

Attn: Charlie
NASSAU

NSL 4/17/00
Nassau Resources, Inc.
650 South Cherry, Suite 1225
Denver, Colorado 80222-1894
(303) 321-2111 FAX (303) 321-1563

March 23, 2000

Michael Stogner
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 26A #4
1003' FNL, 778' FWL Section 26, T32N R05W NMPM
Rio Arriba County, NM



Dear Mr. Stogner:

Nassau Resources, Inc. hereby requests administrative approval for an unorthodox location for the captioned well based upon topographic conditions and Carson National Forest Requirements.

As indicated on the attached topographic map, the terrain in the standard location is extremely rough. The Carson National Forest, as indicated on the attached letter, requires the well to be drilled at the proposed location to prevent disturbing new surface area. The proposed location is on the site of a well that has been plugged and abandoned and the surface is already disturbed.

Nassau Resources, Inc. is the operator of this and all offsetting leases. Working Interest Owners of offsetting leases are BP Amoco and McHugh Companies. Nassau Resources is the operating affiliate for McHugh Companies and as such, notification of McHugh is an internal matter. BP Amoco has been notified of this request by certified mail (copies attached). Also attached are the C-102 and lease plats.

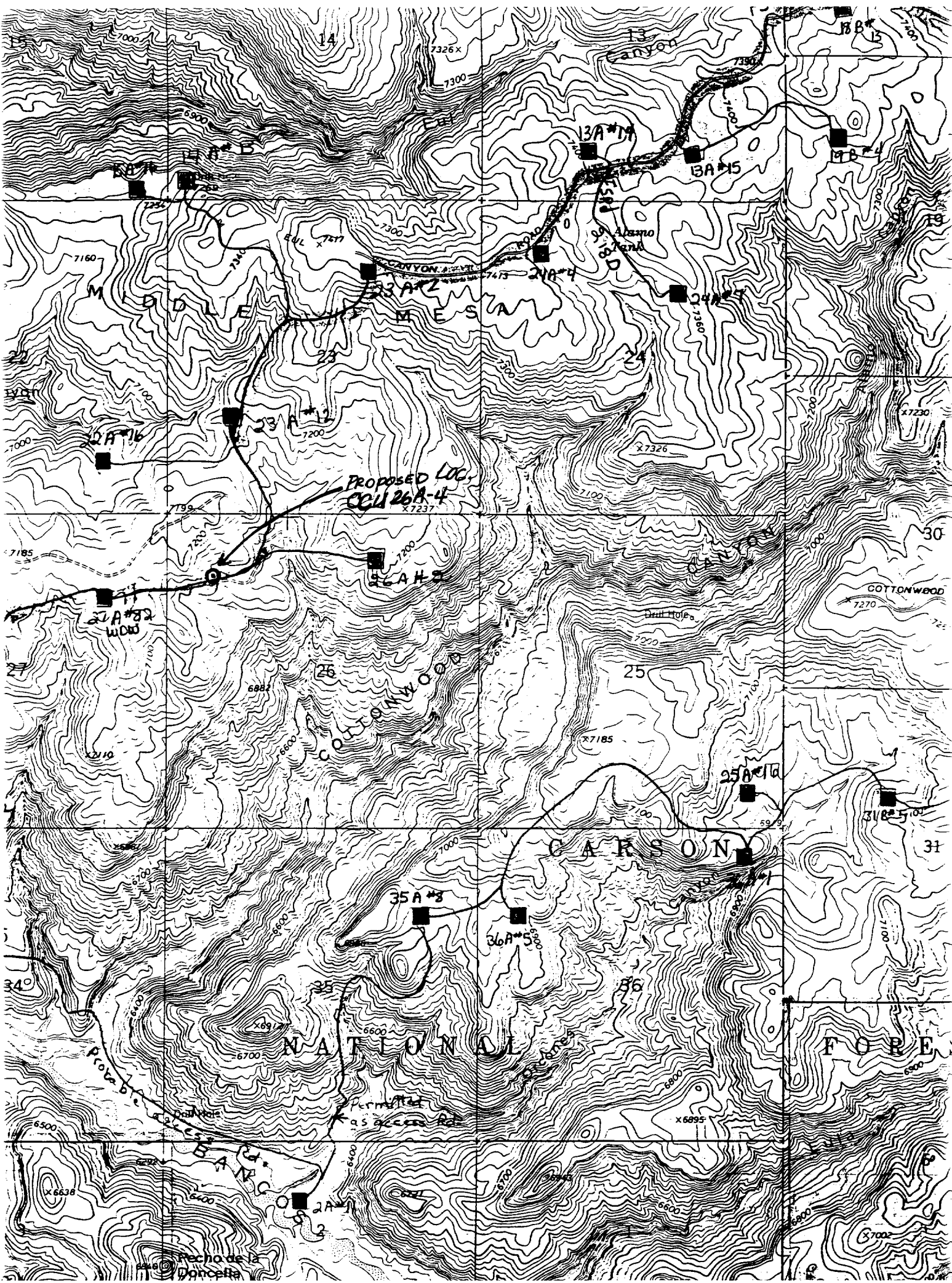
If you have any questions on this application, please advise.

