

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

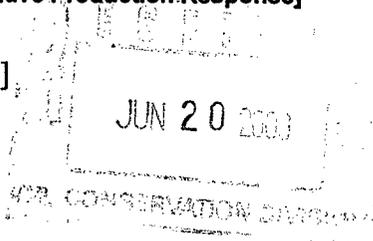
- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement -
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR



6-23 OK'd by Charlie

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

<u>Thomas L. Fithian</u> Print or Type Name	<u><i>Thomas L. Fithian</i></u> Signature	<u>Rockies Engineering Manager</u> Title	<u>June 19, 2000</u> Date
--	--	---	------------------------------



Vastar Resources, Inc.

Joint Ventures and Land

15375 Memorial Drive
Houston Texas 77079
281 584-6000

June 19, 2000

Lori Wrontenberg, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 25 A Well No. 16, to be located 585 feet from the South line and 710 feet from the East line of Section 25, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico

Dear Ms. Wrotenberg:

Vastar Resources, Inc. hereby seeks administrative approval pursuant to the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool adopted on October 17, 1988, of an unorthodox well location for its 25 A Well No. 16, to be drilled in the Fruitland Coal formation at an unorthodox well location 585 feet from the South line and 710 feet from the East line of Section 25, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. A standard 320-acre spacing unit comprising the E2 Section 25 will be dedicated to the well.

The well will be drilled to a depth of approximately 3800 feet to test the Fruitland Coal formation, Basin-Fruitland Coal Gas Pool.

This location in the Fruitland Coal formation is unorthodox because Rule 7 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool (Order No. R8768, as amended) provides for wells to be located in the NE/4 or SW/4 of a single governmental section and located no closer than 660 feet to any outer boundary of the proration unit nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary.

This unorthodox location is required by topographic conditions and Carson National Forest requirements. The proposed well is located at the end of an existing road and would be drilled on an existing pad that was previously built, but not drilled upon. The Forest Service has requested that new wells be placed along existing roads so as not to further impact the environment with new access roads.

Lori Wrontenberg, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
Carracas 2 A #11 Well
June 19, 2000
Page 2

Attached hereto as Exhibit A is a topographical map showing no standard location is available for the well on this spacing unit. Attached as Exhibit B and C are the C-102 Plat and the APD. These exhibits show that the unorthodox location is supported by the surface topography of the area.

Attached hereto as Exhibit D is a plat as required by Rule 104.F(3) showing the subject spacing unit, the proposed unorthodox well location, the offsetting wells and the diagonal and adjoining spacing units. Exhibit F lists parties affected by this application. A copy of this application, including a copy of the plat described above has been sent to these affected parties by certified mail-return receipt requested in accordance with Rule 1206(A)(5) advising them that if they have an objection to this application it must be filed in writing within twenty days from the date this notice was sent.

Copies of this request have also been provided to the Aztec Office and the Bureau of Land Management, Farmington District Office.

Very truly yours,

A handwritten signature in black ink that reads "Michael Rodgers". The signature is written in a cursive style with a long horizontal line extending to the right.

Michael Rodgers, CPL

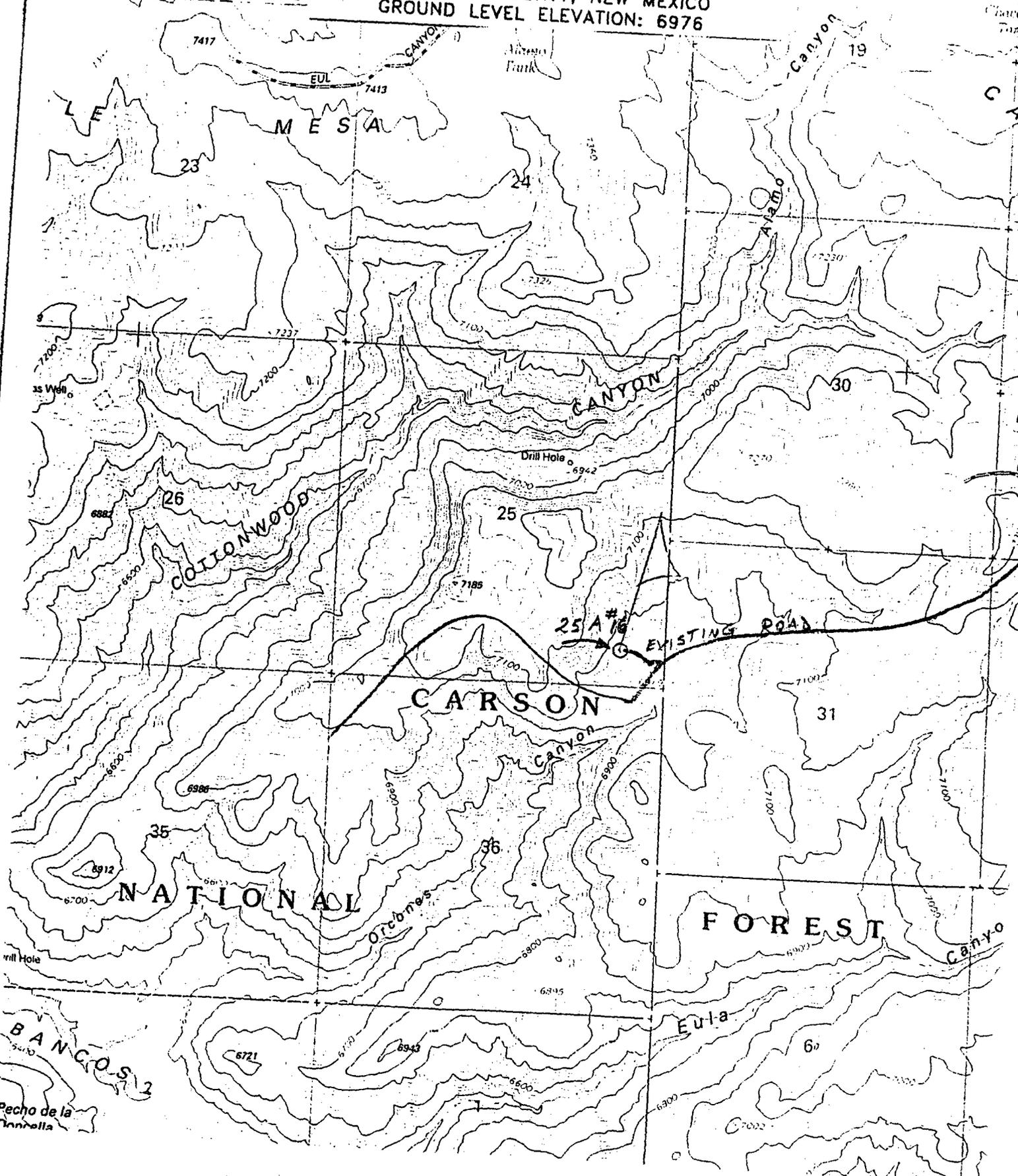
Direct Line: (281) 584-3230
Fax: (281) 584-6370
E-mail: mrodger@vastar.com

Enclosures

VASTAR RESOURCES, INC.
CARRACAS 25A #16

585' FSL, 710' FEL
SE/4 SEC.25, T-32-N, R-5-W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
GROUND LEVEL ELEVATION: 6976

Drill Hole
7269



District I
 PO B. x 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
		71629		BASIN FRUITLAND COAL	
Property Code		Property Name			Well Number
		CARRACAS 25A			16
OGRID No.		Operator Name			Elevation
36619		VASTAR RESOURCES, INC.			6976'

10 Surface Location

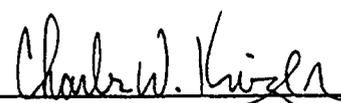
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	25	32N	5W		585'	SOUTH	710'	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	S89°56'W	5276.70'	5280.00'	Section 25	5280.00'	17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature CHARLES KNIGHT, JR. Printed Name AGENT Title MAY 19, 2000 Date
	North	North				
	N89°54'W	5280.66'	585'		710'	



Vastar Resources, Inc.

