

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

04/19/00 11:49:51
OGOMES -TQBI
PAGE NO: 1

Sec : 26 Twp : 32N Rng : 05W Section Type : NORMAL

D 40.00	C 40.00	B 40.00	A 40.00
Federal owned	Federal owned	Federal owned	Federal owned
A		A	
E 40.00	F 40.00	G 40.00	H 40.00
Federal owned	Federal owned	Federal owned	Federal owned

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

04/19/00 11:49:55
OGOMES -TQBI
PAGE NO: 2

Sec : 26 Twp : 32N Rng : 05W Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Federal owned	Federal owned	Federal owned	Federal owned
M 40.00	N 40.00	O 40.00	P 40.00
Federal owned	Federal owned	Federal owned	Federal owned

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD : ONGARD 04/19/00 11:50:09
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TQBI

OGRID Idn : 15515 API Well No: 30 39 26307 APD Status(A/C/P): A
Opr Name, Addr: NASSAU RESOURCES INC Aprvl/Cncl Date : 03-02-2000
650 S CHERRY ST
STE 1225
DENVER,CO 80222

Prop Idn: 8304 CARRACAS UNIT 26 A Well No: 4

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: D	26	32N	05W			FTG 1003 F N	FTG 778 F W
OCD U/L	: D		API County	: 39				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 7108

State Lease No: Multiple Comp (Y/N) : N
Prpsd Depth : 3980 Prpsd Frmtn : BASIN FRUITLAND COAL

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

Form 3160-3
(July 1992)SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN 8:32

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

070 FARMINGTON, NM

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

NASSAU RESOURCES, INC.

(OGRID #015515)

3. ADDRESS AND TELEPHONE NO.

PO Box 809

Farmington, NM 87499-0809

505 326-7793

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1003' FNL & 778' FWL

NMOCD Unit

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Est. 30 mi. north of Gobernador, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

778'

16. NO. OF ACRES IN

1,350.56

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.None on
this lease

19. PROPOSED DEPTH

3980'

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

7108' GL, 7120' est. KB

22. APPROX. DATE WORK WILL START*

4-15-00

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8", J-55	36.0	350'	250 cu. ft. circ. to surface
8-3/4"	5-1/2", K-55	15.5	3980'	1st stage 810 cu. ft.
				2nd stage 720 cu. ft.
				circ. to surface

Plan to drill with spud mud to set 350' of surface casing. Will then drill with water and gel-chem. mud to test the Fruitland Coal formation at approximately 3980'. Will run DIL-GR-SP and FDC-CNL-GR-CALIPER logs. If well appears productive, will set 5-1/2" casing at TD, cement in 2 stages, selectively perforate, frac, clean out after frac and complete with 2-7/8" tubing.

Stage tool will be set @ 1900'

NOTE: The proposed well is to be on the same location as Belco Petroleum Corp. Carracas Mesa Unit #1-26, which was originally surveyed and reported drilled & abandoned 1040' FNL & 1040' FWL; however, surveyor Ed Risenhoover states that these footages are not correct. The location was resurveyed & re-entered in 1989 and correctly reported to be 1060' FNL & 805' FWL. The final abandonment was in Sep. 1996.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

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

Fran Perrin

Fran Perrin

TITLE

Regulatory Liaison

DATE

1-7-00

(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:

OK

NMOCD

HOLD C104 FOR

NSL

APPROVED BY

/s/ Charlie Beecham

TITLE

DATE

MAR 2 2000

*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

070 FARMINGTON, NM

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 30-039-26307		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 8304	Property Name Carracas Unit 26 A		Well Number 4
OGRID No. 015515	Operator Name Nassau Resources, Inc.		Elevation 7108'

