

December 14, 1988

New Mexico Oil Conservation Division
ATTN: Mike Stogner
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

RE: Application for Unorthodox Location
Jerome P. McHugh
Carracas Mesa 14 #1
1100' FNL - 1100' FWL
Sec. 14, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

Jerome P. McHugh hereby requests administrative approval of an unorthodox location for the captioned well.

This well was permitted as a Basin Dakota and drilled to a depth of 8225' on November 25, 1988. Upon evaluation it has been decided to complete only the Fruitland Coal formation at this time. This location is a standard location for the Dakota, but a non-standard location for a Fruitland Coal well, per NMOCD Order No. R-8768.

This well is in Nassau's Carracas Unit. All offsetting operators, as indicated by the attached lease plat, have been notified of this application by certified mail. Jerome P. McHugh and Kindermac Partners are operating affiliates with Nassau Resources, Inc. and have been notified of this application.

Also attached are the C-102 plat and production map.

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

Respectfully submitted,

Fran Perrin

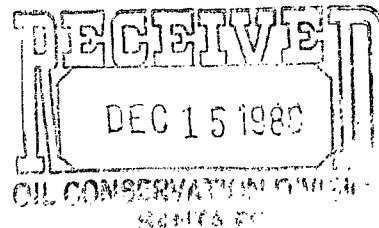
Fran Perrin
Admin. Asst.

Attachments

XC: Ernie Busch, NMOCD, Aztec, NM
Jerome P. McHugh/Kindermac
Amoco Production Co.
Dalport Oil Corp.

cm

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



OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO 87501
 P. O. BOX 2058

Form C-102
 Revised 12-1-79

STATE OF NEW MEXICO
 MINERALS DEPARTMENT

All distances must be from the outer boundaries of the Section.

Operator Jerome P. McHugh			Lease Carracas Mesa 14		Well No. 1
Unit Letter D	Section 14	Township 32 North	Range 4 West	County Rio Arriba	

Actual Footage Location of Well:


1100	feet from the	North	line and	1100	feet from the	West	line	
Ground Level Elev. 6270	Producing Formation Fruitland		Pool Basin Fruitland Coal		Dedicated Acreage: 320.0			<small>Acre</small>

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation Will be communitized.

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, eliminating such interests, has been approved by the Division.

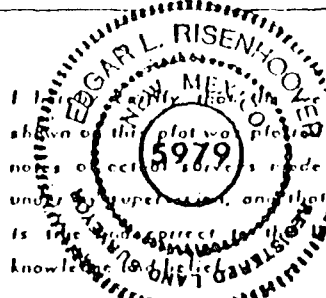
1100  McHugh Fee Leases					
	Fed. Ls. NM 28812 Amoco Prod. (McHugh Farm-in)				
	SEC. 14				
JEROME P. McHUGH Carracas Mesa 14 #1 Appl. for Unorthodox Loc.					

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Fran Perrin

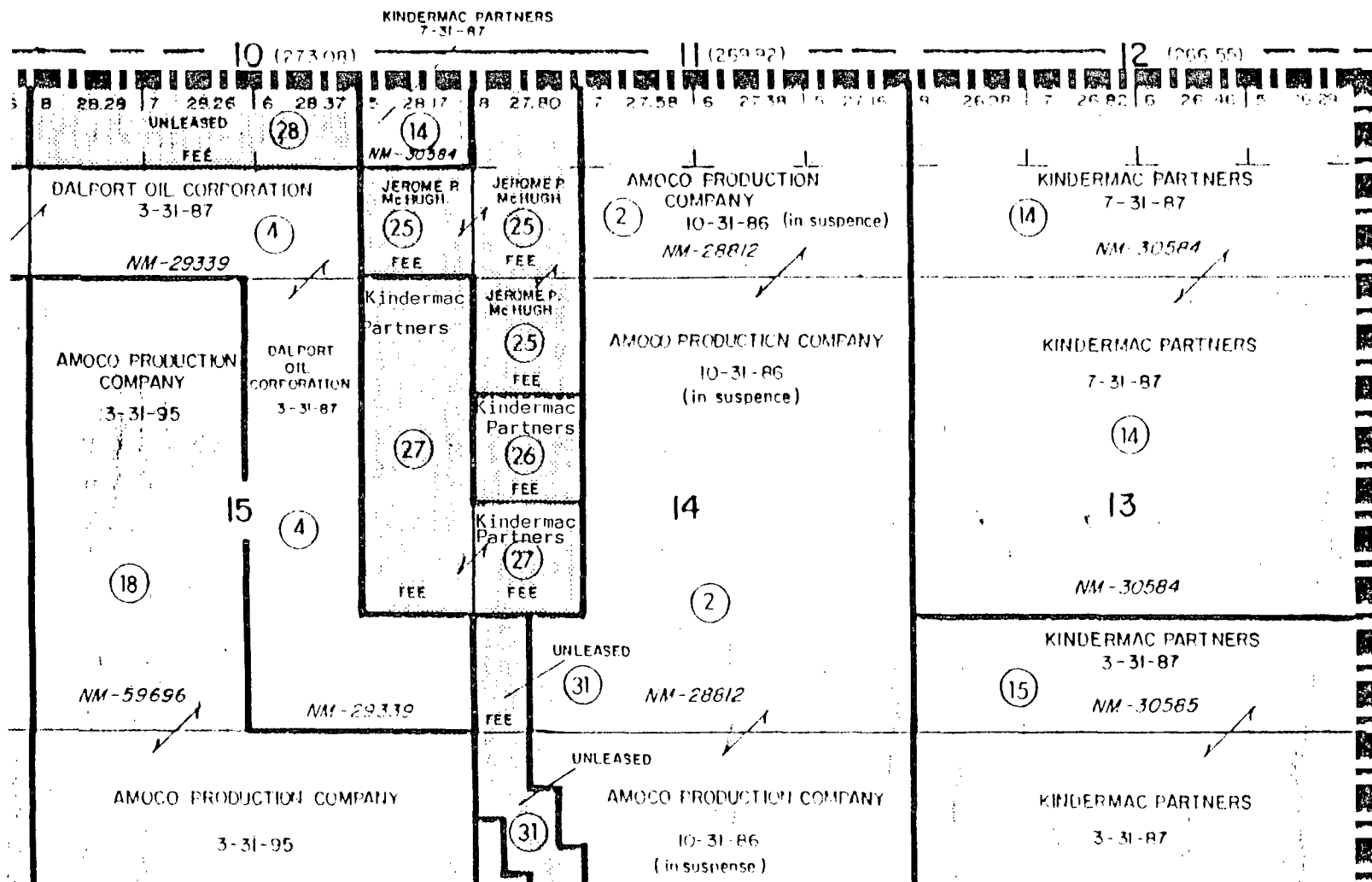
Name Fran Perrin
Position Admin. Asst.
Company Jerome P. McHugh
Date 12/7/88



