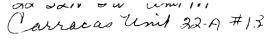


STATE OF NEW MEXICO





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

April 11, 1989

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

Attention: Fran Perrin:

Amended Administrative Order NSL-2580

Dear Ms. Perrin:

Reference is made to your application of February 13, 1989 to amend Division Administrative Order NSL-2580 to include the Basin-Fruitland Coal (Gas) Pool. Said NSL-2580, dated September 20, 1988, authorized a non-standard gas well location for the Carracas Unit 22-A Well No. 13 to be drilled 620 feet from the South line and 540 feet from the West line (Unit M) of Section 22, Township 32 North, Range 5 West, NMPM, to test the Undesignated Cottonwood Fruitland Pool, Rio Arriba County, New Mexico, the SW/4 of said Section 22 to be dedicated to said well forming a standard 160-acre gas spacing and proration unit for said pool.

By authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, the above-described well is hereby approved as an unorthodox coal gas well location. The W/2 of said Section 22 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool. Furthermore, other provisions of the original order shall remain in full force and effect until further notice.

Sincerely,

William J. LeMa

Director

WJL/MES/ag

Oil Conservation Division - Aztec

New Mexico Oil & Gas Engineering Committee - Hobbs

US Bureau of Land Management - Farmington

REGERVED

APR1 3 1989

OIL CON. DIV

DIST. 3



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
DATE 2-15-89
RE: Proposed MC
Gentlemen:
I have examined the application dated $\frac{\sqrt{3-89}}{}$
for the Museum Resource Lease and Well No. Unit, S-T-R
and my recommendations are as follows:
App rove
· · · · · · · · · · · · · · · · · · ·
Yours truly,
Fruit Burel

FEB1 3 1989

OIL CON. DIV

DIST. 3

February 10, 1989

New Mexico Oil Conservation Division ATTN: Mike Stogner P. O. Box 2088

Santa Fe, New Mexico 87504

Administrative Order # NSL-2580

Nassau Resources, Inc. Carracas Unit 22 A #13 620' FSL - 540' FWL

Sec. 22, Township 32 North, Range 5 West, NMPM

Rio Arriba County, New Mexico

Gentlemen:

The above referenced Administrative Order granted approval of a gas well location in the Undesignated Cottonwood-Fruitland Pool.

We hereby request that order be amended to grant approval to test the Basin Fruitland Coal Pool. The Application for Permit to Drill was submitted to the Bureau of Land Management on August 4, 1988; it is not approved yet.

Attached is a copy of the C-102 plat for the Basin Fruitland Coal Pool.

All offsetting operators, as indicated on the attached Revised Lease Plat, have been notified of this application by certified mail.

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

Respectfully submitted.

Fran Penin

Fran Perrin

Attachments

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

CM

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

/ ... н. о. вех 2000 2...NTA FE, NEW MEXICO 87501

form C-102 Navisad 14-1-74

All distances must be from the outer boundaries of the Bection rerelet Nassau Resources, Inc. Carracas Unit 22 A all Leller Section Tawnship County 22 32 Horth 5 West Rlo Arriba itual Footage Location of Wells feet from the line and West feet from the ound Level Clay. Producing Formation Paol 7022 Fruitland Basin Fruitland Coal 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one Icase is dedicated to the well, outline each and identify the ownership thereof (both an to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the wall, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc? Yes. Il 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 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, climinating such interests, has been approved by the Division. CERTIFICATION Kindermac Partners I hereby certify that the information contained herein is tive and complete to the best of my knowledge and belief. Fran Perrin Position Admin. Asst. Nassau Resources, Inc. Dele 12/8/88 SECT10N 22 June 23, 1988 Hegistered Protessional Engine 620

LEASE PLAT

Township 32 North, Range 5 West Rio Arriba County, N.M. AMOCO PRODUCTION KINDERMAC. **AMOCO PRODUCTION** UNLEASED INDERMAC COMPANY COMPANY ARTHERS **PARTNERS** 1-51-67 5-31-87 1-31-87 16 14 (22) NM-29760 **FEDERAL** NM-29341 NM - 30351 4 3035/ KINDERLAC KINDERMAC PARTHERS PAPTHERS AMOCO PRODUCTION JEROME P. Mc HUGH COMPANY 1-31-95 5-31-87 5 31-67 1-31-87 21 23 (320.00)(13) 3) (19)(6) NAC TORS! NM-29341 NM-59704 KINDERMAC KINDERMAC FARTNERS DRIGATE PRODUCTION CELESTE C. **PARTNERS** COST OF ATION GRYNBERG 5-31-87 4-30-87 2 28 BR 1.41.67 28 27 26 (32000) (7)(17)໌8` NW-54974 NM-29343 NM-300/6 NM-29342

Offsetting Operators:

Amoco Production Co.

Dugan Production Co.

Unleased Federal Minerals:

E/2 of Sec. 16, T32N, R5W

Operating Affiliates:

Kindermac Partners
Nassau Resources, Inc.