Sincerely,

Gary J. Johnson

Gary J. Johnson
Engineering Manager

C+P OK



District I
PO Box 1920, Hobbs, NM 88241-1920
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088 JAN 12 AM 8:32
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

070 FARMINGTON, NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code	⁵ Property Name Carracas Unit 26 A	⁶ Well Number 4
⁷ OGRID No. 015515	⁸ Operator Name Nassau Resources, Inc.	⁹ Elevation 7108'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	26	32N	SW	D	1003	North	778	West	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 NM-29342 McHugh Companies - 100%	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <i>Fran Perrin</i> Signature Fran Perrin Printed Name Regulatory Liaison Title 1-7-00 Date ¹⁸ 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 belief. November 18, 1999 Date of Survey Signature and Seal of Professional Surveyor: <i>Edgar L. Risenhoover</i> Edgar L. Risenhoover Professional Surveyor New Mexico Certificate Number 5979
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R 5 W

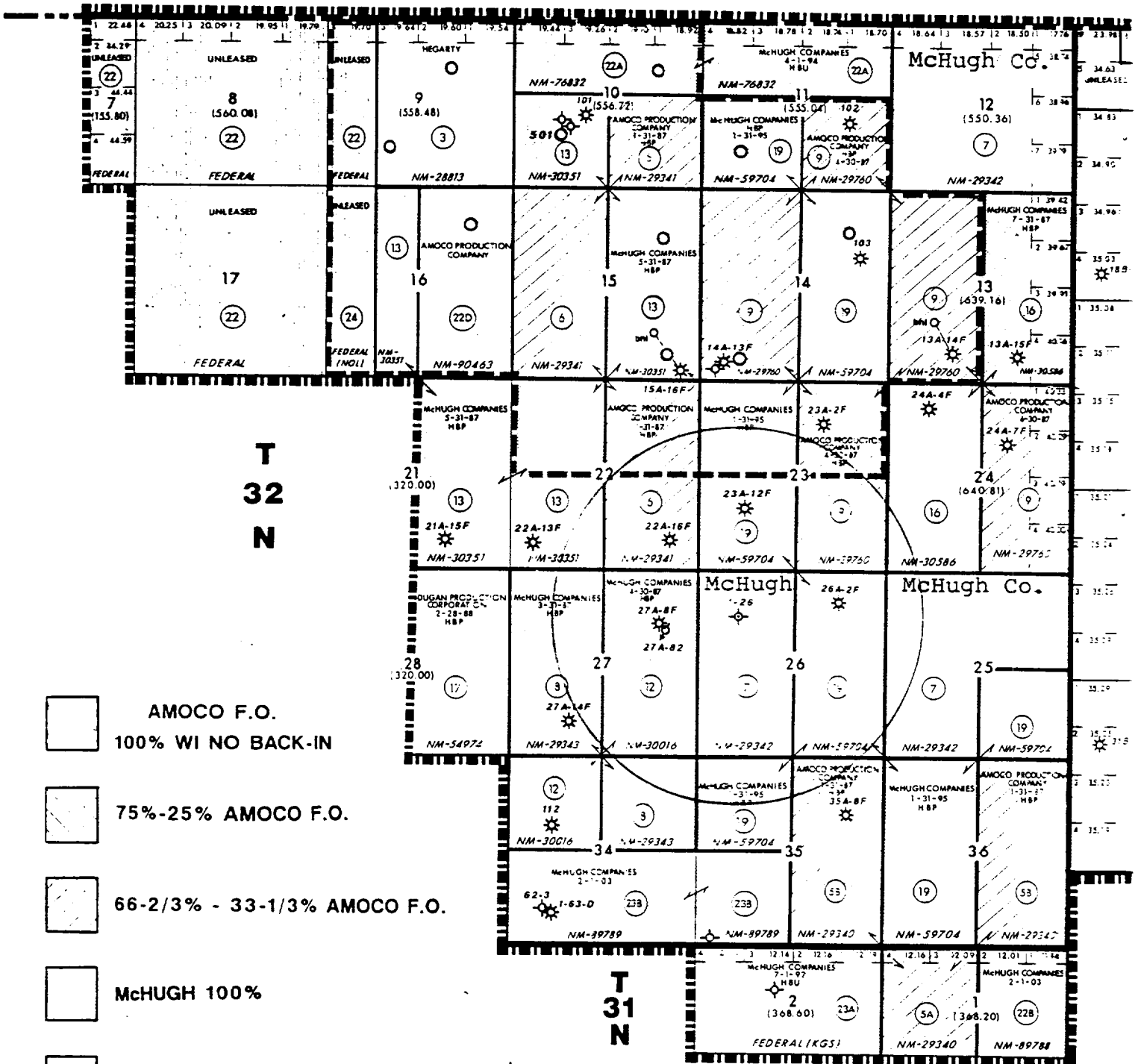
T
32
N

T
31
N

R 5 W

-  AMOCO F.O.
100% WI NO BACK-IN
-  75%-25% AMOCO F.O.
-  66-2/3% - 33-1/3% AMOCO F.O.
-  McHUGH 100%
-  UNLEASED FEDERAL LANDS