1816 E. Mojave St.
Farmington, New Mexico 87401
505 599-4300
505 599-4328 Fax

June 12, 2000

Bureau of Land Management
Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

Re: APD – Carracas 25 A #16

Attached please find an APD package for the proposed Carracas 25 A #16 well located in the Carson National Forest in Rio Arriba County, New Mexico. Included are the following items:

- APD form 3160-3
- Surveyors plat with well location and elevation
- USGS Topographic Orientation Map
- Eight part Drilling Plan
- Thirteen part Surface Use Plan
- Drill site location/rig layout and site crosssection
- Offset well identifier map showing wells within a one mile radius
- BOP stack diagram
- Choke manifold diagram
- Surface production facilities diagram

A notice of staking was filed with your office on May 19, 2000 and an onsite review was performed with Cam Hooley of the Forest Service and Charlie Knight representing Vastar. The Forest Service approved the location for the well on the previously built pad location including the changes we had wanted. Vastar had requested the pad be enlarged about 20' on the south (pit) side in order to add a buffer between well operations and a documented arch site to the north. A new arch survey of the 20' added area and the buffer zone was performed and found no sites. An arch report will be forwarded to your office in the next few days. The documented arch areas will be fenced, flagged, and monitored during construction to the existing pad and pit.

The proposed well site is unorthodox due to the location in the SE/4 of the section and distance to lease lines. An application for NMOCD administrative approval for the well is in progress. Please contact Charlie Knight at Vastar in Farmington at (505) 599-4308 or Dave Reid at Vastar in Houston at (281) 584-3702 if further information is needed to process the attached application.

Charles W. Knight, Jr.
Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 VASTAR RESOURCES, INC.

3. ADDRESS AND TELEPHONE NO.
 1816 E. MOJAVE, FARMINGTON NM 87401 (505) 599-4300

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface 585' FSL & 710' FEL
 At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 41 MILES EAST-NORTHEAST OF BLOOMFIELD, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 585'

16. NO. OF ACRES IN LEASE 1760

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 7200'

19. PROPOSED DEPTH 3800'

20. ROTARY OR CABLE TOOLS ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6976' GL

22. APPROX. DATE WORK WILL START* JULY, 2000

5. LEASE DESIGNATION AND SERIAL NO.
 NM 59704

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME WELL NO.
 CARRACAS 25A #16

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
 BASIN FRUITLAND COAL

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 SEC. 25, T-32N, R-5W

12. COUNTY OR PARISH RIO ARRIBA

13. STATE NM

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	400'	300 sx (354 cf.) Circ. to Surf.
7-7/8"	5-1/2"	15.5#	3800'	900 sx (1730 cf.) Circ. to Surf.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Charles W. Knight, Jr. TITLE ENGINEER (505) 599-4308 DATE 6/12/00
 CHARLES W. KNIGHT, JR.
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
		71629		BASIN FRUITLAND COAL	
Property Code		Property Name			Well Number
		CARRACAS 25A			16
OGRID No.		Operator Name			Elevation
36619		VASTAR RESOURCES, INC.			6976'

10 Surface Location

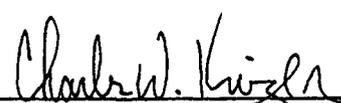
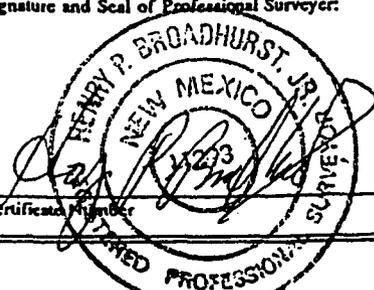
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	25	32N	5W		585'	SOUTH	710'	EAST	RIO ARriba

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	S89°56'W	5276.70'		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature CHARLES KNIGHT, JR. Printed Name AGENT Title MAY 19, 2000 Date
5280.00'			5280.00'	
	Section 25			18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 05/12/2000 Date of Survey Signature and Seal of Professional Surveyer:  Certificate Number
North			North	
	N89°54'W	5280.66'	585'	
			710'	

VASTAR RESOURCES, INC.
CARRACAS 25A #16
585' FSL, 710' FEL
SE/4 SEC. 25, T-32-N, R-5-W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
GROUND LEVEL ELEVATION: 6976

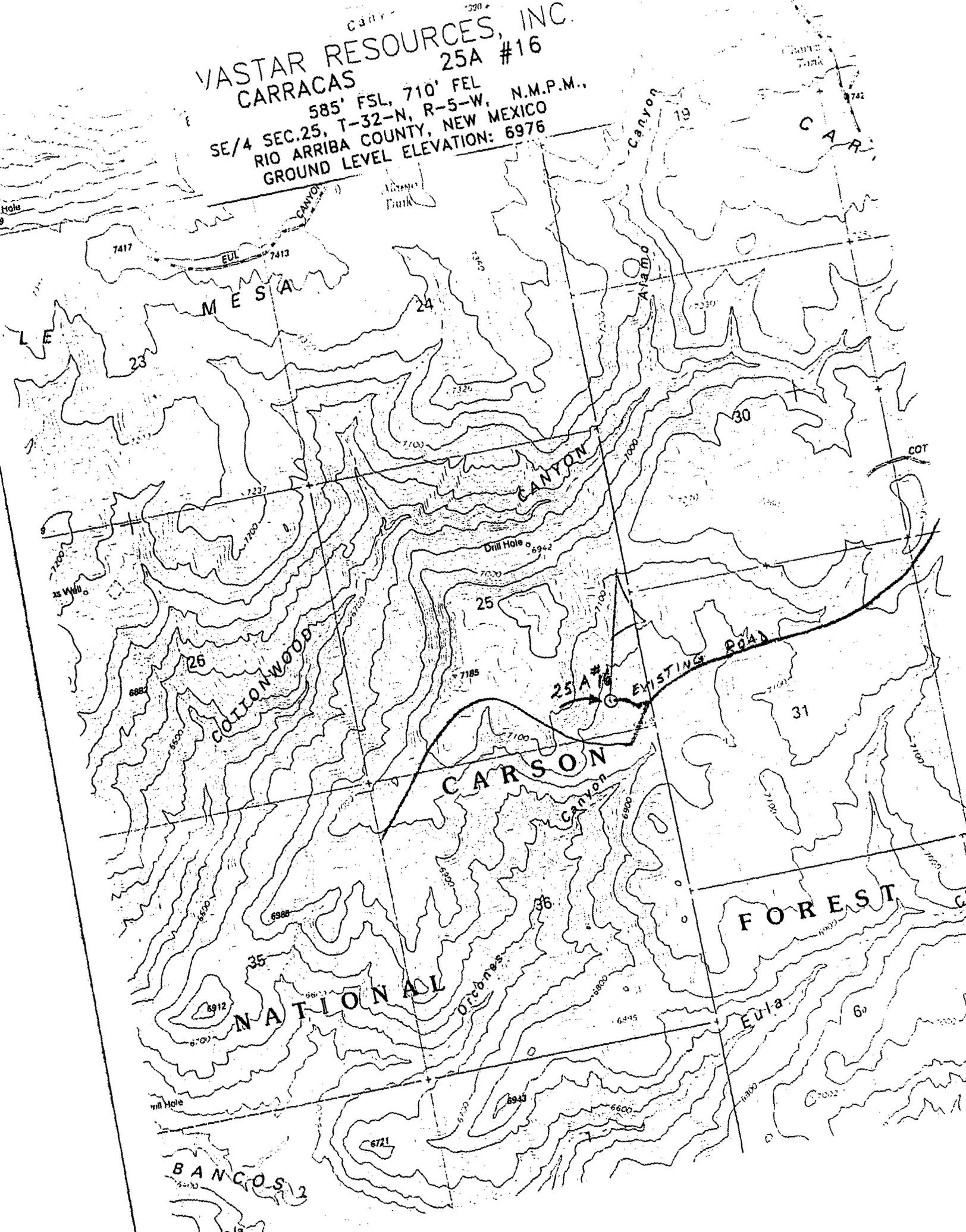


TABLE OF CONTENTS

Carracas 25 A #16

DRILLING PLAN	PAGE
1. Formation Tops	1
2. Anticipated Depth of Oil, Gas, and Water	1
3. Blow Out Preventor Requirements	1
4. Casing and Cement Program	2
5. Mud Program	2
6. Testing, Logging, and Coring	3
7. Abnormal Pressures and H ₂ S Gas	3
8. Other Information and Notification Requirements	3
SURFACE USE PLAN	
1. Existing Roads	4
2. Access Roads to be Constructed or Reconstructed	4
3. Location of Wells within One Mile	5
4. Proposed Production Facilities	6
5. Water Supply	6
6. Construction Materials	6
7. Waste Disposal	6
8. Ancillary Facilities	7
9. Wellsite Layout	7
10. Reclamation	7
11. Surface/Mineral Ownership	8
12. Other Information	8
13. Certification	9

