

October 14, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 14 A #13
230' FSL - 380' FWL
Sec. 14, Township 32 North, Range 5 West, NMPM
Rio Arriba County, New Mexico

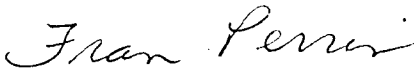
Gentlemen:

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

fp

Enclosure



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 THE HAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 11-16-88

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

Gentlemen:

I have examined the application dated 10-17-88

for the NASSAU RESOURCES, INC. CARRACAS UNIT 14A*13 M-14-32N-50W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Re: For Hearing - See an exception to R-8768

11/30/88

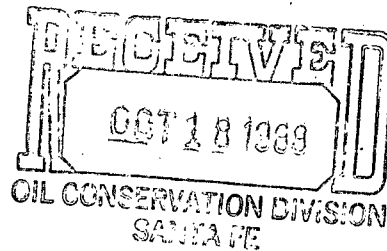
Yours truly,

Tom Russell

Carrie, R-8768
has nothing to
do with this application
its for a wildcat Fracture
(sand) test w/a 160 acre
SW/4 deduction. The location
appears to be based on
topography. Do you still
want me to set this to
hearing. M. Stogner

October 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
Nassau Resources, Inc.
Carracas Unit 14 A #13
230' FSL - 380' FWL
Sec. 14, Township 32 North, Range 5 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

Nassau Resources, Inc., hereby requests administrative approval of an unorthodox location for the captioned well based upon terrain and in order to utilize an existing abandoned well pad and therefore minimize disturbance to the Carson National Forest.

As indicated by the attached topographic map, the terrain in this section is extremely rough and no other drill sites are feasible.

Attached is a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest indicating their guidelines for development.

This well is in Nassau's Carracas Unit. Amoco Production Co., the only offsetting operator, as indicated by the attached lease plat, has 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

Attachments

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

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

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

Operator Nassau Resources, Inc.		Lease Carracas Unit 14 A		Well No. 13
Unit Letter M	Section 14	Township 32 North	Range 5 West	County Rio Arriba
Actual Footage Location of Well 230 feet from the South line and 380 feet from the West line				
Ground Level Elev. 7269	Producing Formation Fruitland	Pool WC Fruitland	Dedicated Acres 160.0 Acres	

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 Carracas Unit - Unitization

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.

- Standard Sized 640 acre Section

SECTION 14

NM 29760
Amoco Production Co.
100%

Nassau Resources, Inc.
Carracas Unit 14 A #13
Appl. for Unorthodox Loc.

380'
230'

CERTIFICATION

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

Name
James S. Hazen

Position
Field Supt.

Company
Nassau Resources, Inc.

Date
9/20/88

I hereby certify that the information shown on this plat was obtained 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 knowledge and belief.

