

EXHIBIT "B"
SECOND REVISION OF FRUITLAND COAL FORMATION PARTICIPATING AREA "D", (D2)
CARRACAS CANYON UNIT AREA
RIO ARRIBA COUNTY, NEW MEXICO

TRACT NO.	LEASE NO. OR TYPE OF LAND	DESCRIPTION	PARTICIPATING ACRES	PERCENT OF PARTICIPATION	WORKING INTEREST OWNERS
2A	USA NM-28812 100.000000000%	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPM SECTION 35: E/2	320	25.000000000	AMOCO PRODUCTION CO. (12.50%) McHUGH COMPANIES (75.00%) FRONTIER ENERGY CORP. (12.50%)
<u>PREVIOUSLY ESTABLISHED FRUITLAND COAL PARTICIPATING AREA "D":</u>					
1B	USA NM-59696 100.000000000%	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPM SECTION 34: N/2	320	25.000000000	AMOCO PRODUCTION CO. (25.00%) McHUGH COMPANIES (75.00%)
2C	USA NM-28812 100.000000000%	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPM SECTION 26: E/2 SECTION 35: W/2	640	50.000000000	AMOCO PRODUCTION CO. (12.50%) McHUGH COMPANIES (52.72%) CNG PRODUCING COMPANY (22.28%) FRONTIER ENERGY CORP. (12.50%)
TOTAL			1280	100.000000000	

SUMMARY
EXHIBIT "B"
SECOND REVISION OF FRUITLAND COAL FORMATION PARTICIPATING AREA "D", (D2)
CARRACAS CANYON UNIT AREA
RIO ARRIBA COUNTY, NEW MEXICO

TYPE LAND	COMMITTED ACRES	NON-COMMITTED ACRES	PERCENT COMMITTED
FEDERAL	1280	-0-	100.000000000
STATE	-0-	-0-	-0-
PATENTED	-0-	-0-	-0-
TOTAL	1280	-0-	100.000000000

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
			<u>Item # 28</u> Cemented 9-5/8" casing as follows: 135 sx of Class "B", 2% CaCl and 1/4#/sk celloflake (159 cu.ft.) Cemented 5-1/2" casing as follows: 10 bbls. mud flush 575 sx of 65/35 poz w/ 12% gel, & 1/4#/sk celloflake (1506 cu.ft.) 100 sx of 50/50 poz w/ 2% gel, 6-1/4#/sk kolseal & 1/4#/sk cello- flake (139 cu.ft.)

38. GEOLOGIC MARKERS

NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH
Ojo Alamo	3350'	
Kirtland	3455'	
Fruitland	3830'	
Fruitland Coal	3876'	

JEROME P. McHUGH/NASSAU RESOURCES, INC.
P O BOX 809
FARMINGTON, N.M. 87499-0809
505 326-7793

James - your
notes didn't come
through very clear
please check this
to see if its correct
before I send it out

DAILY REPORT

CARRACAS UNIT 35 B #9

12/4/89 Rigged up and ran GR-CCL-CBL from PBTD of 4140' to 2000'.
 TIH and perforated as follows with 4 spf at
 3887 - 3888
 3918 - 3932
 3958 - 3964
 TIH with 152 jts. of 2-7/8", 6.5#, J-55, EUE tubing.
 Notch collar at 3977'.
 Seating nipple at 3946' KB.

12/6/89 RU and ran wireline.
 Ran static level.
 RD.

12/7/89 RU Smith Energy and spotted 500 gal. of 15% HCL at 2-1/2 bpm & 800 psi. Pressure went to 340 psi.
 TOOH with 2-7/8" tubing and rigged up frac crew.
 Fraced with 35# linear gel as follows:

40,000 gal	Pad	
4,000 gal	2#/gal	40/70 sand
4,000 gal	4#/gal	40/70 sand
4,000 gal	6#/gal	40/70 sand
4,000 gal	6#/gal	20/40 sand
4,000 gal	8#/gal	20/40 sand
2,600 gal	10#/gal	20/40 sand

Total load to recover 1325 bbls.
 Pumped 48,000# of 40/70 sand
 73,030# of 20/40 sand
 Max pressure of 4700 psi at 60 bpm
 Average 1600 psi at 60 bpm
 Rigged up and pumped to 2000 psi and SI.
 Pressure went to 0 psi in 6 min.
 Rigged down frac crew and TIH and tagged sand at 2512' KB.
 Started circulating sand out with formation water.
 Loosing some water to formation.
 Remarks: Pumping on 10#/gal at 1290 psi and pressure jumped to 4700 psi.
 Shut down and took frac lines and valves apart along with frac head.
 BOP was clear. Company man on location feels that screen off occured in frac line when line reduces from 6" to 4" at pressure transducer.