DRILLING PLAN

1. **FORMATION TOPS: The estimated tops of geologic markers as follows:**

Ojo Alamo	3133'
Kirkland	3223'
Fruitland	3552'

2. **ANTICIPATED DEPTHS OF OIL, GAS, AND WATER:**

Ojo Alamo	3133' - Water
Fruitland	3552' - Gas

All zones capable of oil, gas, or water production will be protected with 8 5/8" or 5 1/2" casing and cemented to surface.

3. **BLOWOUT PREVENTOR REQUIREMENTS:**

<u>Interval</u>	<u>Pressure Control Equipment</u>
Surface - 400'	No equipment necessary
400' - TD	10" 2000 psi Double Ram preventor, rotating head and choke manifold.

All BOPE will be hydraulically pressure tested when nipped up, after well control use and every thirty days. Pressure tests will be to the lesser of 2000 psi or to 70% of the minimum internal yield pressure of the casing.

Blind rams will be functioned on each trip out of the hole. All BOPE checks will be noted on the daily drilling reports.

Additional BOPE equipment includes a kelly cock, FO safety valve and an inside BOP.

SEE ATTACHED BOP DIAGRAM

Vastar Resources, Inc.
 Carracas 25 A #16
 585' FSL, 710' FEL
 Sec 25, T32N, R5W
 Rio Arriba County, New Mexico

4. CASING AND CEMENTING PROGRAM:

The proposed casing program will be as follows:

<u>Hole Section</u>	<u>Hole Size</u>	<u>Interval</u>	<u>Casing Size</u>	<u>Casing Specs</u>
Surface	12-1/4"	Surface to 400'	8-5/8"	24# J-55 STC
Production	7-7/8"	400' to 3800'	5-1/2"	17# J-55 LTC

<u>Hole Section</u>	<u>Slurries</u>
Surface	300 sx Class B with 3% CaCl ₂ & 1/4 lb/sk CF (354 cu. ft., 1.18 yield)
Production	Lead 800 sx 35:65 Class B:poz + 5#/sx Gilsonite + 1/4 lb/sk CF (1592 cu. ft., 1.99 yield) Tail 100 sx 50:50 Class B:poz + 5#/sx Gilsonite + 0.4% FLA + 1/4 lb/sk CF (138 cu. ft., 1.38 yield)

5. MUD PROGRAM: The proposed circulating mediums to be employed in drilling are as follows:

<u>Depth</u>	<u>Mud Type</u>	<u>Density</u>	<u>Funnel Vis</u>	<u>Fluid Loss</u>
Surface to 400'	Spud Mud	8.3 to 9.5 ppg	30 to 60	No Control
400' to 3200'	Water	8.3 to 8.7 ppg	28 to 35	No Control
3200' to TD	LSND	8.7 to 9.2 ppg	35 to 45	≤ 20 cc

Vastar Resources, Inc.
Carracas 25 A #16
585' FSL, 710' FEL
Sec 25, T32N, R5W
Rio Arriba County, New Mexico

Page 3

6. **TESTING, LOGGING, AND CORING:** The anticipated type and amount of testing, logging, and coring are as follows:

- a. Drill stem tests are not anticipated.
- b. The electric wireline logging program will be as follows:

Temperature survey if cement does not circulate.
Cased hole GR/CCL/CNL

- c. Mud logging: 3200' to TD.
- d. Coring program: No cores are anticipated.

7. **ABNORMAL PRESSURES AND H₂S GAS:**

No abnormal conditions are anticipated during the drilling and completion of this well. Standard well control practices and equipment will be used for the duration of this well.

8. **OTHER INFORMATION & NOTIFICATION:**

- a. Vastar Resources, Inc. is operating under our United Pacific national bond on file with the BLM. That BLM bond number is ES 0309.
- b. Construction operations are planned to start pending approval of the APD. Location preparation is estimated to take 2 to 3 days. The drilling activity should take 6 days. The drilling rig may be used for the completion portion of the well. The completion activities are anticipated to take 9 days. Total duration of activities preparing this well to produce should take an estimated 23 days.
- c. In the event of an emergency, contact the following:

Charlie Knight
Project Engineer
(505) 599-4308 (office)
(505) 599-4338 (fax)
(505) 330-9074 (cell)

Dave Reid
Project Engineer
(281) 584-3702 (office)
(281) 584-6810 (fax)
(281) 844-0352 (cell)

Vastar Resources, Inc.
Carracas 25 A #16
585' FSL, 710' FEL
Sec 25, T32N, R5W
Rio Arriba County, New Mexico

Page 4

SURFACE USE PLAN

1. EXISTING ROADS:

- a. The proposed well site is located about 41 miles east-northeast of Bloomfield, New Mexico (this distance is direct and not by road). See attached USGS Topographic orientation map and offset well map for reference.
- b. Road Directions to the location are as follows:
From Bloomfield, NM: Go east on Hwy 64 about 48 miles to the 114-1/2 mile marker and turn left on Forest Road 310. Go north on FR 310 for 18.7 miles at which point the road becomes FR 218. Continue northward for another 4.8 miles to a Y in the road and take the left fork which will be FR 218C. Go west-southwest on FR 218C for 2.4 miles and turn right onto access road and on to Carracas 25 A #16 well site.
- c. For location of existing access roads within a 2 mile radius, see attached maps.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. ACCESS ROADS TO BE CONSTRUCTED OR RECONSTRUCTED:

A new lease road will not be required since well location is located at the end of an existing road.

Vastar Resources, Inc.
Carracas 25 A #16
585' FSL, 710' FEL
Sec 25, T32N, R5W
Rio Arriba County, New Mexico

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF THE PROPOSED LOCATION:**

Reference attached maps for the location of offsetting wells below:

a. Producing wells -

<u>T32N, R4W</u>	<u>Well #</u>	<u>Producing Formation</u>
Section 31	Carracas 31 B #5	Fruitland Coal

b. Drilling Wells - none

c. Plugged Wells - none

d. Dry Holes - none

4. **LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES:**

Production facilities will be installed as per the attached facilities diagram. The production equipment to be utilized will be a separator, water tank, and a gas meter run.

5. **LOCATION AND TYPE OF WATER SUPPLY:**

- a. All water needed for drilling purposes will be fresh water purchased from commercial sources and treated with Biocide as needed.
- b. No water well is to be drilled on this lease.

6. **SOURCE OF CONSTRUCTION MATERIAL:**

- a. Surface and subsoil materials will be hauled in from the immediate area.
- b. Any gravel used will be obtained from a commercial source and transported in on the designated access route.

7. **METHODS OF HANDLING WASTE DISPOSAL:**

- a. Drill Cuttings will be handled in the reserve pit and buried during reclamation operations. The pit will be fenced on three sides during drilling and the fourth side fenced upon removal of the drilling rig.
- b. Garbage and nonflammable waste produced during the drilling or testing will be handled in a trash bin.
- c. Toilet facilities will be provided for human waste.
- d. Drilling fluids will be handled in the reserve pit.

- e. Any fluids produced during drilling or production tests will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in the reserve pit. Any spills of oil, gas, salt water, or other noxious fluids will be cleaned-up and removed. If the well is productive, produced water will be disposed of on site for 90 days. After that time, application will be made for approval of permanent disposal methods.

