

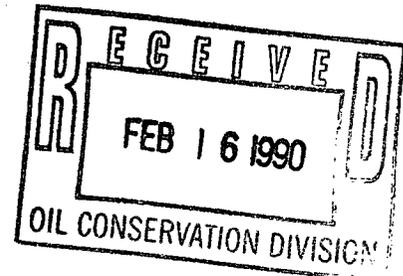
February 14, 1990

*Pls see Case 9905
4/4/90
Hearings*

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

Received 2/16/90

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #3
920' FNL - 1850' FWL
Sec. 25, T32N, R4W, NMPM
Rio Arriba County, N. M.



Gentlemen:

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

As indicated by the attached topographic map, the terrain in this section is extremely rough and no other drill sites are feasible which meet Forest Service approval. Rugged terrain and heavy cultural resources in this area have limited placement.

This well is in Nassau's Carracas Unit. Amoco Production Co. is a party to the unit and has been notified of this application by certified mail. Sections 19 and 30 of T32N, R3W, are unleased Jicarilla Indian minerals and the Jicarilla Agency of the Bureau of Indian Affairs has been notified of this application. Kindermac Partners is an operating affiliate with Nassau.

Also attached are the C-102 plat, lease plat, production map, and a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest.

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

Respectfully submitted,

Fran Perrin

Fran Perrin
Admin. Asst.
Attachments

XC: Ernie Busch, NMOCD, NM
Jerome P. McHugh & Kindermac Partners
Amoco Production Co.
BIA, Jicarilla Agency

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

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

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

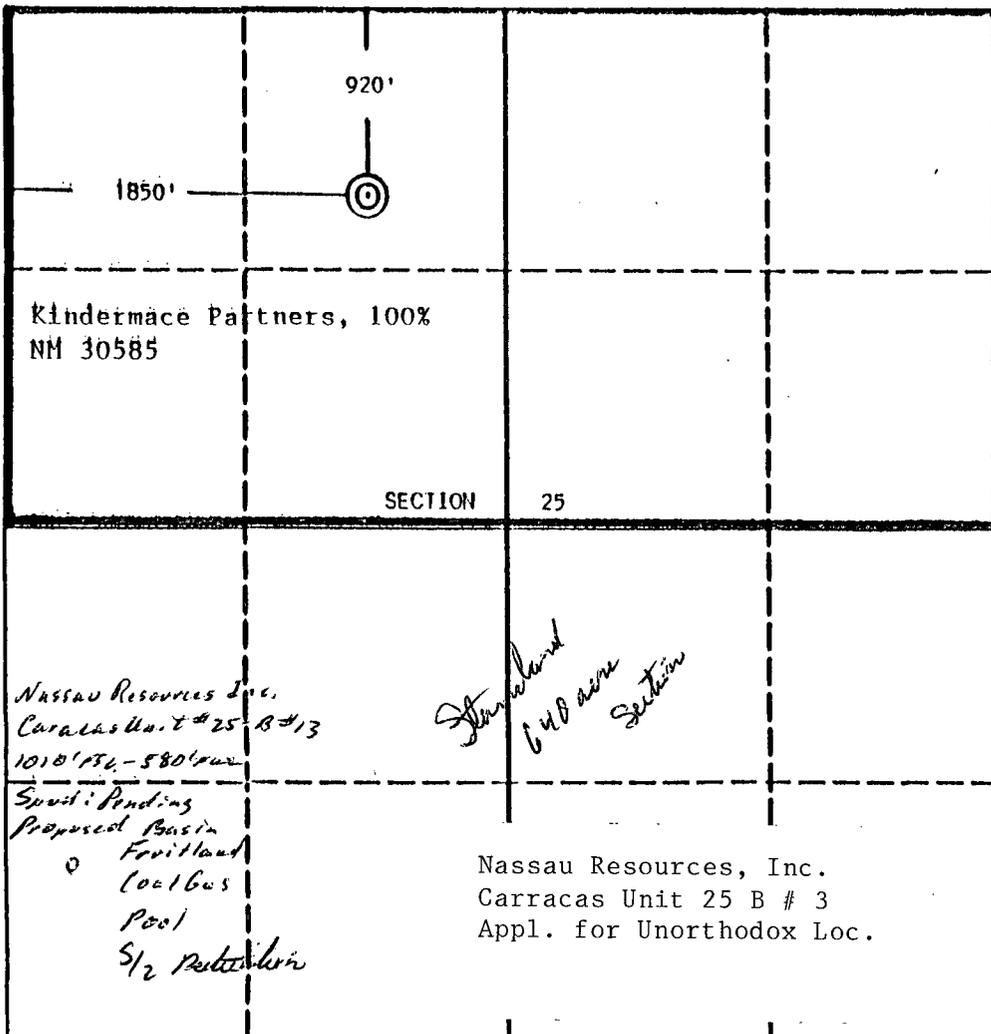
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Nassau Resources, Inc.			Lease Carracas Unit 25 B		Well No. 3
Unit Letter C	Section 25	Township 32 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 920 feet from the North line and 1850 feet from the West line					
Ground level Elev. 6855	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: 320.0 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 Unitization - Carracas Unit
 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.



