

District I - (505) 393-6161
P. O. Box 1980
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-140
Originated 11/1/95

Submit Original
Plus 2 Copies
to appropriate
District Office

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

- I. Operator: Nassau Resources, Inc. OGRID #: 015515
Address: 650 S. Cherry St., Ste. 1225, Denver, CO 80222
Contact Party: Gary J. Johnson Phone: 303-321-2111
- II. Name of Well: Carracas Canyon Unit FR #104 API #: 30-039-24479
Location of Well: Unit Letter G, 1650 Feet from the North line and 1850 feet from the East line,
Section 15, Township 32N, Range 04W, NMPM, Rio Arriba County
- III. Date Workover Procedures Commenced: 05-13-1997
Date Workover Procedures were Completed: 05-26-1997
- IV. Attach a description of the Workover Procedures undertaken to increase the projection from the Well.
- V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.
- VI. Pool(s) on which Production Projection is based: Basin Fruitland Coal

VII. AFFIDAVIT:

State of Colorado)
) ss.
County of Denver)

RECEIVED
JUN 26 1997

Gary J. Johnson, being first duly sworn, upon oath states:

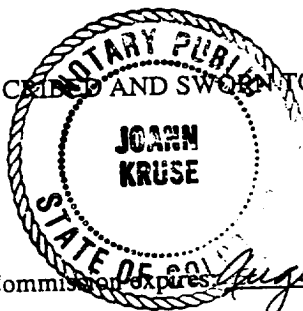
OIL CON. DIV.

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Gary J. Johnson
(Name)

Engineering Manager
(Title)

SUBSCRIBED AND SWORN TO before me this 27th day of June, 1997



Joann Kruse
Notary Public

My Commission expires August 8, 2000

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 199 Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 5/26, 1997

378
District Supervisor, District 3
Oil Conservation Division

Date: 7/3/97

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: _____

NASSAU RESOURCES, INC.

Carracas Unit 15 B #7 - NAME CHANGED TO CU FR #104

7-6-93 Checked pressures, casing 720 psi; tubing 620 psi.
Blew well and well unloaded and blew to dry gas with
casing pressure at 500 psi; tubing 400 psi.
Rigged down and moved rig.

9-12-94 Rigged up and blew down well.
Disassembled wellhead and unseated donut.
Picked up 1 jt. of tubing to tag for sand fill-up.
Found none to 3392' KB.
Laid down 2 jts. of 2-7/8" tubing.
Reassembled wellhead and rigged down.
New tubing depth at 3329' and seating nipple at 3298'.

5-13-97 Moved in & rigged up TJR rig. Blew down csg. & tbg.
Took off well head. Nippled up BOP, TOH & tallied
107 jts. of 2-7/8" tbg.
Shut down for day.

5-14-97 Checked pressures. Dropped standing valve.
TIH with tbg. pressure, testing every 10 stands to
1500 psi.
Laid down 6 jts. (187') plus seating nipple & notch
collar.
Picked up & tested 6 jts. plus SN.
Changed out tbg. due to scale.
Rigged up fish; fished standing valve.
TOH with 107 jts. 2-7/8" tbg. Laid down SN.
Picked up packer.
TIH with packer 3150', 206' above top perms.
Shut down for day.

5-16-97 Pressure tested csg. to 3500 psi & held for 10 min.
Test good. Blew down tbg.
Rigged up BJ Services to acidize & ball-off at 12:10 pm.
Pumped 1000 gal. 15% HCL & dropped 175 frac balls.
Flushed with 29 bbls. water.
Pressure break at 3400 psi. Rate 5 bbls. per min.
Shut down.

TOH with packer & rigged up isolation tool.
Started pad at 2:50 pm.
Isolation tool leaked. Shut down.
Respaced pack-off on isolation tool 18" up hole.
Restarted pad at 6:15 pm. Isolation tool held.

NASSAU RESOURCES, INC.

