August 4, 1989

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 Unorthodox Location Nassau Resources, Inc., Carracas Unit 28 B #10 Section 28, T32N, R4W, NMPM Rio Arriba County, New Mexico

Dear Mr. Hawkins:

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

Amoco Production Co., is a party to the Nassau Resources, Inc., Carracas Unit; if Amoco 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, P O Box 2088, Santa Fe. New Mexico 87504.

Please feel free to call if you have any questions.

Thank you,

Fran Perrin

Enclosure

xc: NMOCD, Santa Fe, NM

Fran Perin

Main Office Jerome P. McHugh & Associates Operating Affiliate: Nassau Resources, Inc. 650 South Cherry, Suite 1225 Denver, Colorado 80222 (303) 321-2111 August 4, 1989

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

MRCHIABD

AUG 8 1989

RE: Application for Unorthodox Location Nassau Resources, Inc.
Carracas Unit 28 B #10

OIL CONSERVATION DIV. SANTA FE

1850' FSL - 1850' FEL Sec. 28. Township 32 N

Sec. 28, 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 topographic conditions and Carson National Forest requirements.

This location is unorthodox due to the rough terrain and Carson National Forest guidelines for development and off-road vehicle restriction. Enclosed is a letter from Phillip Settles regarding Carson's guidelines, as well as a topographic map.

This well is in Nassau's Carracas Unit. All offsetting leases, as shown on the attached lease plat, are owned by Kindermac Partners, an operating affiliate with Nassau Resources, Inc., and Amoco Production Co., a party to the unit. Kindermac and Amoco Production Co. have been notified of this application. Also attached are a production map of the area and the C-102 Plat.

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

Respectfully submitted,

Fran Perrin

Attachments

xc: Ernie Busch, NMOCD, Aztec, NM Kindermac Partners Amoco Production Co.

Main Office Jerome P. McHugh & Associates Operating Affiliate: Nassau Resources, Inc. 650 South Cherry, Suite 1225 Denver, Colorado 80222 (303) 321-2111

SANTA FE, NEW MEXICO 87501 Baulsad 10-1-74 ERGY AND MINERALS DEPARTMENT All distances must be from the autar houndaries of the Section. Well Ho. اداواورونون Carracas Unit 28 B Nassau Resources, Unil Lelius Section Township Range County Rio Arriba 32 North 4 West Actual Fastage Location of Walls East test from the line and feat from the line Ground Lavel Clay, Producing Formation Pool Dedicated Acreages Basin Fruitland Coal Fruitland 7322 ACIOB 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 awaers been consolidated by communitization, unitization, force-pooling. etc? If answer is "yes; type of consolidation Unitization - Carracas Unit XX Yes 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, climinating such interests, has been approved by the Division. CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Neme Fran Perrin Position NM 30014 Admin. Asst. Kindermac Partiers 100% Company Nassau Resources, Inc. 1/27/89 SECTION 18501 Nassau Resources, Inc. Carracas Unit 28 B #5 Appl. for Unorthodox Loc. Date limened July 21, 1988 18501 Hegistered Professional Englaser and/or Land Burveyor Edde of Riser Loone

Reply to: 2820

Date: August 3, 1988

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

Dear James:

United States

Department of

Agriculture

It was brought to my attention by Mike Atchison that you will be needing to apply for some unorthadox locations for some of the wells in the Carracas Unit. The current location in need of unorthadox 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-roadvehicle 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 unorthadox 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 unorthadox 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