8. **ANCILLARY FACILITIES:**

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. **WELL SITE LAYOUT:**

- a. The reserve pit will be located on the southeast side of the location.
- b. Access to the wellpad will be along an existing lease road.
- c. The location of mud tanks, reserve pit, flare pit, and pipe racks will be as shown on the wellpad layout plat.
- d. See pad cross-section plat for cut and fill of the drill pad.

10. **PLANS FOR RESTORATION OF SURFACE:**

Producing Location

- a. Immediately upon completion of drilling operations, the location and surrounding area will be cleared of all unused tubulars, equipment, debris, materials, trash and junk not required for production and "back dragged" in readiness for completion operations.

Vastar Resources, Inc.
Carracas 25 A #16
585' FSL, 710' FEL
Sec 25, T32N, R5W
Rio Arriba County, New Mexico

Page 8

- b. Immediately upon well completion, any stimulation fluids collected in the test tank will be disposed of. As this is a dry gas well, no production of liquid hydrocarbons is expected.
- c. Cuttings will be buried in the reserve pit. The pits and any portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours, fertilized, and seeded.

Plugged and Abandoned Well

- a. Dry hole reclamation will be coordinated with the BLM at the time of abandonment as to the physical requirements and timing & weather issues.

11. SURFACE & MINERAL OWNERSHIP:

Access roads All existing roads to the lease are maintained and owned by the County, State Highway Department, U.S. Forest Service, and/or the area operator road committee.

Wellsite & Road The lease road and the wellpad are located on surface owned by:

U.S. Forest Service
Jicarilla Ranger District
664 E. Broadway
Bloomfield, NM 87413

LEASE INFORMATION:

BLM Lease Number: NM 59704

12. OTHER INFORMATION:

- a. All vehicle traffic will be restricted to the access road, lease road, and well pad. Vastar will prohibit firearms & alcoholic beverages from the location and lease.

Vastar Resources, Inc.
Carracas 25 A #16
585' FSL, 710' FEL
Sec 25, T32N, R5W
Rio Arriba County, New Mexico

Page 9

13. **LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:**

Questions about this permit application or emergency notifications should be directed to:

Permit, Drilling, & Completion Matters

Vastar Resources, Inc.
1816 E. Mojave
Farmington, NM 87401
(505) 599-4300

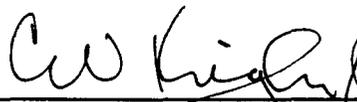
Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; and that the work associated with operations proposed herein will be performed by Vastar Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for filing of a false statement.

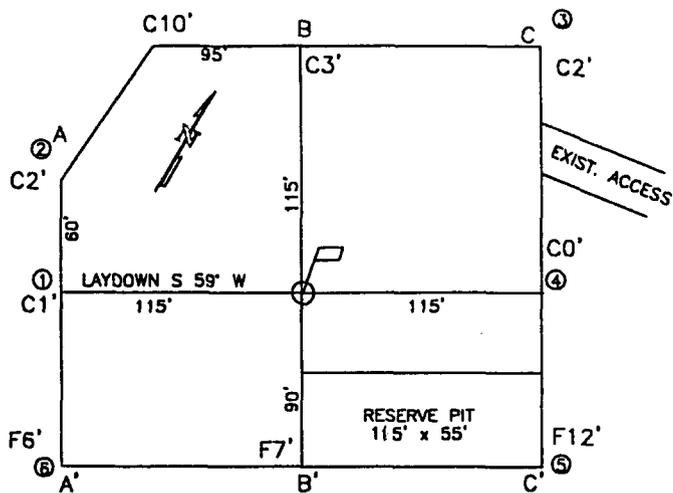
6-12-00

Date



Charles W. Knight, Jr.

For: Joe Garcia
Vastar Resources, Inc.



ELEVATION A-A'

	C/L			
6996
6986
6976	..	[Profile Line]		..
6966
6956

B-B'

	C/L			
6996
6986
6976	[Profile Line]	
6966
6956

C-C'

	C/L			
6996
6986
6976	[Profile Line]	
6966
6956

COMPANY: VASTAR RESOURCES, INC.

LEASE: CARRACAS 25A #16

FOOTAGE: 585' FSL, 710' FEL UNIT P

SEC. 25 TWN. 32-N RNG. 05-W N.M.P.M.

COUNTY, RIO ARRIBA STATE, NM

ELEVATION: 6976

LATITUDE: 36-56-44

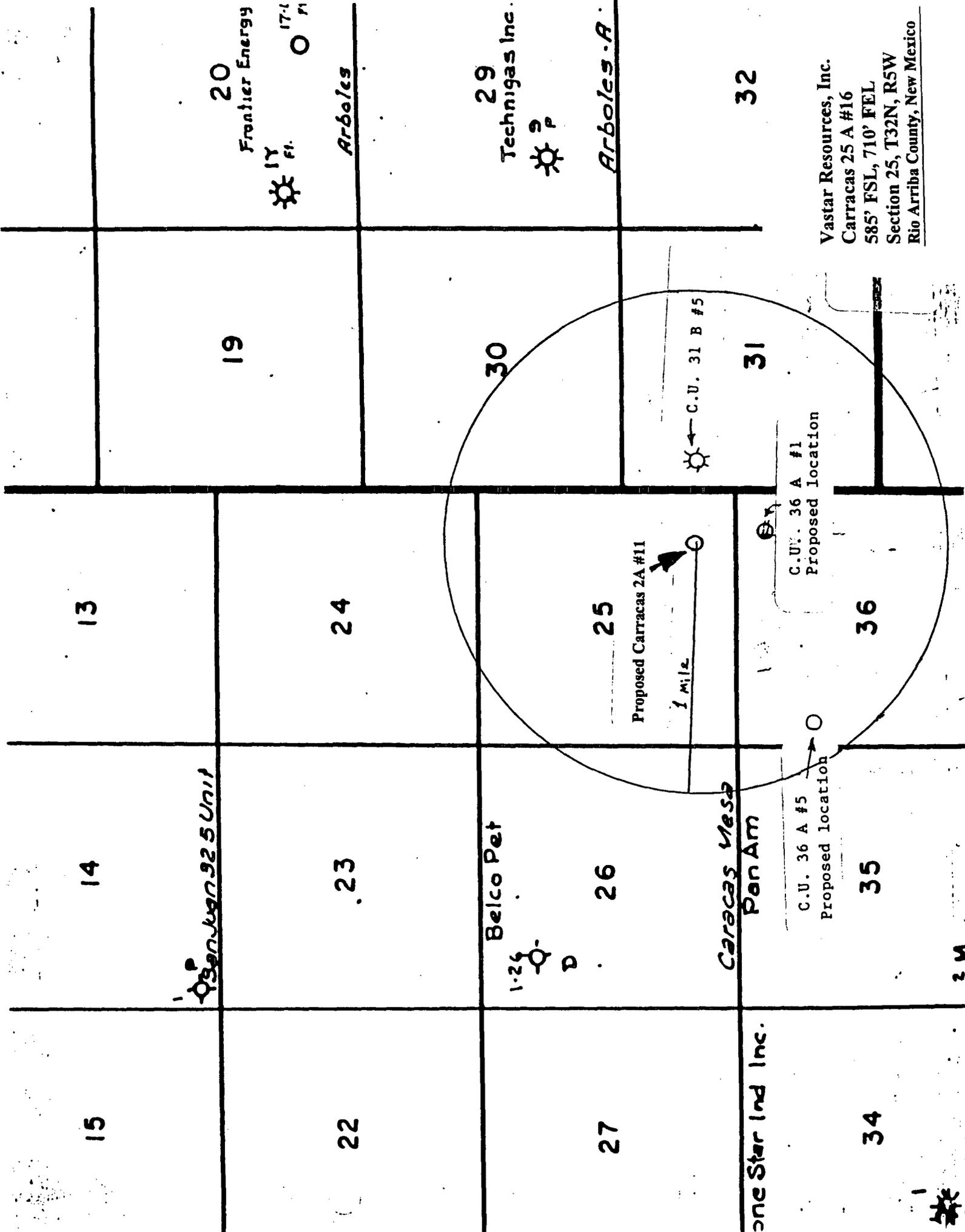
LONGITUDE: 107-18-24

VASTAR RESOURCES, INC.
FARMINGTON, NEW MEXICO

SURVEYED: 5/12/00	REV. DATE:	APP. BY H.B.
DRAWN BY: T.G.	DATE DRAWN: 5/18/00	FILE NAME: VQ175CF1

UNITED
FIELD SERVICES INC.

