



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

December 6, 1989

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

Attention: James S. Hazen

*Administrative Order NSL-2724*

Dear Mr. Hazen:

Reference is made to your application of September 20, 1989 for a non-standard coal gas well location for your Carracas Unit 11 "B" Well No. 15 to be located 600 feet from the South line and 1590 feet from the East line (Unit O) of Irregular Section 11, Township 32 North, Range 4 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico. Lots 5, 6, 7 and 8 and the S/2 S/2 of said Section 11 shall be dedicated to the well forming a standard 269.92-acre gas spacing and proration unit for said pool.

By the 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 unorthodox coal gas well location is hereby approved.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. LeMay".

William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec  
New Mexico Oil & Gas Engineering Committee - Hobbs  
US Bureau of Land Management - Farmington  
US Forest Service - Blanco