NASSAU RESOURCES, INC.
Carracas Unit 35 B #9

12-8-89 Circulated and checked for sand; cleaned to bottom.
Reset 125 jts., 6.5#, EUE tubing, with seating nipple
 at 3944' and notch collar at 3977' KB.
Made 4 swab runs.
Well kicked off and blew for 4-1/2 hrs.
SI with 1000 psi casing pressure and 600 psi tubing
 pressure.

ENGINEERING REPORT

Carracas Unit 35B #9

Section 35, T32N, R04W

Rio Arriba County, New Mexico

Carracas Unit 35B #9, located 1850' FSL and 790' FEL of Section 35, Township 32 North, Range 4 West, was spudded on October 24, 1989. Total depth of 4200' was reached on October 30, 1989 and 5-1/2", 15.5 lb/ft casing was set. The Fruitland Coal was perforated at 3887' to 3888', 3918' to 3932', and 3958' to 3964' with 4 shots per foot. The formation was fractured with 48,000 lbs 40/70 sand and 73,030 lbs 20/40 sand in 1325 barrels gelled water at 50 barrels per minute.

The well was first delivered at a rate of 547 MCFD on January 11, 1990.

The well has produced a cumulative of 451,303 MCF through October 31, 1992. The October, 1992 production was 12698 MCF and 0 BW for an average producing rate of 409.6 MCFD and 0 BWPD. October, 1992 gas sales were 12680 MCF. A listing of monthly production is attached.

ECONOMICS

Based on October, 1992 sales of 12698 MCF, a wellhead price for gas of \$2.055 per MCF and operating expenses for this well of \$1811.59, the well is currently operating at a profit.

Calculations used to determine the economics of this well are based on historic production, gas prices and well operating costs and projections of future production, gas prices and operating costs as shown on the attached Economics Exhibit.

ECONOMICS EXHIBIT

December, 1992

Application for Approval of Participating Area

Carracas Unit 35B #9

NE SE Section 35, T32N R04W

Rio Arriba County, New Mexico

Well Costs: (based on actual costs) \$371,698

Production: Historical data attached. Projection made from historical data and current production rate and prices. Decline curve attached.

Monthly Operating Cost:

1989 average = \$0000 per month *

1990 average = \$2968 per month *

1991 average = \$3326 per month *

1992 average = \$2742 per month *

1993 est = \$2760 per month escalated at 4% per year.

General and Administrative Costs: \$400 per month are included in above monthly operating costs.

* Monthly Operating Costs include General and Administrative cost, a gas marketing fee of \$.03/MCF, and a water disposal fee of \$.25/BBL

Working Interest: 100%

Net Revenue Interest: 80%

Discount Rate: 10%

Severance Tax: \$0.163 per MCF + 3.3% of net value

Ad Valorem Tax: 1.0% of adjusted revenue

Gas Price:

1989 average = \$1.216 per MCF *

1990 average = \$1.076 per MCF *

1991 average = \$0.878 per MCF *

1992 average = \$1.339 per MCF *

1993 est = \$1.500 per MCF escalated at 4% per year.

Date of First Production: January 11, 1990

Initial Production Rate: 547 MCFD

Calculated Economic Reserves: 451,303 MCF Cumulative + 1,370,773 MCF remaining

NASSAU RESOURCES, INC.
Multiphase Curve Analysis
 Rate vs Time

(c) 1991, 1999 Dwight, A Software Co.