P.O. BOX 3651
FARMINGTON, NM 87499
OFFICE: (505)334-0408



13

14

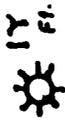
15

Ben Juan 325 Unit

19

20

Frontier Energy



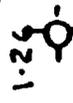
24

Arboles

23

22

Belco Pet



30

29

Technigas Inc.



25

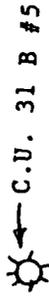
Proposed Carracas 2A #11

1 Mile

26

27

Arboles A



31

32

Caracas Mesa
Pan Am

C.U. 36 A #1
Proposed location

36

C.U. 36 A #5
Proposed location

35

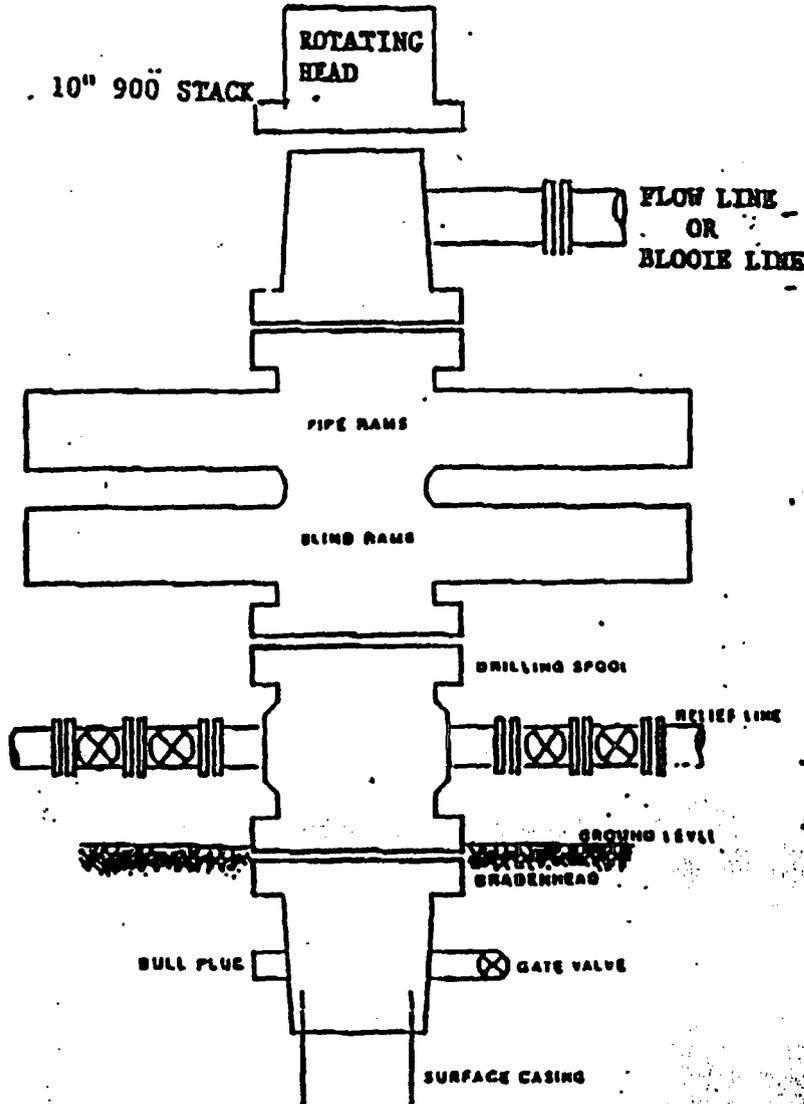
34

One Star Ind Inc.

Vastar Resources, Inc.
Carracas 25 A #16
585' FSL, 710' FEL
Section 25, T32N, R5W
Rio Arriba County, New Mexico

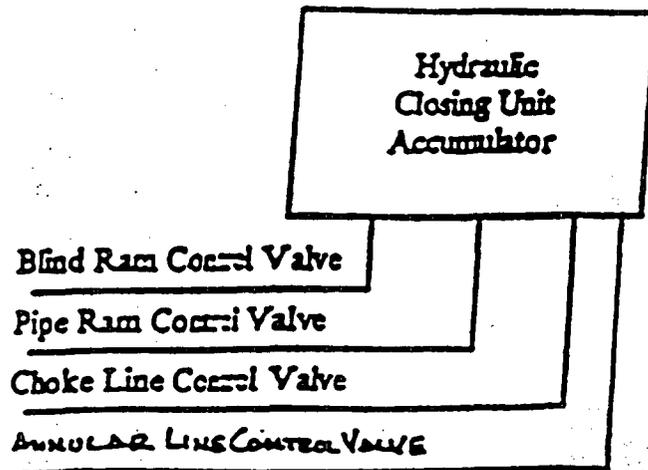
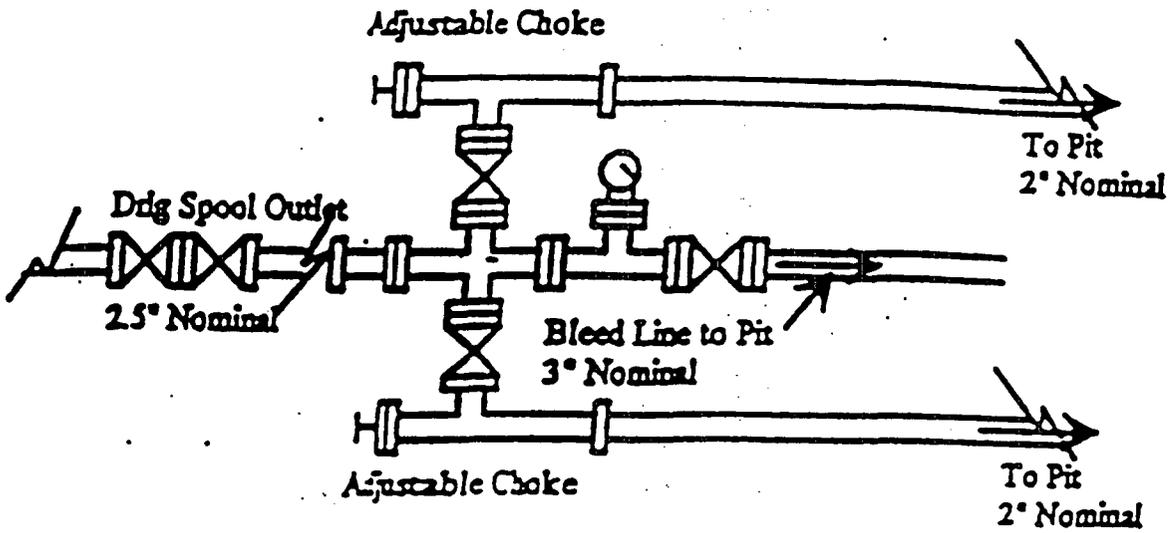
2 M

Figure #1 (BOP)