District Forest Ranger

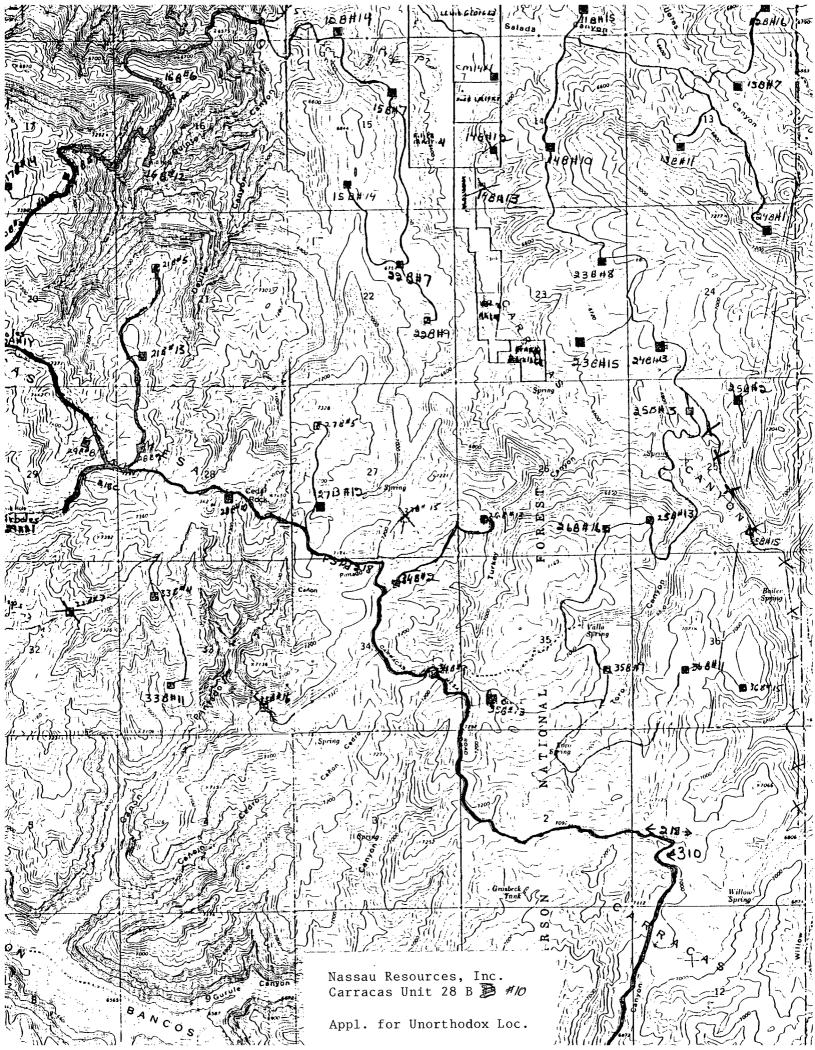
Philip R Settles

Jerome P. McHugh Farmington, N.M.

