

September 6, 1989

New Mexico Oil Conservation Division
ATTN: Mike Stogner
P O Box 2088
Santa Fe, New Mexico 87504

Received 9/11/89

RE: Application for Unorthodox Location and
Non-standard Proration Unit
Nassau Resources, Inc.
Carracas Unit 10 B #15
725' FSL - 1770' FEL
Section 10, Township 32 North, Range 4 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 archeological findings and Carson National Forest requirements for development.

The heavy concentration of archeological sites and Carson National Forest guidelines have restricted placement of a location. A location in the SW/4 has been abandoned due to archeological sites.

Section 10 is a fractional section, bordering the State of Colorado on the north, and consisting of 273.08 acres. It is requested that all of Section 10 be designated as a non-standard proration unit.

This well is in Nassau's Carracas Unit. Amoco Production Co. is a party to the unit and has been notified of this application by certified mail. Jerome P. McHugh and Kindermac Partners are operating affiliates with Nassau. In Sec. 9, Lots #5 and #6 are unleased fee with mineral rights owned by the Troxells, who have been notified of this application by certified mail.

Also attached are the C-102 plat, production map, topographic map and a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest.

NASSAU RESOURCES, INC.
Application for Unorthodox Location and NSP
September 6, 1989

Page 2

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.
James W. & Wanda Troxell

Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

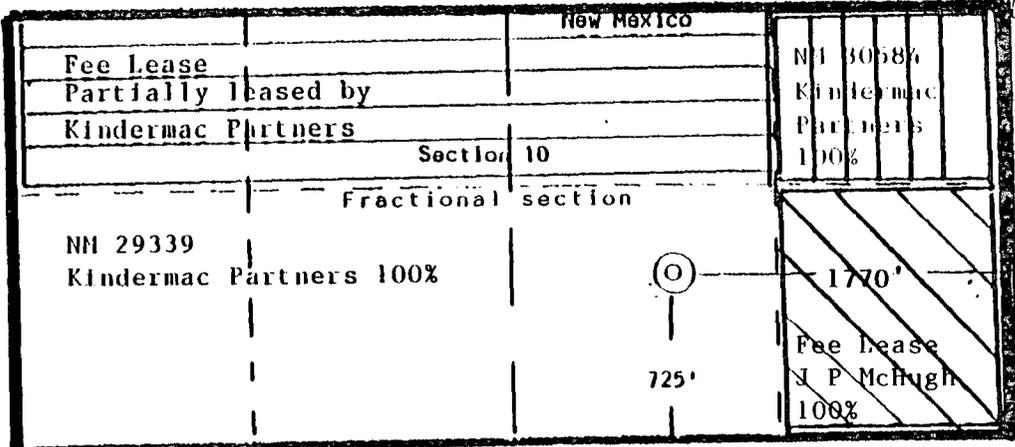
All Distances must be from the outer boundaries of the section

Operator Nassau Resources, Inc.			Lease Carracas Unit 10 B		Well No. 15
Unit Letter 0	Section 10	Township 32 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 725 feet from the South line and 1770 feet from the East line					
Ground level Elev. 6365	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal		Dedicated Acreage: 273.08 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?
 Yes No If answer is "yes" type of consolidation Unitization - Carracas Unit
 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 interest, has been approved by the Division.

273.08 acres / 320 = 85.3470

③ 28.28 ⑦ 28.26 ⑥ 28.37 Colorado ⑤ 28.17



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

Signature: *[Signature]*
Printed Name: James S. Hazen
Position: Field Supt.
Company: Nassau Resources, Inc.
Date: 8/25/89

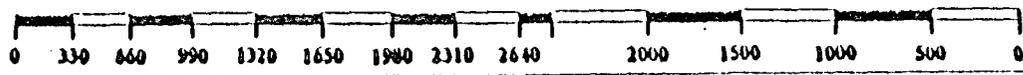
SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: August 3, 1989