I, **Edgar L. Risenhoover**, a duly licensed Professional Engineer in the State of New Mexico, do hereby certify that the location shown on this plat was plotted from field notes or other reliable source made by me or under my supervision, and that the same is true and correct to the best of my knowledge.

Date Surveyed October 21, 1986
Registered Professional Engineer and/or Land Surveyor <i>Edgar L. Risenhoover</i>
Certificate No. 5979
Edgar L. Risenhoover, L.S.

LEASE PLAT
Township 32 North, Range 4 West, NMPM



Offsetting Operators:
Amoco Production Co.
Dalport Oil Corp.

Operating Affiliates:
Jerome P. McHugh
Kindermac Partners
Nassau Resources, Inc.

JEROME P. McHUGH
Carracas Mesa 14 #1
Appl. for Unorthodox Loc.

24

19

20

COLO.

N.M.

10

COUNTY

12

McHUGH

Q' D

15

14

13

T32N

R4W

22

23

24

JEROME P. McHUGH
Carracas Mesa 14 #1
Appl. for Unorthodox Loc.

27

26

25

December 14, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Amoco Production Co.
2325 E. 30th St.
Farmington, New Mexico 87401

RE: Application for Unorthodox Location
Jerome P. McHugh
Carracas Mesa 14 #1
1100' FNL - 1100' FWL
Sec. 14, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

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

If Amoco Production Co., as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,

Fran Perrin

Fran Perrin
Admin. Asst.

cm

Enclosure

December 14, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Dalport Oil Corp.
ATTN: W. L. Todd, Jr.
3471 Inter First One
Dallas, Texas 75202

RE: Application for Unorthodox Location
Jerome P. McHugh
Carracas Mesa 14 #1
1100' FNL - 1100' FWL
Sec. 14, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

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

If Dalport Oil Corp., as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,



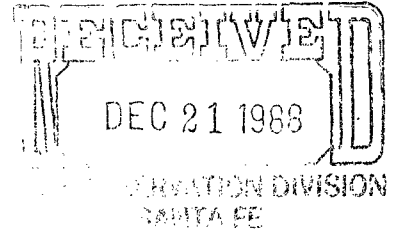
Fran Perrin
Admin. Asst.

cm

Enclosure

DALPORT OIL CORPORATION
1401 ELM STREET, SUITE 3471
DALLAS, TEXAS 75202

December 19, 1988



New Mexico Oil Conservation Division
Attn: Mike Stogner
310 Oil Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

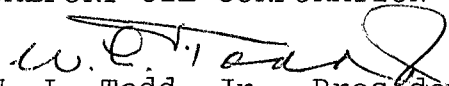
Re: Application for Unorthodox Location
Jerome P. McHugh
Carracas Mesa 14 #1
1100' FNL - 1100' FWL
Sec. 14, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

Dalport Oil Corporation has no objection
to the above proposed unorthodox location.

Yours very truly,

DALPORT OIL CORPORATION


W. L. Todd, Jr., President

cc: Jerome P. McHugh
P. O. Box 809
Farmington, New Mexico
87499-0809

*Nassau
Resources*



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

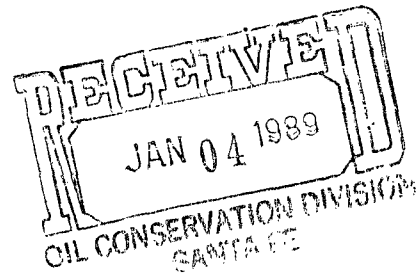
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

10001 FRED DIAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 12-30-88

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____



Gentlemen:

I have examined the application dated 12-15-88
for the JEROME P. MCHUGH CARRACAS MESA 14#1 D-14-32N-4W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

APPROVE

Yours truly,

E. B. Burch