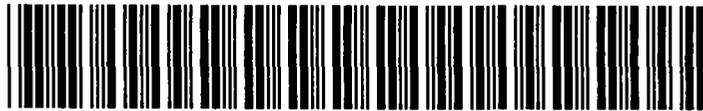




# AE Order Number Banner

## Report Description

This report shows an AE Order Number in Barcode format for purposes of scanning. The Barcode format is Code 39.



**App Number: pDD00000292002**

**DD - 29**

**NASSAU RESOURCES INC**



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

September 18, 1989

Nassau Resources, Inc.  
c/o Jerome P. McHugh & Associates  
P.O. Box 809  
Farmington, NM 87499-0809

Attention: Fran Perrin

Administrative Order DD-29

Dear Ms. Perrin

Under the provisions of General Rule 111 (c), (d) and (e), Nassau Resources, Inc. made application to the New Mexico Oil Conservation Division on August 21, 1989, for authorization to directionally drill its proposed Carracas Unit 17-B Well No. 14, Rio Arriba County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 11 (d) and (e) of the Division General Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Nassau Resources, Inc., is hereby authorized to directionally drill its Carracas Unit 17-B Well No. 14, the surface location of which shall be 790 feet from the South line and 1850 feet from the West line (Unit N) of Section 17, Township 32 North, Range 4 West, Rio Arriba County, New Mexico, by kicking off from the vertical at a depth of approximately 1000 feet, and drilling in such a manner as to bottom in the Basin Fruitland Coal Gas Pool within 50 feet of a point 1850 feet from the South line and 790 feet from the West line (Unit L) of said Section 10, being a standard coal gas well location for said formation.

PROVIDED HOWEVER THAT: prior to directional drilling, the operator shall determine the subsurface location of the kick-off point; and

PROVIDED FURTHER THAT: subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to kick-off point with shot points not more than 100 feet apart; the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, 310 Old Santa Fe Trail, Room 206, Santa Fe, New Mexico 87503, and the operator shall notify the Division's Aztec District Office of the date and time said survey is to be commenced.

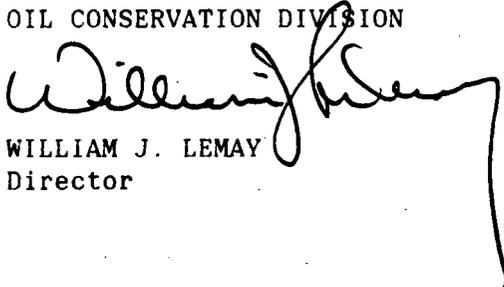
(2) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(3) The W/2 of said Section 17 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

(4) 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

  
WILLIAM J. LEMAY  
Director

S E A L

cc: Oil Conservation Division - Aztec  
US Bureau of Land Management - Farmington  
US Forest Service - Blanco  
NM Oil and Gas Engineering Committee - Hobbs