

August 15, 1989

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

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AUG 16 1989

CONSERVATION DIV.
SANTA FE

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 14 B #10
1810' FSL - 2310' FEL
Sec. 14, 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 Carson National Forest guidelines for development.

Due to wildlife habitat, the Jicarilla Ranger District has been working closely with Nassau to place locations and roads in this Frijoles Canyon area. Attached is a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest indicating their general guidelines for development. Also, the heavy concentration of archeological sites has restricted the placement of the well location.

This well is in Nassau's Carracas Unit. Lou Deane Montoya, owner of unleased mineral rights in the SW/4 of Section 14 and the NW/4 of Section 23, has been notified of this application by certified mail. Amoco Production Co., a party to the unit has also been notified by certified mail. Kindermac Partners is an operating affiliate with Nassau Resources, Inc. and has been notified of the application.

Also attached are the C-102 plat, lease 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
Kindermac Partners
Amoco Production Co.
Lou Deane Montoya

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



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



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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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 14 B		Well No. 10
Unit Letter J	Section 14	Township 32 North	Range 4 West	County NMPM	Rio Arriba
Actual Footage Location of Well:					
1810 feet from the South line and		2310 feet from the East line			
Ground level Elev. 6696	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 320.0 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation Will be consolidated

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.

Nassau Resources, Inc.
Carracas Unit 10 B #14

Appl. for Unorthodox Loc.

SECTION 14

Kindermac Partners
Fee Lease

NM 28812

Amoco Production Co. 100%



2310'

1810'

Released
Fee

OPERATOR CERTIFICATION

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

Signature

Printed Name

James S. Hazen

Position

Field Supt.

Company

Nassau Resources, Inc.