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

Signature: *[Signature]*
 Printed Name: James S. Hazen
 Position: Field Supt.
 Company: Nassau Resources, Inc.
 Date: 7/18/89

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.

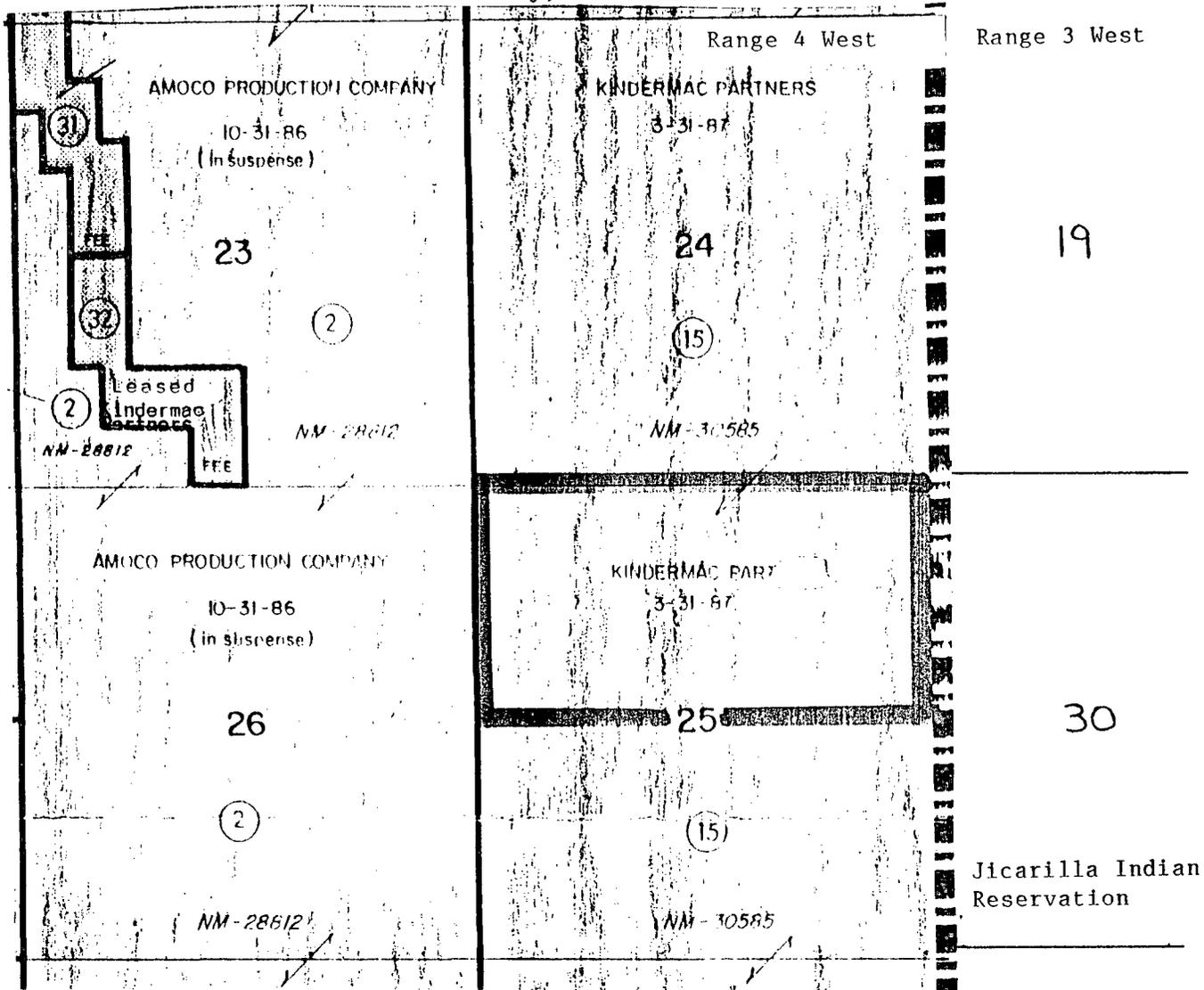
Date Surveyed: April 10, 1989

Signature & Seal: *[Signature]*
 Professional Surveyor: EDGAR RISENICK
 NEW MEXICO
 5979
 Certificate No. 5979
 Edgar