Series 900 double gate BOP
designed at 3000 psi working pressure

Choke Manifold and Accumulator Schematic



Facilities Layout Diagram

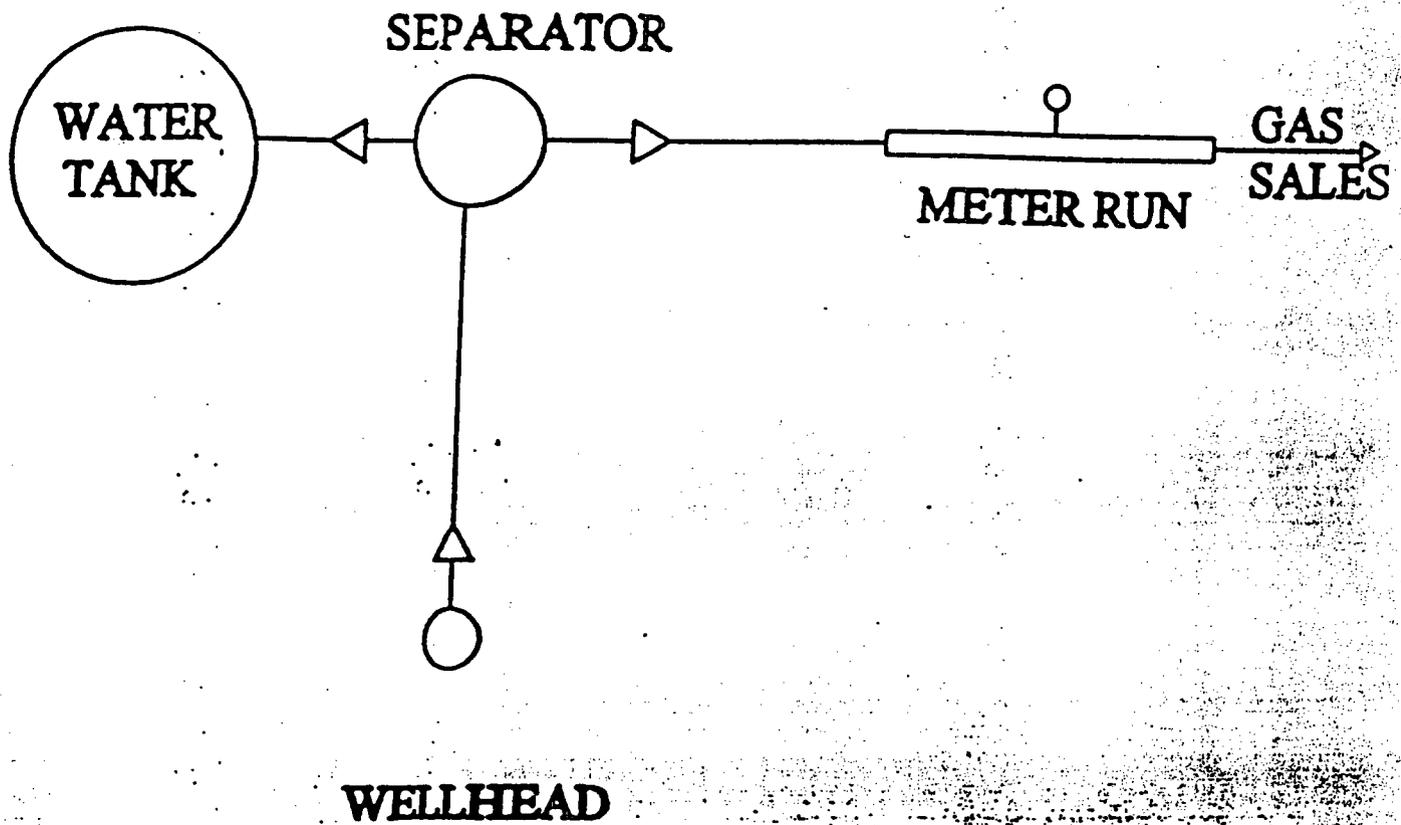


Exhibit D

Attached to Request for Administrative Approval of an Unorthodox Location for Vastar's Carracas 25 A #16 Well in E2 Section 25, T32N-R5W, NMPM, Rio Arriba County, New Mexico

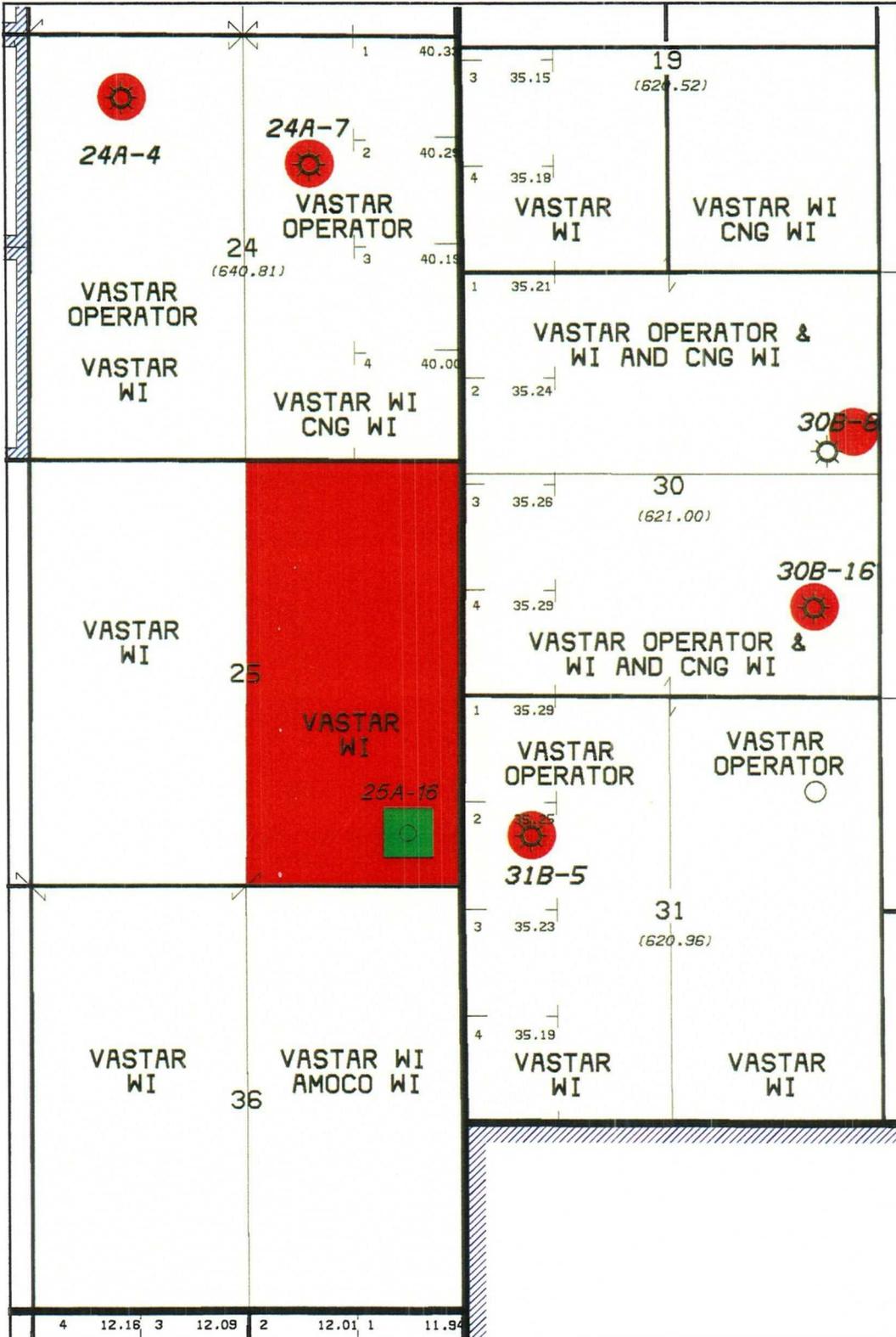


Exhibit E

Attached to Request for Administrative Approval of an
Unorthodox Location for Vastar's Carracas 25 A #16 Well in E2
Section 25, T32N-R5W, NMPM, Rio Arriba County, New Mexico

List of Affected Parties

CNG Producing Company
Stephen E. Case, CPL
16945 Northchase Drive – Suite 1750
Houston, Texas 77060
(281) 873-1574

Amoco Production Company
Max K. Eddington, CPL/ESA
Post Office Box 3092
Houston, Texas 77253-3092
(281) 366-3430

Bureau of Land Management
Farmington Resource Area
Authorized Officer
1235 La Plata Highway – Suite A
Farmington, New Mexico 87401

NMOCD – Aztec District Office
1000 Rio Brazos Road
Aztec, New Mexico 87410

P 066 862 333

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

JUN 19 2000

Sent to CNG Resources -Stephen Case	
Street & Number 16945 Northchase Dr - Suite 1750	
Post Office, State, & ZIP Code Houston TX 77060	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Michael Rodgers, Room 1400

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 066 862 333

MAIL

Is your RETURN ADDRESS completed on the reverse side?