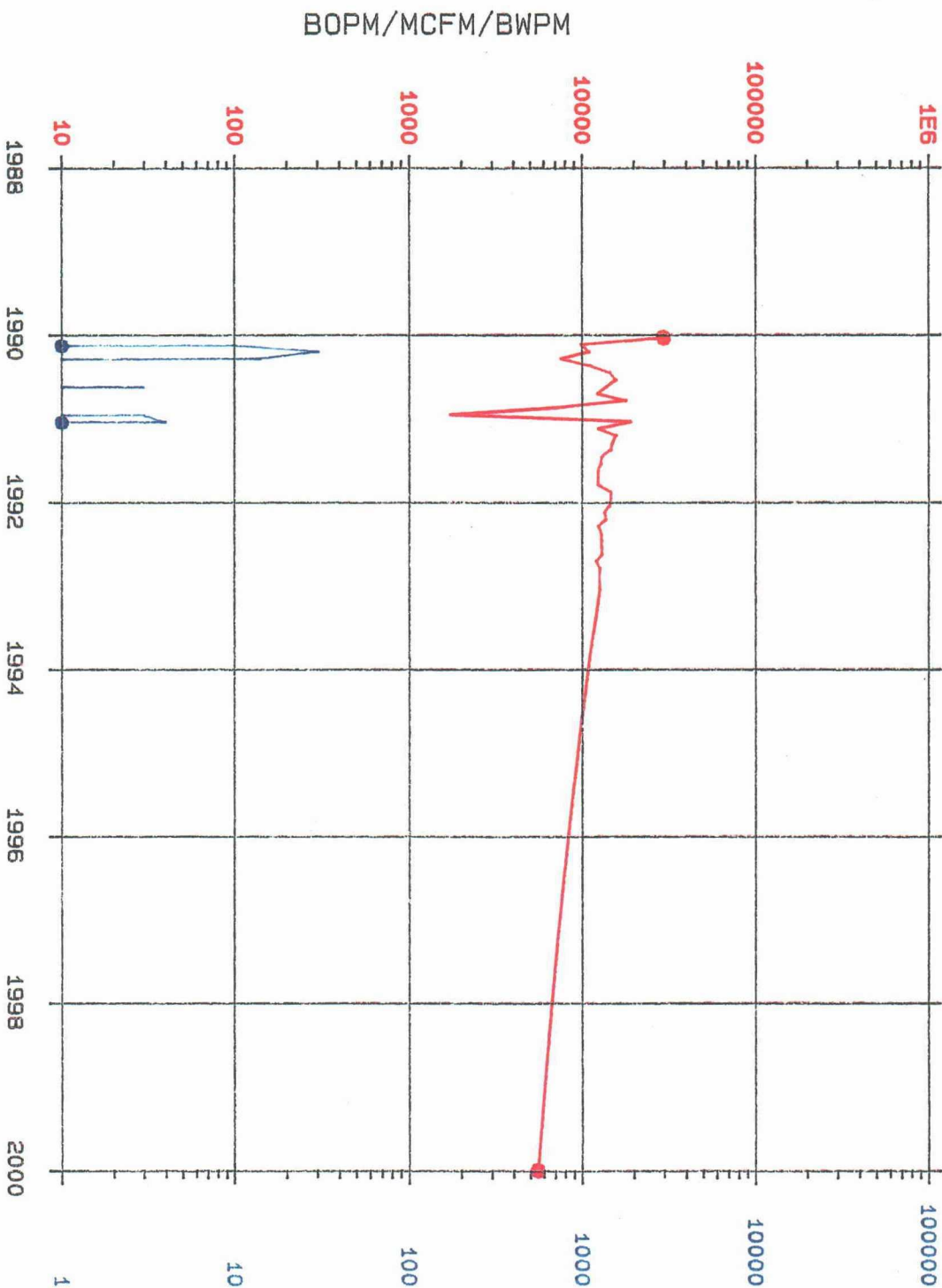
CARRACAS UNIT 35B-9
 I 35 T32N R04W FRUITLAND COAL
 RIO ARRIBA COUNTY, NM

12/08/1992
 Project:
 CCU 35B-9

Production Curves

GAS: • GAS DATA
 0 History 1/90 - 10/92
 1 Hyperbolic 1/93 - 10/44
 Q1 : 12700.000 MCF/M
 D1 : 15.000 X
 n : 0.850
 Qe : 999.430 MCF/M
 De : 1.972 X
 Np : 1848.270 MMCF