Signature & Seal of Professional Surveyor: *[Signature]*

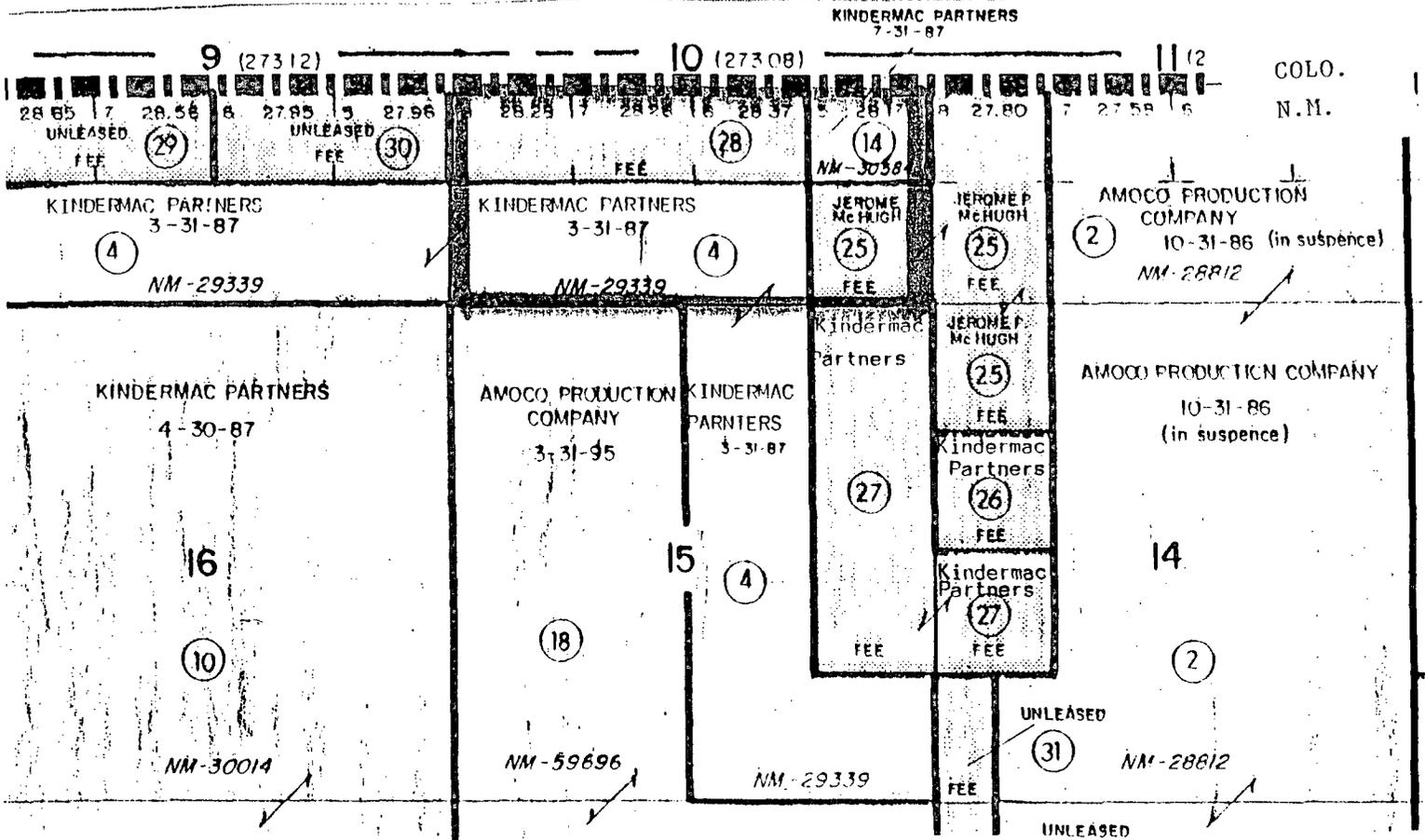
 Registered Land Surveyor
Edgar Risenhoover