-  DAKOTA PROSPECT OUTLINE
-  POTENTIAL DAKOTA LOCATIONS
-  PROPOSED DAKOTA LOCATION





United States
Department of
Agriculture

Forest
Service

Southwestern Region 3
Carson National Forest
Jicarilla Ranger District

664 East Broadway
Bloomfield, New Mexico 87413
905-632-2956
FAX 505-632-3173

File Code: 2820
Date: 3/15/00

Gary

Nassau Resources
Fran Perrin
POB 809
Farmington, NM 87499

RE: Unorthodox location for well: Carracas Unit 26A #4

Dear Ms. Perrin,

The Jicarilla Ranger District, Carson National Forest is requesting you apply for an unorthodox location as follows, as discussed by your company representative and Camela Hoooley of this office:

Well name, T32N R5W Sec.26, 1003'FNL/778'FWL

The mineral operator is required to comply with other applicable regulations such as the Endangered Species Act and the Archeological Resources Protection Act under 36CFR228.112(c). The operator is also required under 36CFR228.108(c) to minimize or prevent damage to surface resources. The Carson National Forest Management Plan states that surface resource impacts will be minimized when administering mineral resources.

The following conditions apply which require an unorthodox location:

☐ Archeological resources prevent locating the well in an orthodox location.

☒ Topography prevents locating the well in an orthodox location. The entire SW quarter section is very steep with no roads.

☐ Threatened/endangered species concerns prevent locating the well in an orthodox location.

☒ Prevention of unnecessary resource damage requires the location be unorthodox. (Such as a previously disturbed area or existing road available outside the drilling window.)

Thank you for your cooperation in this matter.


Mark S. Catron
District Ranger



Nassau Resources
Farmington, NM

MAR 20 2000

RECEIVED

Caring for the Land and Serving People

Printed on Recycled Paper



Township 32 N Range 5 W County Rio Arriba State NM

		Tram.					
			NM-29341 E/2 McHugh Co. 66.67%	NM-29704 W/2 McHugh Co. 100%	NM-29760 E/2 McHugh 66.67%	NM-30586 W/2 McHugh 100%	
			22 BP Amato 33.33%		23 BP Amato 33.33%	24	
			NM-30016 E/2 McHugh Co. 100%	25 An W/2 NM-29342 McHugh Co. 100%	NM-29704 E/2 McHugh Co. 100%	NM-29342 McHugh Co. 100% E/2, NE/4	
			27	26		25	
			NM-29343 NE/4 McHugh 100%	NM-29704 NW/4 McHugh Co. 100%	NM-29343 E/2 McHugh 66.67%	NM-29704 McHugh Co. 100% W/2	
			34	35	BP Amato 33.33%	36	

NASSAU

Nassau Resources, Inc.
650 South Cherry, Suite 1225
Denver, Colorado 80222-1894
(303) 321-2111 FAX (303) 321-1563

March 23, 2000

BY CERTIFIED MAIL

BP Amoco
Attn: Max Eddington
501 Westlake Park Blvd.
P. O. Box 3092
Houston, TX 77253-3092

Re: Application for Administrative Approval
Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 26A #4
1003' FNL, 778' FWL Section 26, T32N R05W NMPM
Rio Arriba County, NM

Gentlemen:

Nassau Resources, Inc. has submitted the attached Application for Administrative Approval for an Unorthodox Location for the subject well. If you have any objections, please notify Mr. Michael Stogner at the NMOCD in writing within 20 days of receiving this notice.

Thank you for your attention to this matter.

Sincerely,



Gary J. Johnson
Engineering Manager

Is your RETURN ADDRESS completed on the reverse side

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

non-standard location

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

BP Amoco
Attn: Max Eddington
501 Westlake Park Blvd.
P. O. Box 3092
Houston, TX 77253-3092

4a. Article Number

Z 451 405 858

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

102595-97-B-0179

Domestic Return Receipt

Thank you for using Return Receipt Service.

TO

BP Amoco
Attn: Max Eddington
501 Westlake Park Blvd.
P. O. Box 3092
Houston, TX 77253-3092

FIRST CLASS MAIL

NASSAU RESOURCES, INC.
450 SOUTH CHERRY STREET, SUITE 1225
DENVER, COLORADO 80246
(303) 321-2111 FAX (303) 321-1563

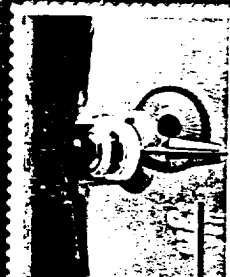
PS Form 3800, April 1995

Z 451 405 858

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail (See reverse)

Send to:	
B. P. AMOCO	
P.O. Box 3092	
Houston, TX 77253-3092	
Postage	\$.55
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date & Addressee's Address	
TOTAL Postage & Fees	\$ 3.20
Postmark or Date	3-23-2000
NSL 264-4	



CERTIFIED

Fold at line over top of envelope to the right of the return address

Z 451 405 858