Carracas Unit 15 B #7 - NAME CHANGED TO CU FR #104

5-16-97 Fraced as follows with slick water (FRW-30) &
(Cont.) 12/20 Brady sand:

<u>Bbls.</u>	<u>#/gal.</u>	<u>Rate (BPM)</u>	<u>Pressure</u>
1661	Pad	12-37	3750-4140
254	0.5	37-41	4140-4170
550	1.0	41-50.5	4170-3870
325	1.5	50.5	3870-3760
225	2.0	50.5	3760-3800
67	Flush	37	3800

Total load to recover 3015 Bbls.

69,300# of 12/20 sand pumped.

ISIP = 3015 psi; 5 min. SI 2780 psi; 10 min. SI 2540 psi;
 15 min. SI 2380 psi.

Rigged down isolation tool.

SI over night at 7:59 pm.

5-17-97 Opened to rig pit at 10 AM (1200 psi on csg.) thru 0.250" choke. Blew down to zero by 5:00 pm.

5-19-97 Checked pressure. TIH with 2-7/8" tbg. - o -
 Tagged fill at 3109' with 421' of fill.
 Circulated fill, cleaned out to 3486'.
Landed tbg. at 3357'.
 Took off BOP & nipped up well head.
 Shut in well. Shut down for day.

5-20-97 Rigged up to swab.

<u>No. of Runs</u>	<u>Time</u>	<u>Press. on Annulus</u>
4	9:00 am	zero
10	11:00 am	zero
15	1:00 pm	20 psi
20	3:00 pm	100 psi
26	4:30 pm	210

Total fluid swabbed - 290 bbls. on 26 runs.

Pressure at 5:00 pm - 220 psi on csg., zero on tbg.

SI over night at 5:00 pm.

5-21-97 At 8:00 am, 510 psi on csg. & 50 psi on tbg.

<u>No. of Runs</u>	<u>Time</u>	<u>Press. on Annulus</u>
1	8:30 am	510-300 Logged off
2-5	10:00 am	400-300 Flow time 5 min. increased to 15
6-12	1:00 pm	400-300 Flow time 11 min.
12-16	4:00 pm	400-300 Flow time 15 min.

NASSAU RESOURCES, INC.
Carracas Unit FR #104

- 5-22-97 8:00 AM 730 psi on csg. & 40 psi on tbg.
 Kicked off on first run.
 Logged off with 520 psi on csg. & 80 psi on tbg. after 30
 min. flow (20 min. to pit & 10 min. to tank) thru 3/8"
 choke.
 Made 16 total swab runs & well came in after first 5
 runs; csg. pulled down to 220 psi.
 On runs 7 thru 14 well did not flow.
 On runs 15 & 16 well flowed for 5 min.
 Total fluid recovered 80 bbls.
 Well shut in at 220 psi.
- 5-23-97 8:00 AM 730 psi on csg. & 130 psi on tbg.
 Kicked off on first run. Logged off with 480 psi on csg.
 after 25 min. (5 min. to rig pit & 20 to tank).
 Swabbed till 5:00 PM. Csg. = 220 psi.
 Well would flow 5 to 10 min. after each run.
 Recovered 85 bbls. water in 15 runs.
 SI over night.
- 5-26-97 Rigged down swab unit, plumbed in well head & moved.