Date

7/31/89

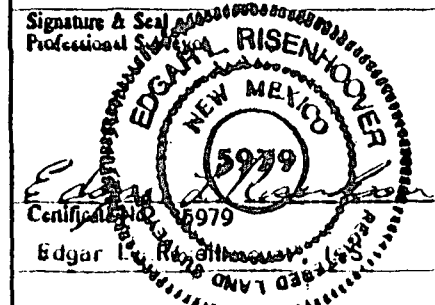
SURVEYOR CERTIFICATION

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

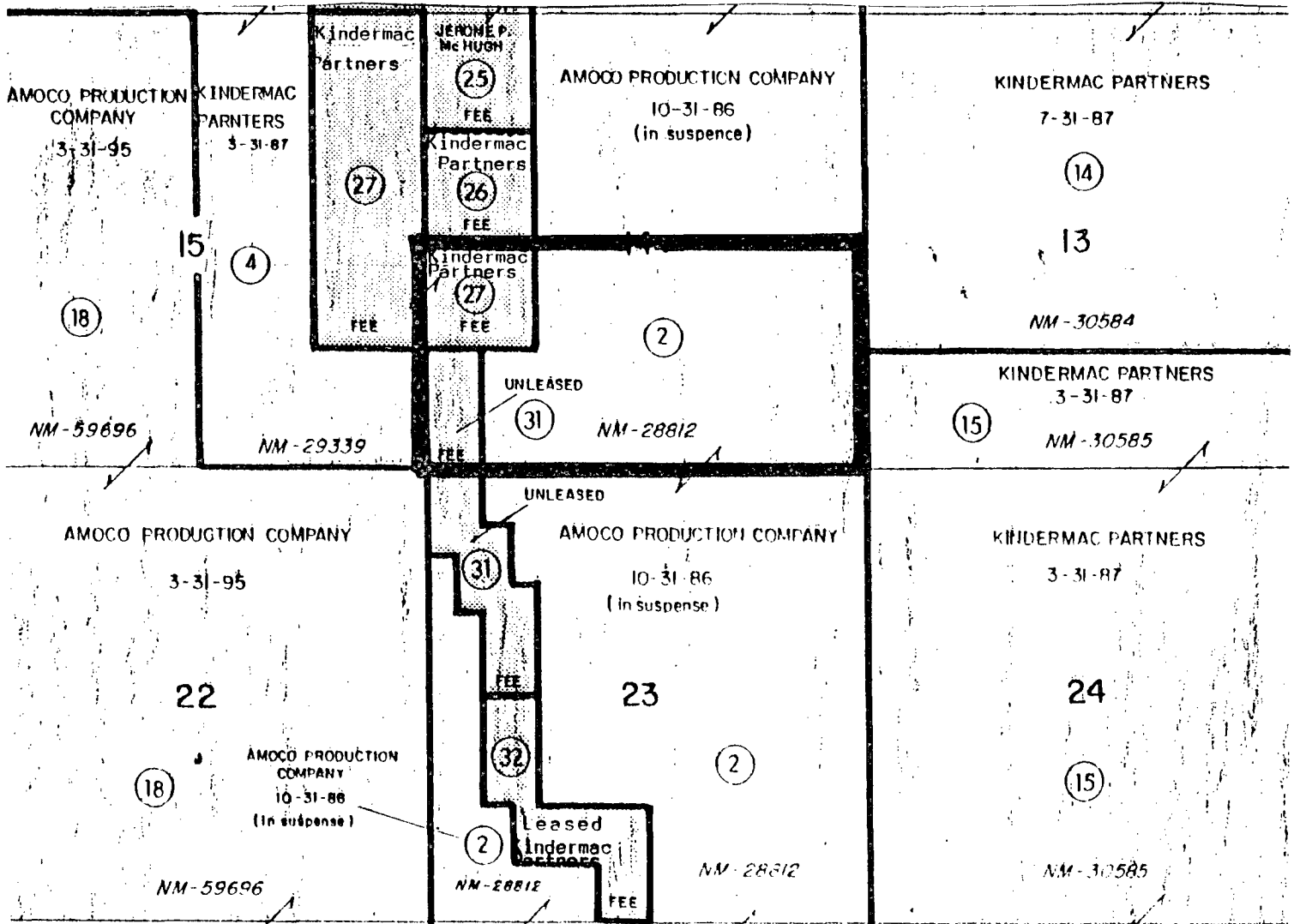
July 26, 1989

Signature & Seal
Professional Surveyor



LEASE PLAT

Township 32 North, Range 4 West, NMPM, Rio Arriba County, NM



Party to the Unit:
Amoco Production Co.

Operating Affiliate:
Kindermac Partners

Unlease Fee:
Parcel #31 (W/2 SW/4 of Sec. 14 &
a portion of NW/4 of Sec. 23)
Mineral rights owned by J.C. Montoya
A/K/A Carlos Montoya, dec. &
Lou Deane Montoya
2258 21st Ave.
San Francisco, CA 94116

COLO.

N.M.

COUNTY

10

19

20

12

Proposed CU 11 B #15

McHUGH

Q1
n

Carracas Mesa 14 #1

14

1 mile

15

13

Proposed CU 13 B #11

22

Proposed CU 23 B #8

23

24

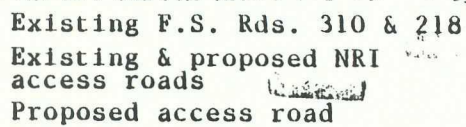
T32N

R4W

27

26

NASSAU RESOURCES, INC.
Carracas Unit 14 B #10
Exhibit H



Appl. for Unorthodox Loc.

August 15, 1989

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Lou Deane Montoya
2258 21st Ave.
San Francisco, CA 94116

RE: Application for Unorthodox Location
Nassau Resources, Inc., Carracas Unit 14 B #10
Section 14, T32N, R4W, NMPM
Rio Arriba County, New Mexico.

Dear Ms. Montoya:

Enclosed is a copy of the subject Application for Unorthodox Location. As you know, this offsets your unleased mineral rights in the SW/4 of Sec. 14 and the NW/4 of Sec. 23, 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

Enclosure

xc: NMOCN, Santa Fe, NM



Amoco Production Company

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

August 21, 1989

Michael Stogner
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504

File: NWA-133-986.511

Dear Mr. Stogner:

Waiver of Objection to Nassau Resources Inc.
Application for Unorthodox Location
Carracas Unit 14 B No. 10
Section 14-T32N-R4W
Rio Arriba County, New Mexico

Amoco Production Company has no objection to the above referenced application by Nassau Resources Inc. for the unorthodox location for the Carracas Unit 14 B No. 10 well as proposed.

Sincerely,

J. W. Hawkins

JWH/tle

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

J. L. Spitler - Building

LTR841

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OIL CONSERVATION DIV.
SANTA FE



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

GARREY CARRUTHERS
GOVERNOR

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

Date: 8-17-89

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

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AUG 21 1989

OIL CONSERVATION DIV.
SANTA FE

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 8-16-89
for the NASSAU RESOURCES, INC. CARRIACAS UNIT 14B #10
Operator Lease & Well No.

J-14-32N-4W and my recommendations are as follows:
Unit, S-T-R

Approve

Yours truly,

Garrey Carruthers