OTH: • OTHER DATA
 0 History 1/90 - 10/92



OPERATOR: NASSAM RESOURCES, INC.
 LSE WELLNO: CARRACAS UNIT 35B-9
 FIELD: BASIN FRUITLAND COAL
 COUNTY: RIO ARRIBA
 STATE: NM

CCU 35B-9

LOCATION: I 35 32N 04W
 FORMATION: FRUITLAND COAL
 RSVR CLASS: PROVED PRODUCING
 ENGINEER: GARY J JOHNSON
 PROGRAM: AMOCO

BFIT 20 COLUMN REPORT
 INDIVIDUAL WELL ANALYSIS
 Report Date: JAN 1993
 Discount Date: JAN 1993
 Evaluation Date: JAN 1993

----- REPORT COMMENTARY -----

CARRACAS CANYON UNIT PARTICIPATING AREA
 COMMERCIAL WELL DETERMINATION

----- DIVISION OF INTEREST -----

1st NONZERO WI 1/93 100.000000%
 1st NONZERO NRI 1/93 80.000000%
 FINAL W.I. 100.000000%
 FINAL N.R.I. 80.000000%

----- PROFIT AND PRODUCTION INDICATORS -----

LIFE OF THE PROJECT 24 years 1 months
 PAYOUT TERM N/A
 ROI - DISCOUNTED N/A
 ROI - UNDISCOUNTED N/A
 INTERP. IRR > 400 %

END OF PERIOD (MO/YR)	GROSS PRODUCTION		NET PRODUCTION		EFFECTIVE PRICES		NET REVENUE			
	OIL & CND	GAS & CGS	OIL & CND	GAS & CGS	OIL & CND	GAS & CGS	OIL & CND	GAS & CGS	OTHER	TOTAL
	--(MBBL)--	---(MMCF)---	--(MBBL)--	---(MMCF)---	---(\$/BBL)---	---(\$/MCF)---	----(M\$)-----	----(M\$)-----	----(M\$)-----	----(M\$)-----
PRIOR		451.303								
12/93	0.000	140.396	0.000	112.317	N/A	1.53	0.000	171.754	0.000	171.754
12/94	0.000	120.542	0.000	96.434	N/A	1.59	0.000	153.261	0.000	153.261
12/95	0.000	105.329	0.000	84.263	N/A	1.65	0.000	138.981	0.000	138.981
12/96	0.000	93.326	0.000	74.660	N/A	1.71	0.000	127.627	0.000	127.627
12/97	0.000	83.631	0.000	66.904	N/A	1.77	0.000	118.386	0.000	118.386
12/98	0.000	75.648	0.000	60.519	N/A	1.83	0.000	110.720	0.000	110.720
12/99	0.000	68.970	0.000	55.176	N/A	1.89	0.000	104.259	0.000	104.259
12/00	0.000	63.307	0.000	50.646	N/A	1.95	0.000	98.738	0.000	98.738
12/01	0.000	58.448	0.000	46.759	N/A	2.01	0.000	93.967	0.000	93.967
12/02	0.000	54.237	0.000	43.390	N/A	2.07	0.000	89.801	0.000	89.801
SUB TOTAL	0.000	863.834	0.000	691.068			0.000	1207.494	0.000	1207.494
REMAINDER	0.000	506.939	0.000	405.552			0.000	1002.634	0.000	1002.634
TOTAL	0.000	1370.773	0.000	1096.620			0.000	2210.128	0.000	2210.128
ULTIMATE		1822.076								