Page No.: 1

Print Time: Mon Jun 23 15:16:16 1997

Property ID: 26

Property Name: CARRACAS UNIT FR | 104 | NASSAU RESOURCES INC

Table Name: C:\ARIES\CARRACAS\PRODUCT.DBF

--DATE--	-----OIL----- Bbl	-----GAS----- Mcf	---WATER--- Bbl	-----GOR----- Scf/Bbl	-----YIELD-----	---WTRCUT---
10/31/89	0	21283	118	0.000	0.000	100.000
11/30/89	0	17569	557	0.000	0.000	100.000
12/31/89	0	20800	484	0.000	0.000	100.000
01/31/90	0	15192	184	0.000	0.000	100.000
02/28/90	0	10066	0	0.000	0.000	0.000
03/31/90	0	14141	42	0.000	0.000	100.000
04/30/90	0	17695	492	0.000	0.000	100.000
05/31/90	0	12884	94	0.000	0.000	100.000
06/30/90	0	11391	0	0.000	0.000	0.000
07/31/90	0	16019	549	0.000	0.000	100.000
08/31/90	0	15541	447	0.000	0.000	100.000
09/30/90	0	12164	384	0.000	0.000	100.000
10/31/90	0	17421	304	0.000	0.000	100.000
11/30/90	0	9093	279	0.000	0.000	100.000
12/31/90	0	11345	359	0.000	0.000	100.000
01/31/91	0	10638	368	0.000	0.000	100.000
02/28/91	0	8453	306	0.000	0.000	100.000
03/31/91	0	9504	346	0.000	0.000	100.000
04/30/91	0	8487	321	0.000	0.000	100.000
05/31/91	0	8611	367	0.000	0.000	100.000
06/30/91	0	7824	259	0.000	0.000	100.000
07/31/91	0	6593	156	0.000	0.000	100.000
08/31/91	0	3546	43	0.000	0.000	100.000
09/30/91	0	3790	2	0.000	0.000	100.000
10/31/91	0	2636	2	0.000	0.000	100.000
11/30/91	0	2261	73	0.000	0.000	100.000
12/31/91	0	1638	49	0.000	0.000	100.000
01/31/92	0	476	0	0.000	0.000	0.000
02/29/92	0	545	0	0.000	0.000	0.000
03/31/92	0	271	0	0.000	0.000	0.000
04/30/92	0	183	0	0.000	0.000	0.000
05/31/92	0	1182	559	0.000	0.000	100.000
06/30/92	0	2641	459	0.000	0.000	100.000
07/31/92	0	1823	175	0.000	0.000	100.000
08/31/92	0	610	0	0.000	0.000	0.000
09/30/92	0	191	0	0.000	0.000	0.000
10/31/92	0	206	0	0.000	0.000	0.000
06/30/93	0	1507	37	0.000	0.000	100.000
07/31/93	0	3213	25	0.000	0.000	100.000
08/31/93	0	1988	48	0.000	0.000	100.000
09/30/93	0	2453	112	0.000	0.000	100.000
10/31/93	0	2211	115	0.000	0.000	100.000
11/30/93	0	2224	111	0.000	0.000	100.000
12/31/93	0	2057	98	0.000	0.000	100.000
01/31/94	0	2029	105	0.000	0.000	100.000
02/28/94	0	1221	99	0.000	0.000	100.000
03/31/94	0	1205	86	0.000	0.000	100.000
04/30/94	0	1272	84	0.000	0.000	100.000