Nassau Resources, Inc.
Carracas Unit 10 B #15
Appl. for Unorthodox Loc.
and NSP



LEASE PLAT

Township 32 North, Range 4 West, NMPM, Rio Arriba County, New Mexico

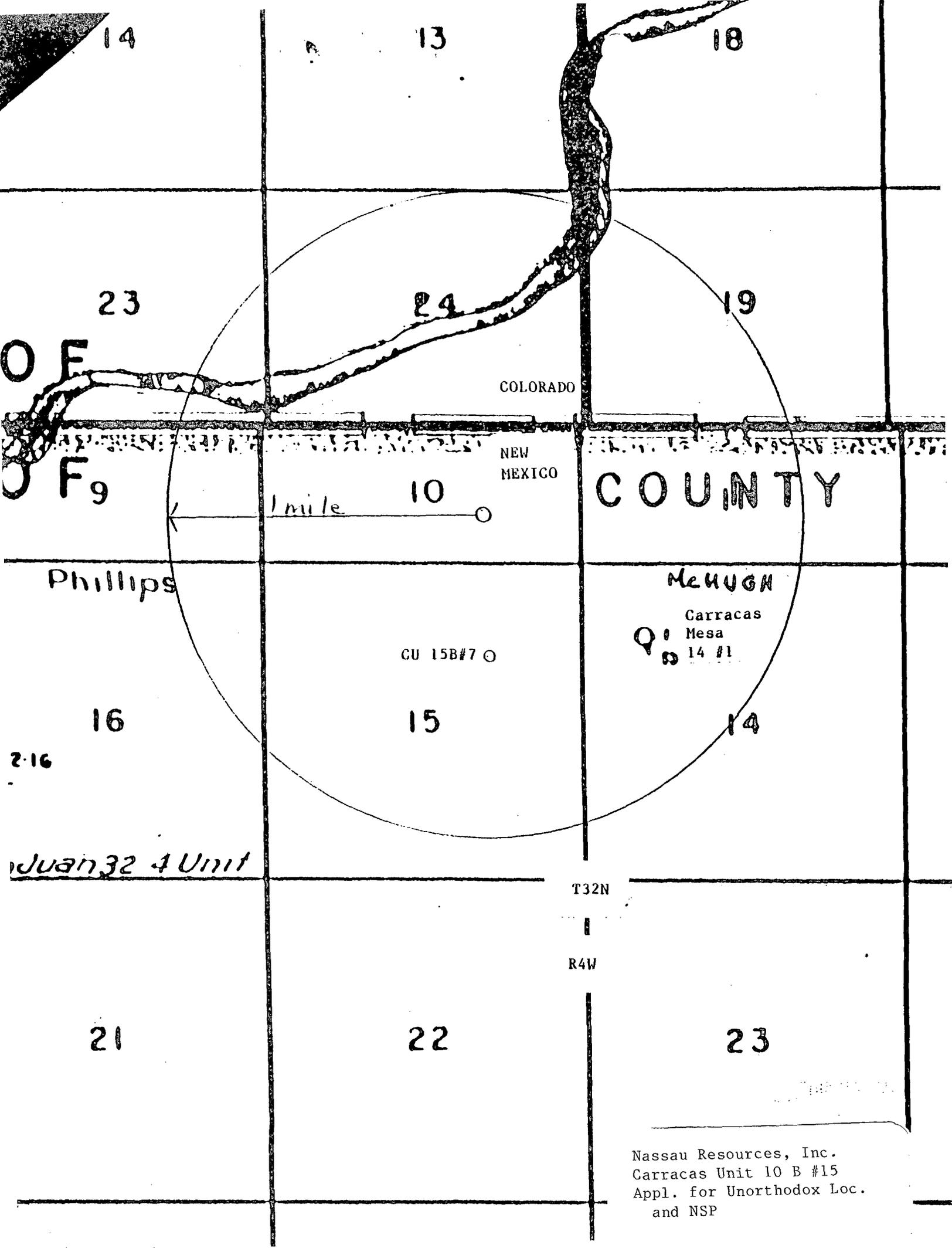


Party to the Unit:
Amoco Production Co.