END OF PERIOD (MO/YR)	NET EXPENSES	NET PROD. TAXES	NET W.P.T.	TOTAL EXP+TAXES	NET CASH OPER. INC.	NET INVESTMENT	NET RESALE	NET OPERATING INCOME BFIT		
	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	UNDISC	DISC @ 10.00%	CUM DISC
	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	----(M\$)-----	----(M\$)-----	----(M\$)-----
12/93	33.098	25.504	0.000	58.603	113.151	0.000	0.000	113.151	107.392	107.392
12/94	33.635	22.147	0.000	55.782	97.479	0.000	0.000	97.479	83.738	191.130
12/95	34.312	19.569	0.000	53.881	85.100	0.000	0.000	85.100	66.168	257.298
12/96	35.085	17.532	0.000	52.616	75.010	0.000	0.000	75.010	52.791	310.089
12/97	35.927	15.883	0.000	51.810	66.576	0.000	0.000	66.576	42.412	352.501
12/98	36.820	14.523	0.000	51.343	59.377	0.000	0.000	59.377	34.239	386.740
12/99	37.752	13.383	0.000	51.136	53.123	0.000	0.000	53.123	27.729	414.469
12/00	38.715	12.415	0.000	51.130	47.608	0.000	0.000	47.608	22.494	436.963
12/01	39.702	11.583	0.000	51.285	42.682	0.000	0.000	42.682	18.255	455.218
12/02	40.709	10.860	0.000	51.569	38.232	0.000	0.000	38.232	14.802	470.020
SUB TOTAL	365.755	163.399	0.000	529.155	678.338	0.000	0.000	678.338	470.020	
REMAINDER	685.924	108.524	0.000	794.448	208.186	0.000	0.000	208.186	53.172	
TOTAL	1051.679	271.923	0.000	1323.603	886.524	0.000	0.000	886.524	523.192	

----- PRESENT WORTH PROFILE -----

1 - 5.00 % 663.355 M\$ 3 - 15.00 % 429.584 M\$ 5 - 30.00 % 277.922 M\$ 7 - 70.00 % 143.6
 2 - 10.00 % 523.194 M\$ 4 - 20.00 % 363.643 M\$ 6 - 50.00 % 189.169 M\$

OPERATOR: NASSAU RESOURCES, INC.
LSE WELLNO: CARRACAS UNIT 35B-9
FIELD: BASIN FRUITLAND COAL
COUNTY: RIO ARRIBA
STATE: NM

CCU 35B-9

INPUT DATA SUMMARY
INDIVIDUAL WELL ANALYSIS

LOCATION: T 35 32N 04W
FORMATION: FRUITLAND COAL
RSVR CLASS: PROVED PRODUCING
ENGINEER: GARY J JOHNSON
PROGRAM: AMOCO

----- REPORT COMMENTARY -----

CARRACAS CANYON UNIT PARTICIPATING AREA
COMMERCIAL WELL DETERMINATION

----- CALCULATION PARAMETERS -----

PROJECT START DATE: 1/93
PRODUCTION REVENUE START DATE: 1/93
EVALUATION START DATE: 1/93
METHOD OF PAYOUT: STREAM VALUE
PAYOUT ON STREAM: COI UNDISCOUNTED
CUM VALUE TO PAYOUT: \$

----- CALCULATION PARAMETERS -----

TYPE OF INTEREST: OUTSIDE EVAL INTEREST
OUTSIDE WORKING INTEREST: 100.000000 %
NET REVENUE INTEREST: 80.000000 %
BASE CASE DISCOUNT RATE: 10.00 %
PROJ BASE CASE DSC RATE: 10.00 %

4. WELL SCHEDULING

GAS (2), 0, 1/93
1, SCHED (1), 1, NO ESCAL, NO LIMIT, PROJECT LIFE (9)

5. DIVISION OF INTEREST SCHEDULING

EWI (1), 0, 1/93
1, SCHED (1), 100.000000 %, PROJECT LIFE (10)
NRI-O/A(4), 0, 1/93
1, SCHED (1), 80.000000 %, PROJECT LIFE (10)

6. PRODUCTION SCHEDULING

GAS (2), 0, HST (2), 451.303 MMCF, 01/93 STANDARD
1, HYP (4), 12700.000 MCF/M (2), 999.430 MCF/M (2), EXP 0.85, DEC 15.000, CUM PROD (2), 2299.243, MMCF (2)
OTH-P (3), 0, HST (2), 0.065 MUNT, 11/92 STANDARD

7. PRICE SCHEDULING

GAS (2), 0, 1/93
1, SCHED (1), 1.50 \$/MCF (2), AS04 , 3.50, PROJECT LIFE (9)