SENDER: <ul style="list-style-type: none"> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered. 		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: CNG RESOURCES INC STEPHEN CASE, LANDMAN 16945 NORTHCHASE DR - SUITE 1750 HOUSTON TX 77060		4a. Article Number P 066 862 333	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
5. Received By: (Print Name)		7. Date of Delivery	
6. Signature: (Addressee or Agent) X		8. Addressee's Address (Only if requested and fee is paid)	

Thank you for using Return Receipt Service.



Vastar Resources, Inc.

Joint Ventures and Land

15375 Memorial Drive
Houston Texas 77079
281 584-6000

June 19, 2000

**By USPS Certified Mail
With Return Receipt
P 066 862 333**

CNG Resources, Inc.
Stephen Case, Landman
16945 Northchase Drive – Suite 1750
Houston, Texas 77060

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 25 A Well No. 16, to be located 585 feet from the South line and 710 feet from the East line of Section 25, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico

Gentlemen:

Notice is hereby given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. A copy of Vastar's application is enclosed. In accordance with NMOCD Rule 1206(A)(5) an objection to this application must be filed in writing within twenty days from the date this notice was sent.

By the enclosed Waiver, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230
Fax: (281) 584-6370
E-mail: mrodger@vastar.com

Enclosure



Vastar Resources, Inc.

Joint Ventures and Land

15375 Memorial Drive
Houston Texas 77079
281 584-6000

June 19, 2000

CNG Resources, Inc.
Stephen Case, Landman
16945 Northchase Drive – Suite 1750
Houston, Texas 77060

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 25 A Well No. 16, to be located 585 feet from the South line and 710 feet from the East line of Section 25, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico

Gentlemen:

Notice has been given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. In order to facilitate the application and drilling of this well, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

If CNG Resources, Inc. is willing to waive its right to protest the application, please so indicate by completing the waiver below and forwarding the signed original of this request to the Oil Conservation, Division of the New Mexico Department of Energy, Attention: Mr. Michael Stogner, 2040 South Pacheco Street, Santa Fe, New Mexico 87505. Please forward a copy of this signed waiver to the undersigned at the letterhead address.

Very truly yours,


Michael Rodgers, CPL

Direct Line: (281) 584-3230
Fax: (281) 584-6370

This _____ day of June, 2000, CNG Resources, Inc. hereby waives its right to protest Vastar's application for an unorthodox location for the above referenced Fruitland Coal well.

Title: _____

P 066 862 334

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to AMOCO PROD CO - MAX EDDINGTON	
Street & Number PO BOX 3092	
Post Office, State, & ZIP Code HOUSTON TX 77253-3092	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, April 1995

Michael Rodgers, Room 1400

JUN 19 2000

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 066 862 334

MAIL

Is your RETURN ADDRESS completed on the reverse side?

SENDER: ■ Complete items 1 and/or 2 for additional services. ■ Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: AMOCO PRODUCTION COMPANY MAX K EDDINGTON POST OFFICE BOX 3092 HOUSTON TX 77253-3092		4a. Article Number P 066 862 334	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery	
5. Received By: (Print Name)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) X			

Thank you for using Return Receipt Service.



Vastar Resources, Inc.

Joint Ventures and Land

15375 Memorial Drive
Houston Texas 77079
281 584-6000

June 19, 2000

**By USPS Certified Mail
With Return Receipt
P 066 862 334**

Amoco Production Company
Max K. Eddington, CPL/ESA
Post Office Box 3092
Houston, Texas 77253-3092

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 25 A Well No. 16, to be located 585 feet from the South line and 710 feet from the East line of Section 25, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico

Gentlemen:

Notice is hereby given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. A copy of Vastar's application is enclosed. In accordance with NMOCD Rule 1206(A)(5) an objection to this application must be filed in writing within twenty days from the date this notice was sent.

By the enclosed Waiver, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230
Fax: (281) 584-6370
E-mail: mrodger@vastar.com

Enclosure



Vastar Resources, Inc.

Joint Ventures and Land

15375 Memorial Drive
Houston Texas 77079
281 584-6000

June 19, 2000

Amoco Production Company
Max K. Eddington, CPL/ESA
Post Office Box 3092
Houston, Texas 77253-3092

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 25 A Well No. 16, to be located 585 feet from the South line and 710 feet from the East line of Section 25, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico

Gentlemen:

Notice has been given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. In order to facilitate the application and drilling of this well, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

If Amoco Production Company is willing to waive its right to protest the application, please so indicate by completing the waiver below and forwarding the signed original of this request to the Oil Conservation, Division of the New Mexico Department of Energy, Attention: Mr. Michael Stogner, 2040 South Pacheco Street, Santa Fe, New Mexico 87505. Please forward a copy of this signed waiver to the undersigned at the letterhead address.

Very truly yours,


Michael Rodgers, CPL

Direct Line: (281) 584-3230

Fax: (281) 584-6370

This _____ day of June, 2000, Amoco Production Company hereby waives its right to protest Vastar's application for an unorthodox location for the above referenced Fruitland Coal well.

Title: _____



Vastar Resources, Inc.

Joint Ventures and Land

15375 Memorial Drive
Houston Texas 77079
281 584-6000

June 19, 2000

Bureau of Land Management
Farmington Resource Area
Authorized Officer
1235 La Plata Highway – Suite A
Farmington, New Mexico 87401

NMOCD – Aztec District Office
1000 Rio Brazos Road
Aztec, New Mexico 87410

Re: Applications of Vastar Resources, Inc. for Administrative Approval of Unorthodox Fruitland Coal Well Locations in Carracas Canyon Area, Rio Arriba County, New Mexico

Gentlemen:

Enclosed for your records are copies of Vastar Resources, Inc.'s applications to the NMOCD in Santa Fe for Unorthodox Fruitland Coal Well Locations for the following wells.

Carracas 19 B Well No. 4
Carracas 25 A Well No. 16
Carracas 2 A Well No. 11 in a non-standard 368.6-acre spacing unit
Carracas 36 A Well No. 5

Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230
Fax: (281) 584-6370
E-mail: mrodger@vastar.com

Enclosures

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9560
ORDER NO. R-8845

APPLICATION OF NASSAU RESOURCES, INC.
FOR A NON-STANDARD GAS PRORATION UNIT,
RIO ARriba COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 21, 1988, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 17th day of January, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) At the time of the hearing this case was consolidated with Case No. 9559 for the purpose of testimony.
- (3) The applicant, Nassau Resources, Inc., seeks approval of a 369.20-acre non-standard gas proration unit comprising all of Irregular Section 2, Township 31 North, Range 5 West, NMPM, to be dedicated to a well to be drilled at a standard coal gas well location 2000 feet from the South line and 2200 feet from the West line (Unit K) of said Section 2.
- (4) The formation of the subject unit is necessitated because of the irregular size and shape of the township which is a result of a survey correction in this area.
- (5) The entire non-standard proration unit may reasonably be presumed productive of gas from the Basin Fruitland Coal (Gas) Pool and the entire non-standard coal gas proration unit can be efficiently and economically drained and developed by the aforesaid well.
- (6) No interested party appeared and/or opposed the subject application.