Page No.: 2

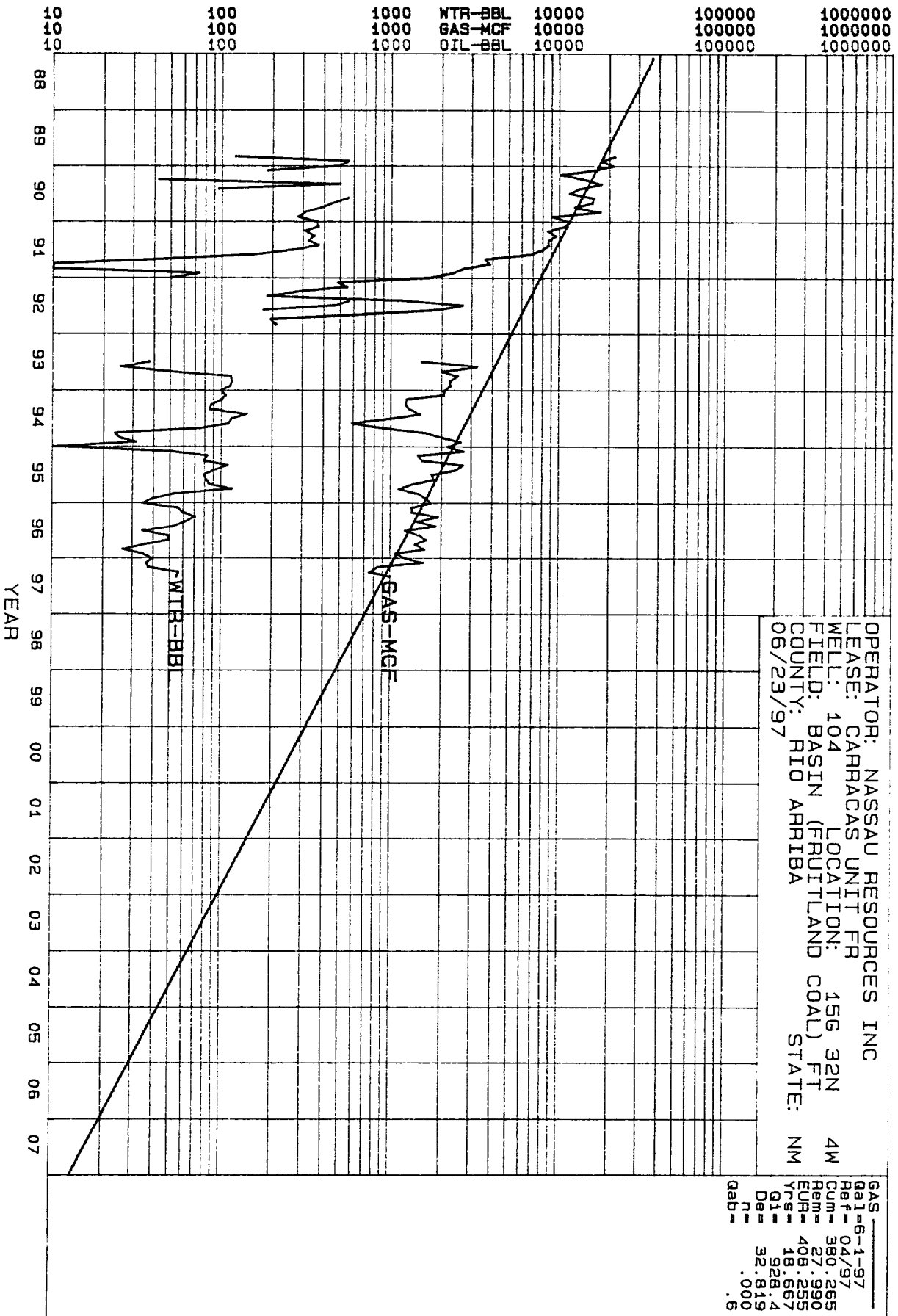
Print Time: Mon Jun 23 15:16:17 1997

Property ID: 26

Property Name: CARRACAS UNIT FR | 104 | NASSAU RESOURCES INC

Table Name: C:\ARIES\CARRACAS\PRODUCT.DBF

--DATE--	-----OIL----- Bbl	-----GAS----- Mcf	---WATER--- Bbl	-----GOR----- Scf/Bbl	-----YIELD-----	---WTRCUT---
05/31/94	0	1474	140	0.000	0.000	100.000
06/30/94	0	976	113	0.000	0.000	100.000
07/31/94	0	585	108	0.000	0.000	100.000
08/31/94	0	897	73	0.000	0.000	100.000
09/30/94	0	1593	23	0.000	0.000	100.000
10/31/94	0	2010	25	0.000	0.000	100.000
11/30/94	0	2581	31	0.000	0.000	100.000
12/31/94	0	2143	8	0.000	0.000	100.000
01/31/95	0	2679	50	0.000	0.000	100.000
02/28/95	0	1437	82	0.000	0.000	100.000
03/31/95	0	1524	78	0.000	0.000	100.000
04/30/95	0	2668	108	0.000	0.000	100.000
05/31/95	0	2386	89	0.000	0.000	100.000
06/30/95	0	1726	78	0.000	0.000	100.000
07/31/95	0	1802	81	0.000	0.000	100.000
08/31/95	0	1326	85	0.000	0.000	100.000
09/30/95	0	1105	115	0.000	0.000	100.000
10/31/95	0	1447	52	0.000	0.000	100.000
11/30/95	0	1607	39	0.000	0.000	100.000
12/31/95	0	1719	34	0.000	0.000	100.000
01/31/96	0	1315	55	0.000	0.000	100.000
02/29/96	0	1335	59	0.000	0.000	100.000
03/31/96	0	1904	70	0.000	0.000	100.000
04/30/96	0	1418	61	0.000	0.000	100.000
05/31/96	0	1835	52	0.000	0.000	100.000
06/30/96	0	1207	34	0.000	0.000	100.000
07/31/96	0	1475	48	0.000	0.000	100.000
08/31/96	0	1617	49	0.000	0.000	100.000
09/30/96	0	1381	35	0.000	0.000	100.000
10/31/96	0	1581	26	0.000	0.000	100.000
11/30/96	0	1062	34	0.000	0.000	100.000
12/31/96	0	1219	39	0.000	0.000	100.000
01/31/97	0	1554	36	0.000	0.000	100.000
02/28/97	0	836	37	0.000	0.000	100.000
03/31/97	0	748	56	0.000	0.000	100.000
04/30/97	0	988	54	0.000	0.000	100.000



Form C-140	Application for Qualification of Well Workover Project						