Date Surveyed
August 25, 1988

Registered Professional Engineer
and/or Land Surveyor

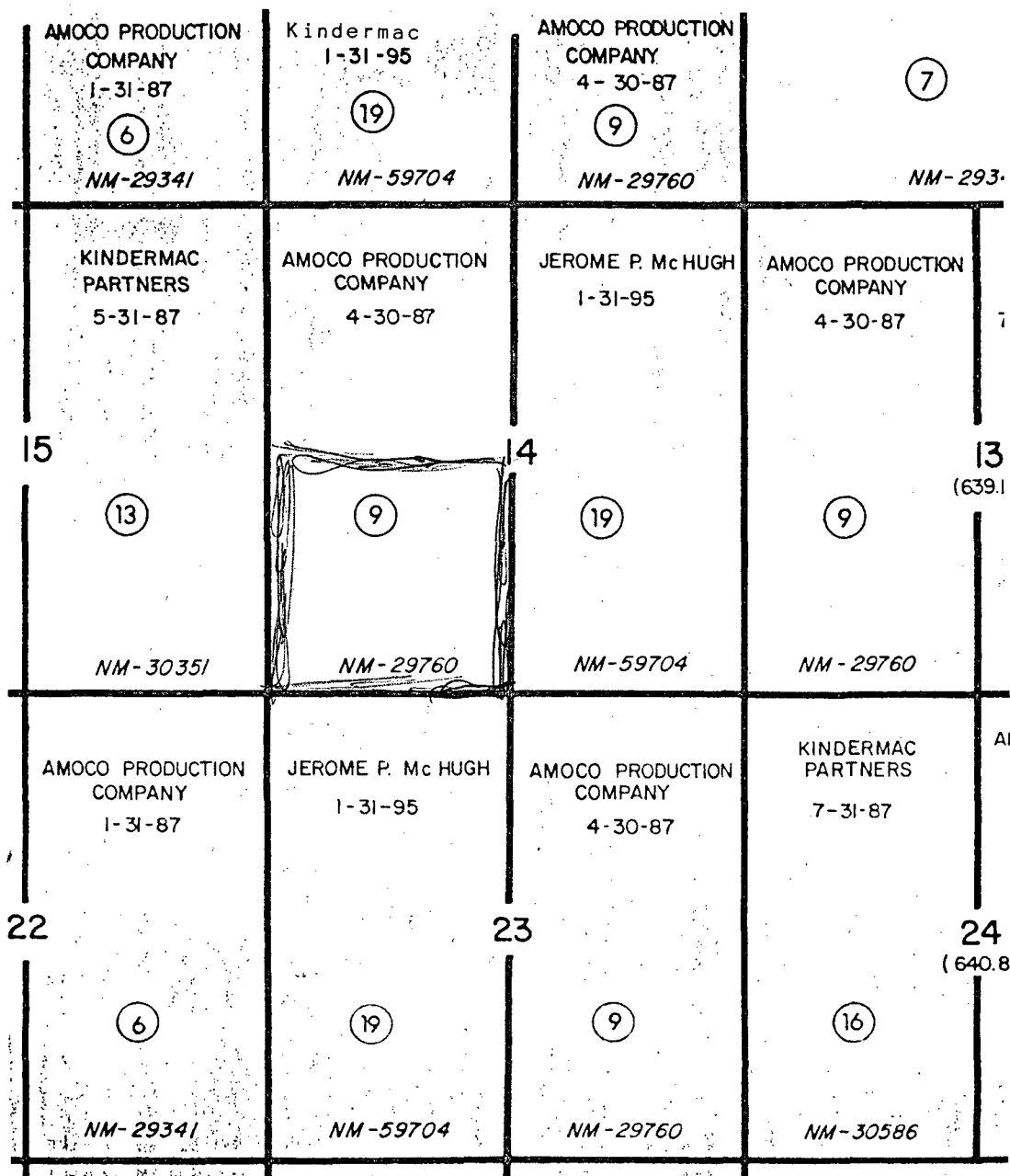
Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.