CARING FOR THE LAND AND SERVING PEOPLF

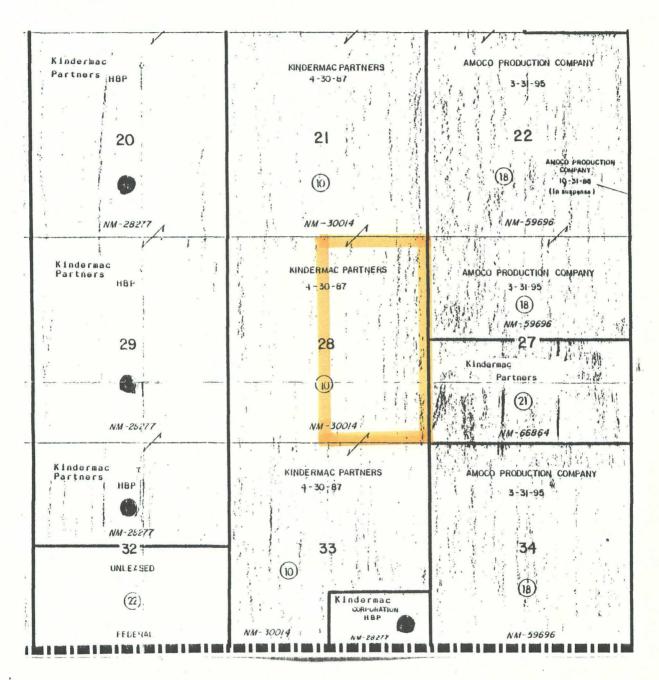


RECEIVED



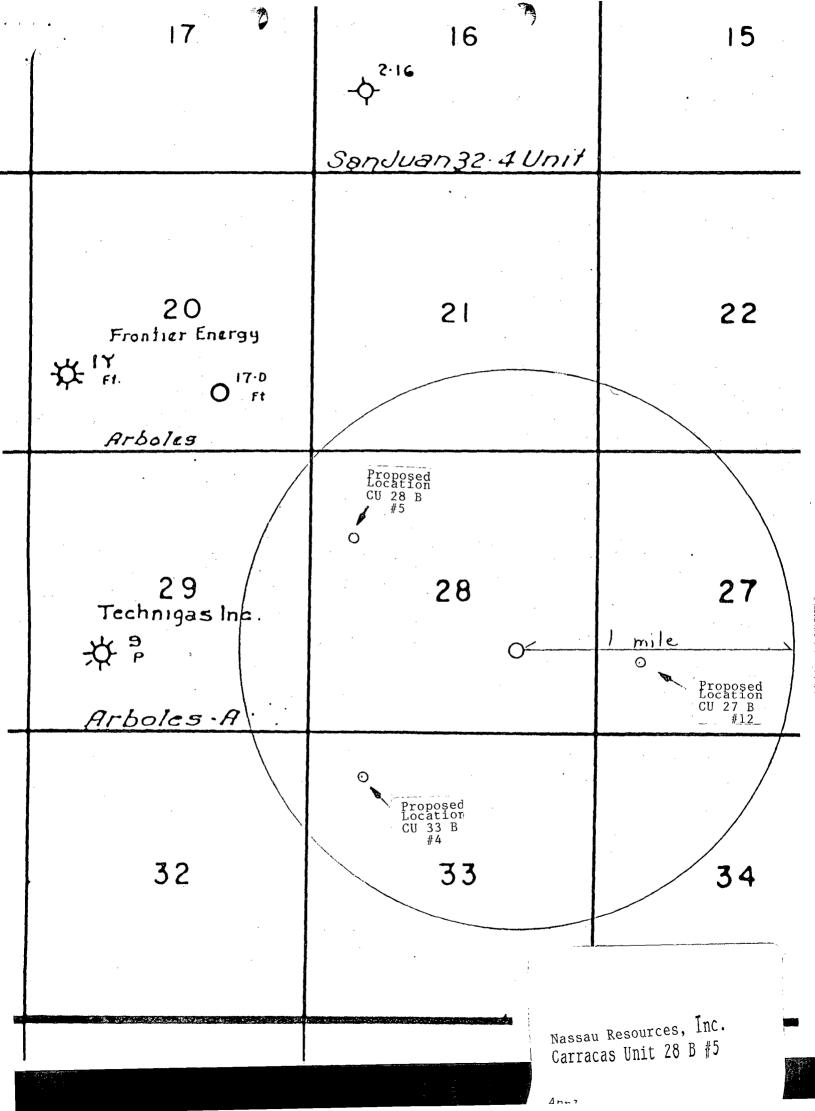
LEASE PLAT

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



Party to the Unit:
Amoco Production Co.

Operating Affiliate:
Kindermac Partners





Amoco Production Company

Denver Region 1670 Broadway P.O. Box 800 Denver, Colorado 80201 303-830-4040



August 17, 1989

AUG 21 1989

OIL CONSERVATION DIV. SANTA FE

Michael Stogner New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87504

File: NWA-130-986.511

Dear Mr. Stogner:

Waiver of Objection to Nassau Resources Inc. Application for Unorthodox Location Carracas Unit 28 B No. 10 Section 28-T32N-R4W Rio Arriba County, New Mexico

Amoco Production Company has no objection to the above referenced application by Nassau Resources Inc. for the unorthodox location for the Carracas Unit 28 B No. 10 well as proposed.

Sincerely,

J. W. Hawkins

JWH/lmm

cc:

F. Perrin Jerome P. McHugh and Associates P.O. Box 809 Farmington, NM 87499

J. L. Spitler - Building

LTR826



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

1000 FIIO BRAZOS FIOAD AZTEC, NEW MEXICO 87410 (505) 334-6178

Date: 8-7-89	AUG 10
Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87504-2088	AUG 1 0 1989 OIL CONSERVATION DIV.
Re: Proposed MC Proposed DHC Proposed NSL Proposed SWD Proposed WFX Proposed PMX	
Gentlemen:	
I have examined the application dated	8-7-89
for the Nassace Res. Inc. Car	racas lint 28 BA
Operator Leas	se & Well No.
J-28-32N-4W and my recommend Unit, S-T-R Approve	
Yours truly,	
En Burch	MACKINED
	AUG 1 0 1989

OIL CONSERVATION DIV. SANTA FE