	and Certification of Approval						
Attachment 1	Tabulation of Estimated Well Production						
Nassau Resources, Inc.							
OGRID # 015515							
C-140 Application							
Carracas Unit FR 104							
API # 30-039-24479 G-15-32N-04	Rio Arriba County, NM						
	Projected		Projected		Projected		Projected
DATE	Production	DATE	Production	DATE	Production	DATE	Production
	MCFM		MCFM		MCFM		MCFM
01-97		01-00	310	01-03	94	01-06	30
02-97		02-00	281	02-03	83	02-06	30
03-97		03-00	291	03-03	88	03-06	30
04-97		04-00	272	04-03	83	04-06	30
05-97	900	05-00	255	05-03	83	05-06	30
06-97	843	06-00	255	06-03	77	06-06	30
07-97	843	07-00	246	07-03	77	07-06	30
08-97	815	08-00	230	08-03	75	08-06	30
09-97	763	09-00	230	09-03	70	09-06	30
10-97	762	10-00	216	10-03	70	10-06	30
11-97	713	11-00	216	11-03	66	11-06	30
12-97	713	12-00	850	12-03	66	12-06	30
01-98	689	01-01	209	01-04	63	01-07	30
02-98	603	02-01	183	02-04	57	02-07	30
03-98	647	03-01	196	03-04	59	03-07	30
04-98	605	04-01	184	04-04	55	04-07	30
05-98	605	05-01	183	05-04	55	05-07	30
06-98	566	06-01	172	06-04	52	06-07	30
07-98	566	07-01	172	07-04	52	07-07	30
08-98	547	08-01	166	08-04	50	08-07	30
09-98	512	09-01	155	09-04	47	09-07	30
10-98	512	10-01	155	10-04	47	10-07	30
11-98	479	11-01	145	11-04	44	11-07	30
12-98	479	12-01	145	12-04	44	12-07	30
01-99	463	01-02	140	01-05	43	01-08	30
02-99	405	02-02	123	02-05	37	02-08	30
03-99	434	03-02	132	03-05	40	03-08	30
04-99	407	04-02	123	04-05	37	04-08	30
05-99	406	05-02	123	05-05	37	05-08	30
06-99	380	06-02	115	06-05	35	06-08	30
07-99	380	07-02	115	07-05	35	07-08	30
08-99	368	08-02	111	08-05	34	08-08	30
09-99	344	09-02	104	09-05	32	09-08	30
10-99	344	10-02	104	10-05	32	10-08	30
11-99	322	11-02	98	11-05	30	11-08	30
12-99	322	12-02	98	12-05	30	12-08	30