Case No. 9560
Order No. R-8845
Page No. 2

(7) Approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Basin-Fruitland Coal (Gas) Pool, will ensure systematic development of this pool in the area, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) A 369.20-acre non-standard gas proration unit in the Basin-Fruitland Coal (Gas) Pool comprising all of Irregular Section 2, Township 31 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, is hereby established and dedicated to a well to be drilled at a standard coal gas well location 2000 feet from the South line and 2200 feet from the West line (Unit K) of said Section 2.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Victor J. Lynn
for WILLIAM J. LEMAY
Director

S E A L

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9559
ORDER NO. R-8844

APPLICATION OF NASSAU RESOURCES, INC.
FOR NINETEEN UNORTHODOX COAL GAS
WELL LOCATIONS, RIO ARRIBA COUNTY,
NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 21, 1988, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 17th day of January, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) At the time of the hearing this case was consolidated with Division Case No. 9560 for the purpose of testimony.
- (3) The applicant, Nassau Resources, Inc., seeks approval of 19 unorthodox coal gas well locations, as described in Exhibit "A" attached hereto and made a part hereof, to test the Basin-Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico.
- (4) On October 17, 1988, the Division entered Order R-8768 which adopted Special Rules for the Basin-Fruitland Coal (Gas) Pool including RULE 7 which provides in part that the first well drilled in a 320-acre unit shall be located in either the NE/4 or SW/4 of a governmental section and that it be located no closer than 790 feet to the outer boundary of the spacing unit.
- (5) Prior to the adoption of the rules for this pool, the applicant in this case, Nassau Resources, Inc., formed the Carracas Canyon Unit in Rio Arriba County, New Mexico, 97.7 percent of which acreage is federal leases.

(6) The preliminary drilling by the applicant in the unit area has provided sufficient information to reasonably conclude that a substantial portion of the unit can be developed for Basin-Fruitland Coal (Gas) production.

(7) The Carracas Canyon Unit in Rio Arriba County, New Mexico, lies almost entirely within the Carson National Forest with all surface use including location of these wells subject to the jurisdiction of the United States Forest Service and to the Carson National Forest Land and Resource Management Plan.

(8) Included among the surface use restrictions for well locations, roads and pipelines to access these wells within the Carracas Canyon Unit were topographical restrictions concerning soil conservation, steepness of slope, limitation on grade for roads, forest preservation, wildlife habitat management and archeological/historical artifact preservation.

(9) The applicant with due diligence has attempted in each section of the unit to locate two wells at locations which would conform to standard well locations under the current RULE 7 of Order No. R-8768. Said U.S. Forest Service Management Plan in the Carson National Forest requires that future use of the Carracas Canyon area surfaces involves maximizing the use of existing roads and minimizing construction of new roads.

(10) For each spacing unit for the proposed nineteen unorthodox coal gas well locations, the applicant has been unable to locate and obtain U.S. Forest Service approval for a standard well location within that proposed spacing unit.

(11) The District Forest Ranger for the Jicarilla Ranger District, whose area encompasses the subject unit area, testified on behalf of the applicant at the hearing that each of the proposed nineteen unorthodox gas well locations has either been approved or is acceptable. His testimony also indicated that in some instances while a surface location may be possible at a standard well location, there is no acceptable location for the necessary roads and pipeline rights of way to access the well locations.

(12) While the proposed nineteen wells are off-pattern locations under the Special Rules for the Basin-Fruitland Coal (Gas) Pool, they will provide for an orderly development of the unit on 320-acre spacing patterns.

(13) No interest owner in the unit nor any interested party adjoining the unit appeared and objected to this application.

(14) The District Ranger also provided supporting testimony which indicates that approval of this application would enable the applicant and the United States Forest Service to implement an orderly plan for exploration and development which is consistent with oil and gas conservation and will not adversely impact environmental concerns.

Case No. 9559
Order No. R-8844
Page No. 3

(15) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the coal gas in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Nassau Resources, Inc. for exceptions to RULE 7 of Division Order No. R-8768 allowing 19 unorthodox coal gas well locations, as shown on Exhibit "A" attached hereto and made a part hereof, within their Carracas Canyon Unit Area, Rio Arriba County, New Mexico, for the Basin-Fruitland Coal (Gas) Pool is hereby approved.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Victor J. Lynn

for

WILLIAM J. LEMAY
Director

S E A L

EXHIBIT "A"
CASE NO. 9559
ORDER NO. R-8844

WELL LOCATION

<u>WELL NAME AND NUMBER</u>	<u>FOOTAGE</u>	<u>U-S-T-R</u>	<u>DEDICATED ACREAGE</u>
Carracas Unit 17-B No. 15	650 FSL - 2070 FEL	O-17-32N-4W	E/2 (320 acres)
Carracas Unit 19-B No. 4	1170 FNL - 830 FWL	D-19-32N-4W	Lots 1, 2, 3, 4 and the E/2 W/2 (300.52 acres)
Carracas Unit 21-B No. 5	1655 FNL - 1185 FWL	E-21-32N-4W	N/2 (320 acres)
Carracas Unit 25-B No. 15	640 FSL - 1500 FEL	O-25-32N-4W	E/2 (320 acres)
Carracas Unit 26-B No. 16	790 FS & EL	P-26-32N-4W	E/2 (320 acres)
Carracas Unit 27-B No. 5	1740 FNL - 1800 FWL	E-27-32N-4W	N/2 (320 acres)
Carracas Unit 30-B No. 16	1100 FSL - 790 FEL	P-30-32N-4W	Lots 3 and 4, the E/2 SW/4, and the SE/4 (310.55 acres)
Carracas Unit 31-B No. 5	1770 FNL - 830 FWL	E-31-32N-4W	Lots 1, 2, 3, 4 and the E/2 W/2 (300.96 acres)
Carracas Unit 32-B No. 5	1630 FNL - 790 FWL	E-32-32N-4W	N/2 (320 acres)
Carracas Unit 33-B No. 4	1160 FNL - 1060 FWL	D-33-32N-4W	W/2 (320 acres)
Carracas Unit 33-B No. 16	790 FSL - 1950 FEL	P-33-32N-4W	E/2 (320 acres)
Carracas Unit 35-B No. 9	1850 FSL - 790 FEL	I-35-32N-4W	E/2 (320 acres)
Carracas Unit 36-B No. 15	1190 FSL - 1850 FEL	O-36-32N-4W	E/2 (320 acres)
Carracas Unit 14-A No. 4	790 FN & WL	D-14-32N-5W	N/2 (320 acres)
Carracas Unit 15-A No. 16	200 FSL - 500 FEL	P-15-32N-5W	S/2 (320 acres)
Carracas Unit 21-A No. 15	790 FSL - 1850 FEL	O-21-32N-5W	E/2 (320 acres)
Carracas Unit 22-A No. 16	790 FS & EL	P-22-32N-5W	E/2 (320 acres)
Carracas Unit 25-A No. 16	640 FSL - 710 FEL	P-25-32N-5W	E/2 (320 acres)
Carracas Unit 36-A No. 5	1450 FNL - 910 FWL	E-36-32N-5W	W/2 (320 acres)

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 9559
ORDER NO. R-8844-A

APPLICATION OF NASSAU RESOURCES, INC.
FOR NINETEEN UNORTHODOX COAL GAS WELL
LOCATIONS, RIO ARRIBA COUNTY, NEW MEXICO

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-8844 dated January 17, 1989, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED THAT:

(1) The location of the Carracas Unit 27-B Well No. 5 as described on Exhibit "A", which is attached to Division Order No. R-8844 and made a part thereof, be and the same is hereby corrected to read as follows:

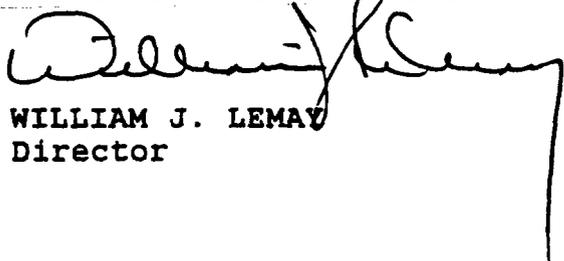
FOOTAGE

"1740 FNL' - 800' FWL;"

(2) The corrections set forth in this order be entered nunc pro tunc as of January 17, 1989.

DONE at Santa Fe, New Mexico, on this 2nd day of June, 1989.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L