8. EXPENSE SCHEDULING

DIR OPER (1), 0, 1/93
1, SCHED (1), 2360.00 \$/W/M (3), AS04 , NO LIMIT, PROJECT LIFE (9)
VAR-GAS (8), 0, 1/93
1, SCHED (1), 0.03 \$/MCF (4), NO ESCAL, NO LIMIT, PROJECT LIFE (9)
VAR-OTH-P(9), 0, 1/93
1, SCHED (1), 0.25 \$/UNT (4), AS04 , 2.00, PROJECT LIFE (9)
VAR-Ot-A(12), 0, 1/93
1, SCHED (1), 0.25 \$/UNT (4), AS04 , 2.00, PROJECT LIFE (9)

9. TAX SCHEDULING

SEV (1), NEW MEXICO, OIL, 7.080 %, 0.000000 \$/BBL, GAS, 3.330 %, 0.163000 \$/MCF
AD VAL (2), % OF ADJUSTED REVENUE - 1.00 %, FIXED AMOUNT - 0.000,
OIL SEV-LIST (7), FOR 0-Y 0-M
GAS SEV-LIST (8), FOR 0-Y 0-M

ADVAL -LIST (9),	FOR 0-Y 0-M
NET WPT-LIST(10),	FOR 0-Y 0-M
GRS WTP-LIST(11),	FOR 0-Y 0-M
T3 ABP -LIST(12),	FOR 0-Y 0-M

10. INVESTMENT SCHEDULING

*** INVESTMENTS NOT SCHEDULED ***

11. LOANS SCHEDULING

*** LOANS NOT SCHEDULED ***

12. STREAM ADJUSTMENT SCHEDULING

*** STREAM ADJUSTMENTS NOT SCHEDULED ***

HISTORIC DATA LISTING
CCU 35B-9

GAS

TIME DEC		STANDARD	
SEG	TYPE	END	CONDITION
----	----	-----	-----
0	HST	451.303 MMCF	01/93
HISTORIC DATA: MCF		PRIOR PRODUCTION: 0.000 MMCF	
1/ 1/90 - 1/31/90	29538.000	10/ 1/90 - 10/31/90	17920.000
2/ 1/90 - 2/28/90	9779.000	11/ 1/90 - 11/30/90	7207.000
3/ 1/90 - 3/31/90	11035.000	12/ 1/90 - 12/31/90	1696.000
4/ 1/90 - 4/30/90	7490.000	1/ 1/91 - 1/31/91	19227.000
5/ 1/90 - 5/31/90	11191.000	2/ 1/91 - 2/28/91	12300.000
6/ 1/90 - 6/30/90	14497.000	3/ 1/91 - 3/31/91	15768.000
7/ 1/90 - 7/31/90	15699.000	4/ 1/91 - 4/30/91	14833.000
8/ 1/90 - 8/31/90	13775.000	5/ 1/91 - 5/31/91	14614.000
9/ 1/90 - 9/30/90	12238.000	6/ 1/91 - 6/30/91	12978.000

HISTORIC DATA: MCF		4/ 1/92 - 4/30/92	12324.000
7/ 1/91 - 7/31/91	12813.000	5/ 1/92 - 5/31/92	12924.000
8/ 1/91 - 8/31/91	12303.000	6/ 1/92 - 6/30/92	12998.000
9/ 1/91 - 9/30/91	12288.000	7/ 1/92 - 7/31/92	12948.000
10/ 1/91 - 10/31/91	12239.000	8/ 1/92 - 8/31/92	13082.000
11/ 1/91 - 11/30/91	14634.000	9/ 1/92 - 9/30/92	11929.000
12/ 1/91 - 12/31/91	14758.000	10/ 1/92 - 10/31/92	12698.000
1/ 1/92 - 1/31/92	14392.000		
2/ 1/92 - 2/29/92	13391.000		
3/ 1/92 - 3/31/92	13797.000		

1	HYP	12700.000 MCF/M	999.430 MCF/M	0.85	15.000	2	2299.243 MMCF	CUM
---	-----	-----------------	---------------	------	--------	---	---------------	-----