LEASE PLAT

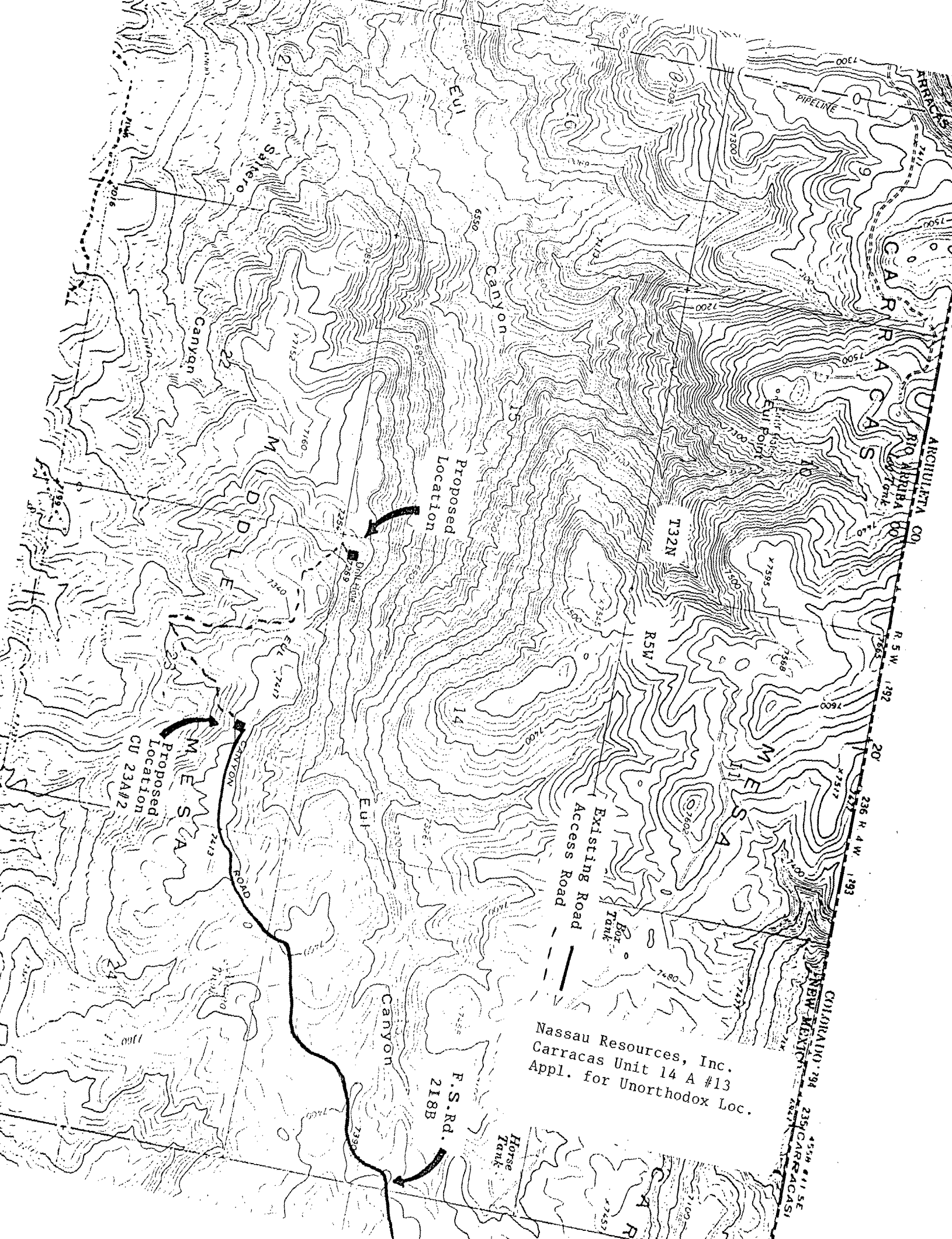
Township 32 North, Range 5 West, NMPM, Rio Arriba County, NM



Offsetting Operators: Amoco Production Co.
 Jerome P. McHugh *
 Kindermac Partners, Inc. *

*Operating Affiliates with Nassau Resources, Inc.

Nassau Resources, Inc.
 Carracas Unit 14 A #13
 Appl. for Unorthodox Loc.



J. Zaborski

24

19

20

Colo.
N.M.

RIO

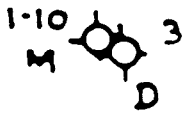
ARRIBA

L.P.G.S.

10

11

12



T32N

R5W

San Juan 32.5 Unit

Pan Am

15

14

13

1 mile

San Juan 32.5 Unit

22

23

24

Nassau Resources, Inc.
Carracas Unit 14 A #13
Appl. for Unorthodox Loc.



United States
Department of
Agriculture

Forest
Service

Jicarilla
Ranger District

Gobernador Route
Blanco, NM 87412

Reply to: 2820

Date: August 3, 1988

Mr. James Hazen
Nassau Resources, Inc.
P.O. Box 809
Farmington, New Mexico 87499

Dear James:

It was brought to my attention by Mike Atchison that you will be needing to apply for some unorthodox locations for some of the wells in the Carracas Unit. The current location in need of unorthodox approval is the well location just northwest of the Carracas Administrative site, Section 18, T. 32 N., R. 4 W. The need for moving the location to the new site is based upon wildlife habitat protection and in keeping within the guidelines set forth in the Carson Forest Plan. The Plan, as you know, has a major emphasis in wildlife and wildlife habitat. Also key to this request for moving the location is the current Off-Road-Vehicle restriction policy in place over the entire Carracas Unit. This restriction is in place to limit off-road-vehicle travel within a key wildlife management area so that security area will not be lost by unnecessary road construction.

Whenever possible, locations will be required to be placed along open access roads. Further unorthodox locations can be expected within the Carracas Unit to keep in line with the management direction set forth for this area.