10 Surface Location

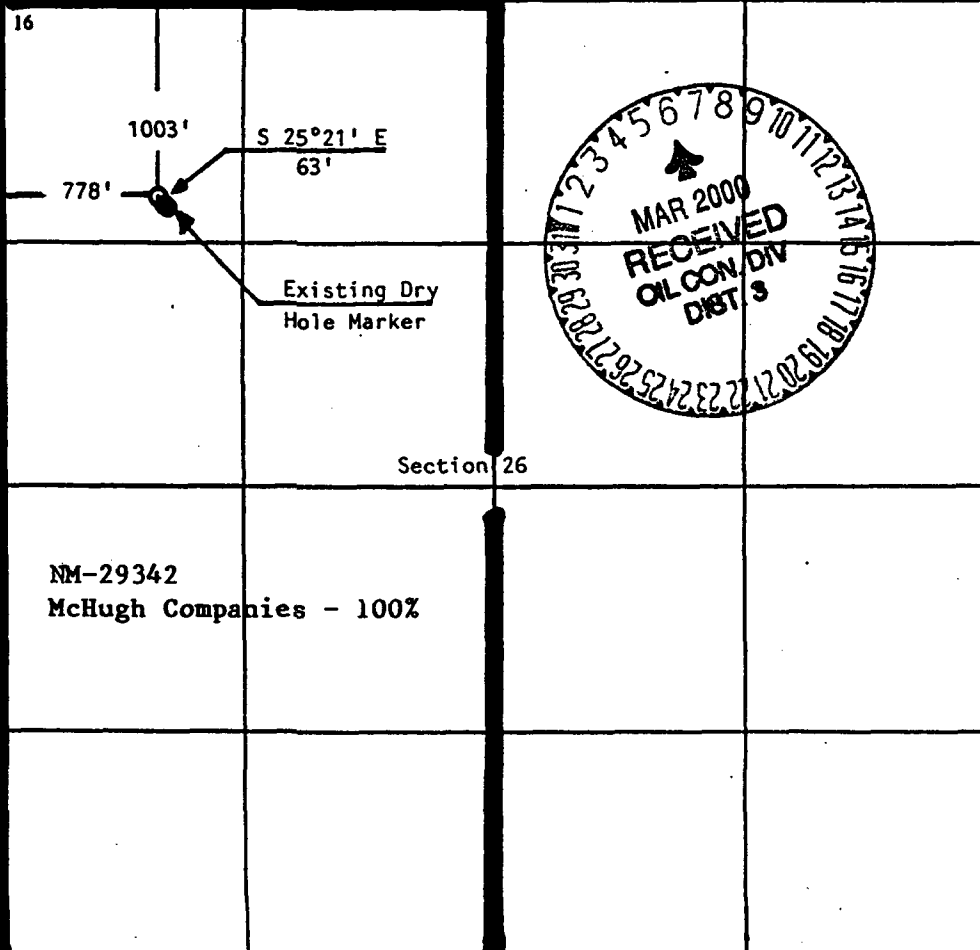
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	26	32N	SW	D	1003	North	778	West	Rio Arriba

11 Bottom Hole Location If Different From Surface

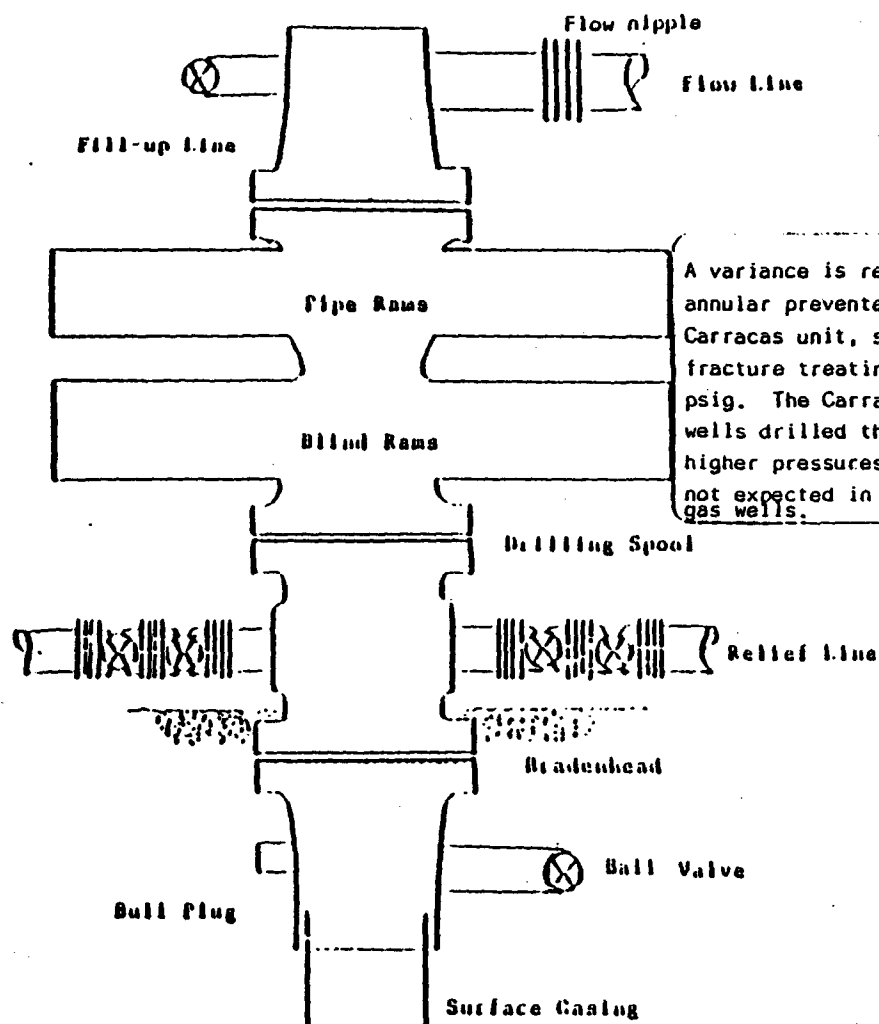
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 320.0	Joint or Infill	Consolidation Code	Order No.
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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 	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <i>Fran Perrin</i> Signature Fran Perrin Printed Name Regulatory Liaison Title 1-7-00 Date
	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. November 18, 1999 Date of Survey Signature and Seal of Professional Surveyor: <i>Edgar L. Risenhoover</i> Edgar L. Risenhoover, S. #5979 Certificate Number