OTHER - PRIMARY

TIME DEC		STANDARD	
SEG	TYPE	END	CONDITION
----	----	-----	-----
0	HST	0.065 MUNT	11/92

HISTORIC DATA LISTING
CCU 35B-9

OTHER - PRIMARY

STANDARD

TIME DEC

END

SEG TYPE

CONDITION

HISTORIC DATA: UNT

1/ 1/90 - 1/31/90	0.000
2/ 1/90 - 2/28/90	10.000
3/ 1/90 - 3/31/90	31.000
4/ 1/90 - 4/30/90	14.000
5/ 1/90 - 7/31/90	0.000
8/ 1/90 - 8/31/90	3.000
9/ 1/90 - 11/30/90	0.000
12/ 1/90 - 12/31/90	3.000
1/ 1/91 - 1/31/91	4.000

PRIOR PRODUCTION:

0.000 MUNT

2/ 1/91 - 7/31/92	0.000
8/ 1/92 - 8/31/92	0.000
9/ 1/92 - 9/30/92	0.000
10/ 1/92 - 10/31/92	0.000

McHUGH

April 19, 1993

Jerome P. McHugh & Associates
Operating Affiliate: Nassau Resources, Inc.
650 South Cherry, Suite 1225
Denver, Colorado 80222-1894
(303) 321-2111 FAX (303) 321-1563

United States Department of the Interior
Bureau of Land Management
Farmington District Office
Attn: Mr. Duane Spencer
1235 La Plata Highway
Farmington, New Mexico 87401

New Mexico Oil Conservation Division
310 Old Santa Fe Trail, Suite 206
Santa Fe, New Mexico 87503

RE: Carracas Canyon Unit Area
Rio Arriba County, New Mexico

**APPLICATION FOR APPROVAL OF THE INITIAL PARTICIPATING AREA "E"
FOR THE FRUITLAND COAL FORMATION**

Gentlemen:

Nassau Resources, Inc., as Unit Operator for the Carracas Canyon Unit Area, which unit agreement was approved by the Bureau of Land Management effective January 30, 1987 and pursuant to the terms of Section 10 thereof, respectfully submits for your approval the selection of the following described lands to constitute the Initial Fruitland Coal Participating Area "E", to wit;

Township 32 North, Range 4 West, NMPM
Section 22: S/2

ACRES INCLUDED IN INITIAL PARTICIPATING AREA: 320.00

In support of this application, the following numbered items are attached hereto and made a part hereof:

- (1) An ownership map showing thereon the boundary of the unit area and the participating area as proposed herein.
- (2) A schedule showing the lands entitled to participation in the unitized substances produced from the Fruitland Coal formation in the proposed participating area with the percentage of each lease or tract indicated thereon.

Enclosed herein, in triplicate, a geological and engineering report with accompanying maps supporting and justifying the proposed selection of lands for inclusion in the Initial Fruitland Coal Participating Area "E".

April 19, 1993
Bureau of Land Management
Page 2

This proposed Initial Fruitland Coal Participating Area "E" is predicated upon the knowledge first obtained upon completion in paying quantities under the terms of the unit agreement of the following well(s):

Well Name: Carracas Unit 22B-#9
Location: 1830' FSL - 880' FEL, (NE/4SE/4 22-32N-04W)
Completion Date: 7/24/90
First Sales: 8/27/90
Formation: Basin Fruitland Coal
Producing Interval: 3610' - 3623', Basin Fruitland Coal
Initial Production: 750 MCF, 52 BBL Water, (24 hrs.)

Applicant respectfully requests your approval of the hereinabove selection of lands to constitute the Initial Fruitland Coal Participating Area "E" to be effective July 24, 1990.

Sincerely,

NASSAU RESOURCES, INC.