Because of this management direction and the probability of future relocations, I would hope the approval of these unorthodox locations can become routine. If not, please don't hesitate to contact me for further help or if needed to appear in person before the approving officer. If you have any questions, please give me a call.

Sincerely,

Philip R. Settles

PHILIP R. SETTLES
District Forest Ranger

Jerome P. McHugh
Farmington, N.M.

CARING FOR THE LAND AND SERVING PEOPLE



AUG 9 1988

RECEIVED

Nassau Resources, Inc.
Carracas Unit 14 A #13
Appl. for Unorthodox Loc.

SAT

Please find out who
this is for.
RHH

September 8, 1988

New Mexico Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mike Stogner

Re: Carracas Canyon Unit
Applications for Unorthodox
Locations

Gentlemen:

Pursuant to a discussion between Fran Perrin of our Farmington office and someone with your office, we have been requested to write to you and explain the relationship of Kindermac Partners, record title owner, and Nassau Resources, Inc., Operator, in the captioned unit and give an approval by Kindermac Partners as to any requests for Unorthodox Locations in the unit.

Kindermac Partners is one of the entities of this company. Jerome P. McHugh Jr. is General Partner of Kindermac Partners. Nassau Resources, Inc. is our Operating Affiliate and Jerome P. McHugh Jr. is the President. Therefore, Kindermac Partners and Nassau Resources, Inc. are part of the same company.

We request that this letter serve as authorization by Kindermac Partners to Nassau Resources, Inc. for any Applications for Unorthodox Locations for the Carracas Canyon Unit.

If you should need anything additional, please contact Randi Collins of this office.

Thank you.

Very Truly Yours,

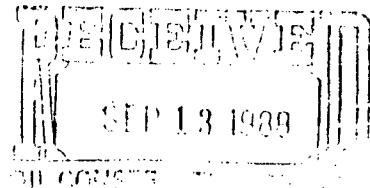
Jerry McHugh Jr.

Jerry McHugh Jr.

JPM/rc

cc: Fran Perrin

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



1 DE 1 File
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLI
(Other Instructions
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

NM 29760

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR

NASSAU RESOURCES, INC.

3. ADDRESS OF OPERATOR

P.O. Box 809, Farmington, N.M. 87499

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

See also space 17 below.)
At surface

230' FSL - 380' FWL

7. UNIT AGREEMENT NAME

Carracas Unit

8. FARM OR LEASE NAME

Carracas Unit 14 A

9. WELL NO.

#13

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland Coal

11. SEC., T., R., M., OR BLK. AND
SURVEY OR AREA

Sec. 14, T32N, R5W

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, BT, GR, etc.)

7269' GL

12. COUNTY OR PARISH

13. STATE

Rio Arriba

NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other)

Change of dedicated acreage

X

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other)

(NOTE: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Per NMOCD Order #R-8768, the S/2 of Sec. 14, T32N, R5W, is hereby dedicated to this well.

A C-102 plat for the Fruitland Coal formation is attached.

18. I hereby certify that the foregoing is true and correct

SIGNED

Fran Perrin

TITLE

Admin. Asst.

DATE

12/8/88

Fran Perrin

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

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

Operator Nassau Resources, Inc.		Lease Carracas Unit 14 A		Well No. 13
Unit Letter M	Section 14	Township 32 North	Range 5 West	County Rio Arriba
Actual Footage Location of Well				
230	feet from the	South	line and	380
			feet from the	West
				line
Ground Level Elev. 7269	Producing Formation Fruitland		Pool Basin Fruitland Coal	Dedicated Acreages 320
				Acres

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 Carracas Unit - Unitization

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.

SECTION 14	
NM 29760 Amoco Production Co.	NM 59704 Jerome P. McHugh
Standard Oil & Gas Company San Juan 32-S Unit Well No. 1 330' ESUWL Spud: 8/26/53 Prod: June 1953 Tested: 4/23/55	
380'	230'

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

Nassau Resources, Inc.

Date

12/8/88

I hereby certify that the information shown on this plat was obtained 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 knowledge and belief.

Date Surveyed

August 25, 1988

Registered Professional Engineer
and/or Land Surveyor*Edgar L. Risenhooker*