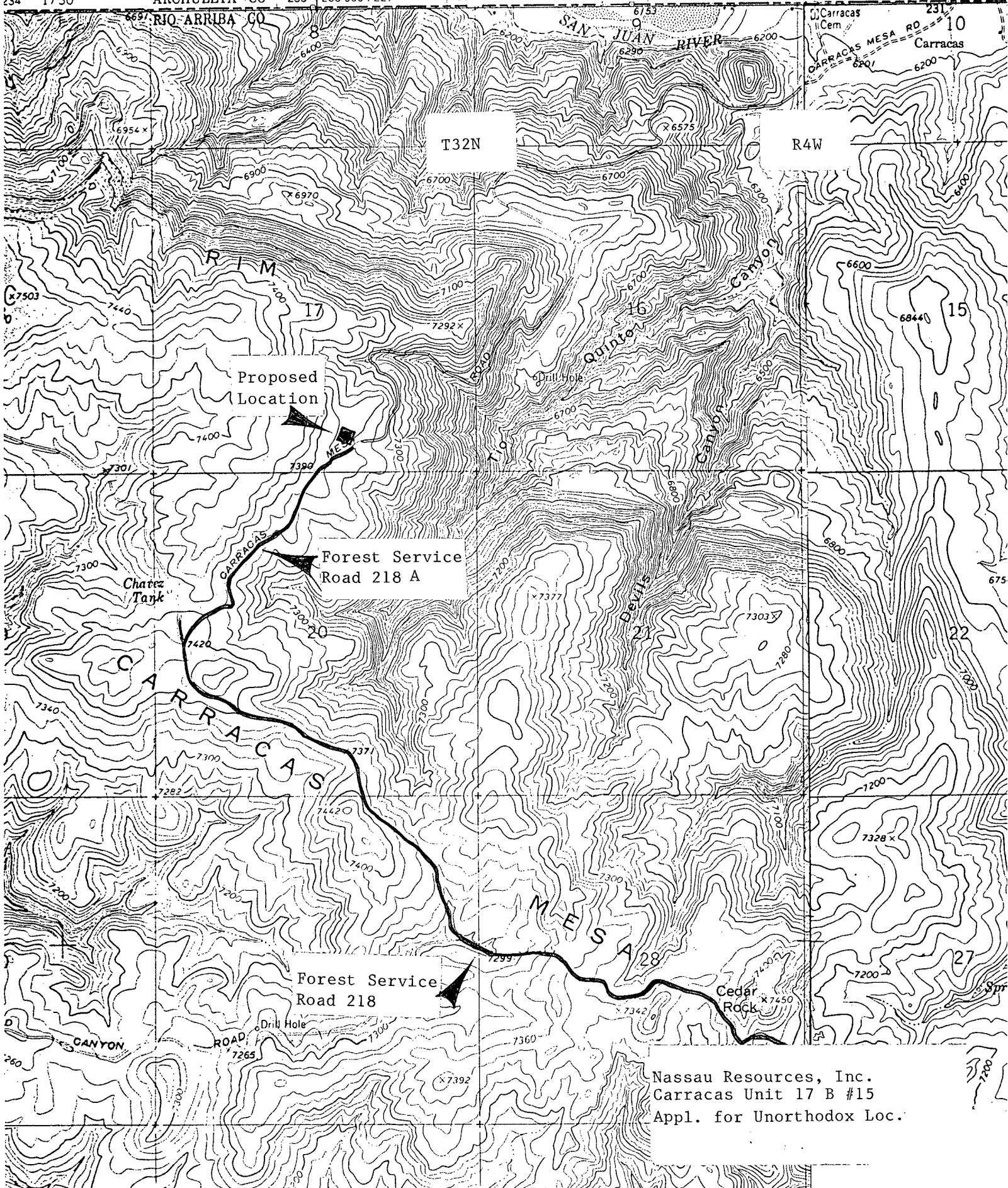
Kindermac Partners purchased  
Fed. Ls. #NM 28277 from  
Mitchell Energy Co. 8/3/88.

Nassau Resources, Inc.  
Carracas Unit 17 B #15  
Appl. for Unorthodox Loc.

BANCOS MESA QUADRANGLE  
NEW MEXICO  
7.5 MINUTE SERIES (TOPOGRAPHIC)

4558 11  
IPAGOSA JUNCTIO  
1:62,500

234 1730' ARCHULETA CO 233 200 000 FEET 298 232 299 10°15' 300000m. E. PAGOS



Nassau Resources, Inc.  
Carracas Unit 17 B #15  
Appl. for Unorthodox Loc.

21

22

23

COLORADO

NEW MEXICO

7

8

O F

O F<sub>9</sub>

T32N

Phillips

R4W

18

17

16

2-16

Proposed  
Location

②

San Juan 32-4 Unit

This well is now the  
Nassau Resources, Inc.  
Carracas Unit 20 B #12

19

20

21

Frontier Energy

1Y  
Ft.O 17-D  
Ft.

Arboles

Nassau Resources, Inc.  
Carracas Unit 17 B #15  
Appl. for Unorthodox Loc.



United States  
Department of  
Agriculture

Forest  
Service

Jicarilla  
Ranger District

Gobernador Route  
Blanco, NM 87412

Reply to: 2820

Date: August 3, 1988

Mr. James Hazen  
Nassau Resources, Inc.  
P.O. Box 809  
Farmington, New Mexico 87499

Dear James:

It was brought to my attention by Mike Atchison that you will be needing to apply for some unorthodox locations for some of the wells in the Carracas Unit. The current location in need of unorthodox approval is the well location just northwest of the Carracas Administrative site, Section 18, T. 32 N., R. 4 W. The need for moving the location to the new site is based upon wildlife habitat protection and in keeping within the guidelines set forth in the Carson Forest Plan. The Plan, as you know, has a major emphasis in wildlife and wildlife habitat. Also key to this request for moving the location is the current Off-Road-Vehicle restriction policy in place over the entire Carracas Unit. This restriction is in place to limit off-road-vehicle travel within a key wildlife management area so that security area will not be lost by unnecessary road construction.

Whenever possible, locations will be required to be placed along open access roads. Further unorthodox locations can be expected within the Carracas Unit to keep in line with the management direction set forth for this area.

Because of this management direction and the probability of future relocations, I would hope the approval of these unorthodox locations can become routine. If not, please don't hesitate to contact me for further help or if needed to appear in person before the approving officer. If you have any questions, please give me a call.

Sincerely,

*Philip R. Settles*

PHILIP R. SETTLES  
District Forest Ranger

Jerome P. McHugh  
Farmington, N.M.

CARING FOR THE LAND AND SERVING PEOPLE



AUG 9 1988

**RECEIVED**

Nassau Resources, Inc.  
Carracas Unit 17 B #15  
Appl. for Unorthodox Loc.



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

10000 1000 100000 10000  
AZTEC, NEW MEXICO 87410  
(505) 334-6170

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE 9-8-88

RE: Proposed HC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed HSL \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PHX \_\_\_\_\_

Gentlemen:

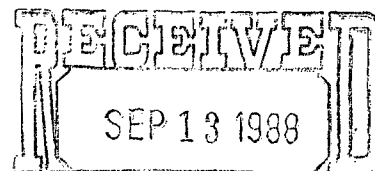
I have examined the application dated 9-7-88  
for the NASSAU RESOURCES, INC. CARRALAS UNIT 17 B\*15 0-17-32N-4W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

APPROVE  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

[Signature]



OIL CONSERVATION DIVISION  
SANTA FE