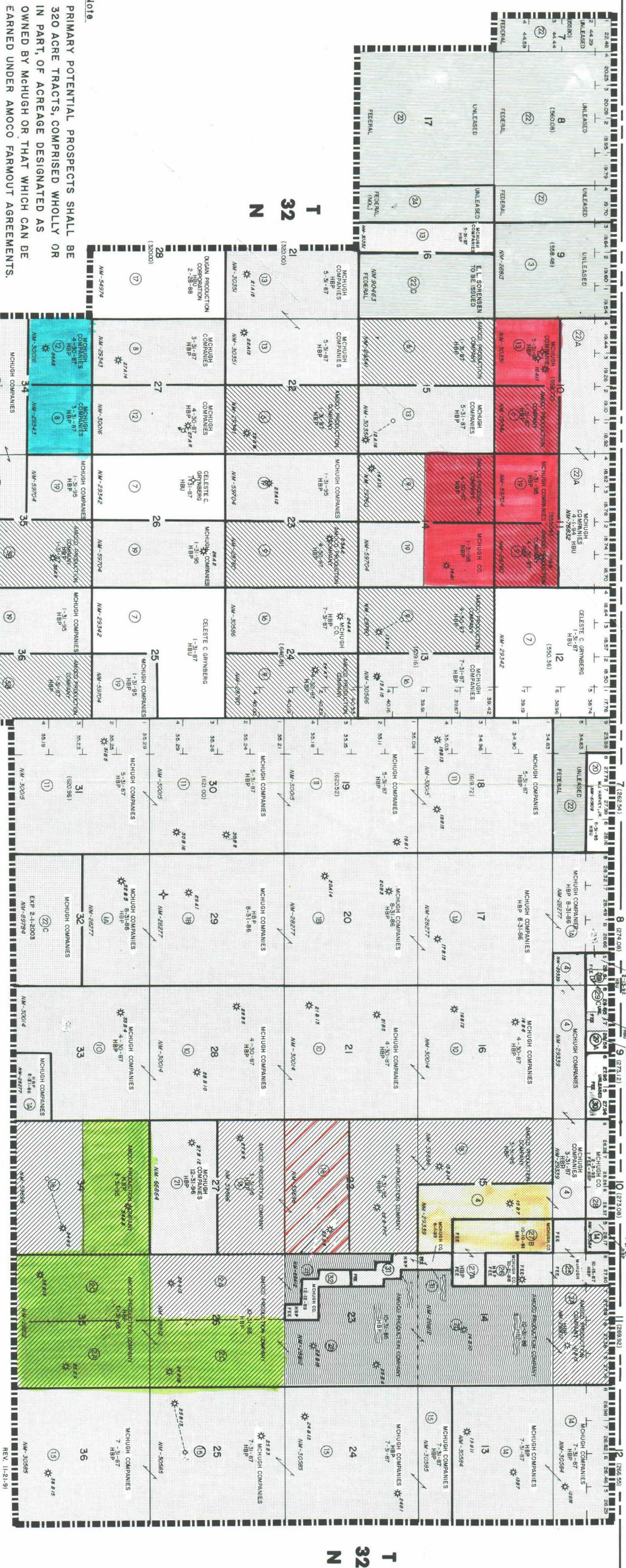
James C. Joda

enc

R 5 W
COLORADO
SCHEDULE III

R 4 W

T
32
N



Note

PRIMARY POTENTIAL PROSPECTS SHALL BE 320 ACRE TRACTS, COMPRISED WHOLLY OR IN PART, OF ACREAGE DESIGNATED AS OWNED BY MCHUGH OR THAT WHICH CAN BE EARNED UNDER AMOCO FARMOUT AGREEMENTS.

- Amoco FO-100% W.I. No Back-in
- 75%-25% Amoco FO
- 66 2/3%-33 1/3% Amoco FO
- MCHUGH 100%

- Unleased Federal Lands
- Fruitland Coal Participating Area "A"
- Fruitland Coal Participating Area "B"
- Fruitland Coal Participating Area "C"
- Fruitland Coal Participating Area "D"
- Proposed Fruitland Coal Participating Area "E"

R 5 W

T
31
N

NOTE: UNLESS OTHERWISE INDICATED THE VARIOUS SECTIONS ON THIS PLAN CONTAIN 640.00 ACRES.

	ACREAGE	PERCENTAGE
FEDERAL LANDS	29,480.30	97.70 %
PATENTED LANDS	694.44	2.30 %
TOTALS	30,174.74	100.00 %

TRACT NUMBER
UNIT OUTLINE



EXHIBIT "A"
CARRACAS CANYON UNIT AREA
RIO ARRIBA COUNTY, NEW MEXICO

NASSAU RESOURCES, INC.
DENVER, COLORADO