Operating Affiliates:
Kindermac Partners
Jerome P. McHugh

Unleased Fee:
Sec. 9: Lots 5 & 6
Mineral rights owned by
James S. & Wanda Troxell

Nassau Resources, Inc.
Carracas Unit 10 B #15
Appl. for Unorthodox Loc.
and NSP



14

13

18

23

24

19

O F

COLORADO

NEW MEXICO

COUNTRY

F9

10

1 mile

Phillips

McHUGH

Carracas
Mesa
14 #1

CU 15B#7

16

15

14

2-16

Juan 32 4 Unit

T32N

R4W

21

22

23

Nassau Resources, Inc.
Carracas Unit 10 B #15
Appl. for Unorthodox Loc.
and NSP



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 10 B #15
Appl. for Unorthodox Loc.
and NSP

September 6, 1989

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Amoco Production Co.
Attn: J W Hawkins - Land Department, Proration Group
P O Box 800
Denver, CO 80201

RE: Application for Unorthodox Location and
Non-standard Proration Unit
Nassau Resources, Inc., Carracas Unit 10 B #15
Section 10, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Dear Mr. Hawkins:

Enclosed is a copy of the subject Application for Unorthodox
Location and Non-standard Proration Unit.

Amoco Production Co. is a party to the Nassau Resources, Inc.,
Carracas Unit; if Amoco has no objection to this application, we
request that you notify the Oil Conservation Division as soon as
possible. Please send a waiver to the attention of Michael
Stogner, New Mexico Oil Conservation Division, P O Box 2088,
Santa Fe, New Mexico 87504.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin

Enclosure

xc: NMOCD, Santa Fe, NM

September 6, 1989

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

James W. & Wanda Troxell
Star Route 3, Box 37
Pagosa Springs, CO 81147

RE: Application for Unorthodox Location and
Non-standard Proration Unit
Nassau Resources, Inc., Carracas Unit 10 B #15
Section 10, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico.

Dear Mr. & Mrs. Troxell:

Enclosed is a copy of the subject Application for Unorthodox Location and Non-standard Proration Unit. As you know, this offsets your unleased mineral rights in Lots #5 and #6 in Sec. 9, T32N, R4W. Although Kent Craig of our Denver office is negotiating with you to acquire these rights, you are still considered the offsetting mineral rights owner.

If you have no objection to this application, we request that you notify Michael Stogner, New Mexico Oil Conservation Division, P O Box 2088, Santa Fe, New Mexico 87504.

Please feel free to call if you have any questions.

Thank you,

Fran Perrin

Fran Perrin

Enclosure

xc: NMOCD, Santa Fe, NM



OIL CONSERVATION DIVISION
RECEIVED

'89 OCT 12 AM 8 30

Amoco Production Company

Denver Region
1670 Broadway
P.O. Box 800
Denver, Colorado 80201
303-830-4040

October 5, 1989

Michael Stogner
New Mexico Oil Conservation Division
PO Box 2088
Santa Fe, NM 87504

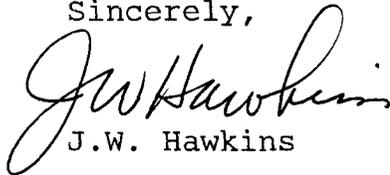
File: NWA-691-986.511

Dear Mr. Stogner:

Waiver of Objection to Nassau Resources, Inc. Application
for Unorthodox Location and Non-Standard Proration Unit
Carracas Unit 10B No. 15
Section 10-T32N-R4W
Rio Arriba County, New Mexico

Amoco Production Company has no objection to the above
referenced application by Nassau Resources, Inc. for the
Carracas Unit 10B No. 15 well as proposed.

Sincerely,



J.W. Hawkins

JWH/ae

cc: F. Perrin
Jerome P. McHugh and Associates
PO Box 809
Farmington, NM 87499

J.L. Spitler - Building



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

1000 RIO BRAZOS ROAD
 AZTEC, NEW MEXICO 87410
 (505) 334-6178

OIL CONSERVATION DIVISION
 BOX 2088
 SANTA FE, NEW MEXICO 87501

RECEIVED

DATE 7-21-87

SFD 2 5 1000

RE: Proposed MC _____
 Proposed DHC _____
 Proposed NSL _____
 Proposed SWD _____
 Proposed WFX _____
 Proposed PHX _____

Gentlemen:

I have examined the application dated 7-11-87
 for the NASSAU RES. INC. - CARRACAS JOB #15 0-10-32N-4W
 Operator Lease and Well No. Unit, Block

and my recommendations are as follows:

Approve

Yours truly,

E. Buel