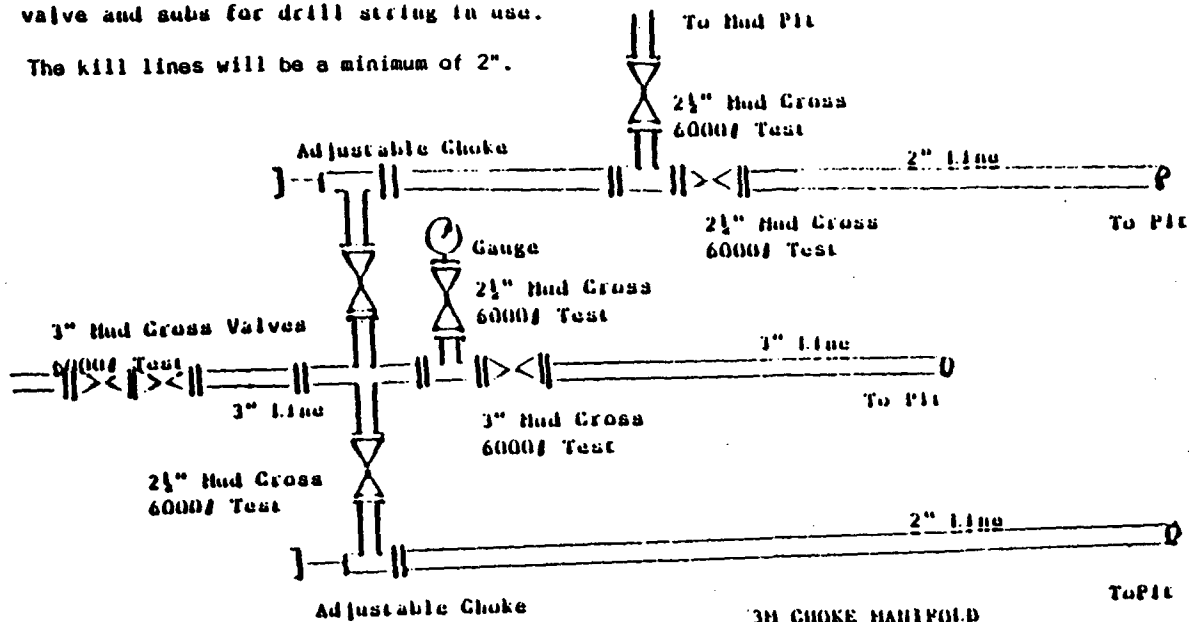
BLOWOUT PREVENTER INSTALLATION



A variance is requested on the use of an annular preventer. While developing the Carracas unit, shut-in pressures after fracture treating have not exceeded 1500 psig. The Carracas Unit now has numerous wells drilled throughout the unit and higher pressures or hazardous zones are not expected in drilling gas wells.

Series 900 Double gate BOP, rated at 3000 psi working pressure. When gas drilling operations begin, a Shaffer type 50 or equivalent rotating head is installed on top of the flow nipple and the flow line is converted into a blowline. Upper Kelly cock valve will be in place with handle on rig floor at all times along with Safety valve and subs for drill string in use.

The kill lines will be a minimum of 2".



NASSAU RESOURCES, INC.
Carracas Unit 26 A #4