LEASE PLAT

Township 32 North

Rio Arriba County, New Mexico

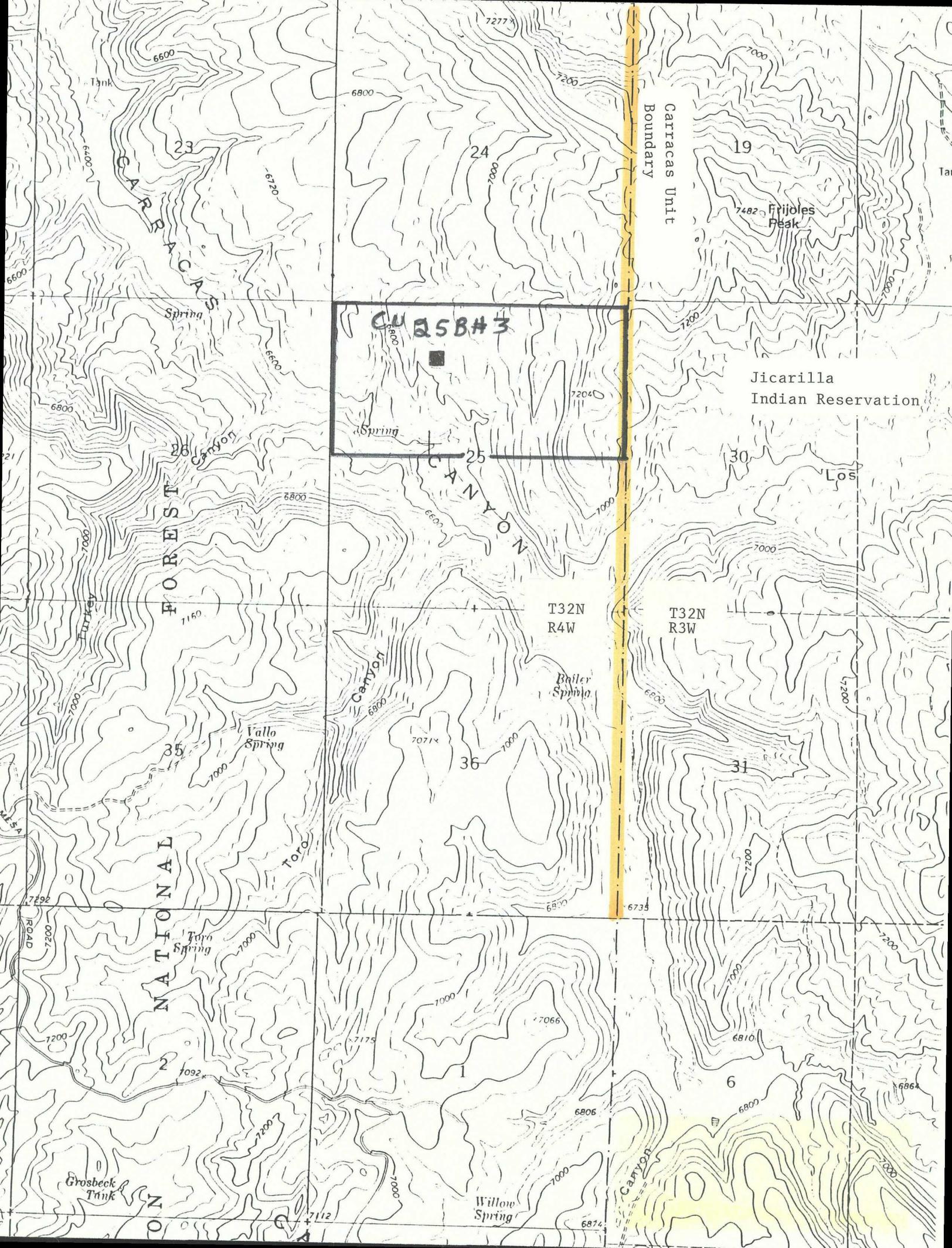


Party to the Unit: Amoco Production Co.

Operating Affiliate: Kindermac Partners

Unleased Jicarilla Indian Minerals:
Sec. 19 & 30, T32N, R3W

NASSAU RESOURCES, INC.
Carracas Unit 25 B #3
Appl. for Unorthodox Loc.



CARRACAS

FOREST

NATIONAL

ON

CU25B#3

Carracas Unit
Boundary

Jicarilla
Indian Reservation

CANYON

T32N
R4W

T32N
R3W

23

24

19

26

25

30

35

36

31

1

6

Tank

Spring

Spring

Frijoles
Peak

Los

Vallo
Spring

Biller
Spring

Toro
Spring

Willow
Spring

Grosbeck
Tank

CANYON

ROAD

ROAD

21

Ta

6864

7000

7200

7000

7000

7000

7277

7000

7200

7000

7200

7204

7000

7071

6800

7066

6806

6874

6735

6810

6874

6600

7200

7000

6800

7000

6720

6600

6800

7000

7000

7200

7000

7000

7000

7000

7000

7000

7200

7000

7160

1092

7112

7175

7112

7071

7175

7112

7071

7175

7112

6800

7066

6874

6600

7200

7000

6800

7000

7000

7200

7000

6800

7000

7000

7200

7000

6800

7000

Ta

14

13

18

T32N

R4W

R3W

Jicarilla Indian
Reservation

23

24

19

Proposed Location of
CU 23 B #15

Proposed Location of
CU 24 B #13

1 mile

26

25

30

Proposed Location of
CU 26 B #16

Proposed Location of
CU 25 B #13

35

36

31

NASSAU RESOURCES, INC.
Carracas Unit 25 B # 3
Appl. for Unorthodox Loc.



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

NASSAU RESOURCES, INC.
Carracas Unit 25 B #3
Appl. for Unorthodox Loc.



AUG 9 1988

RECEIVED

February 14, 1990

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Amoco Production Co.
Attn: J W Hawkins - Land Department, Proration Group
P O Box 800
Denver, CO 80201

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #3
920' FNL - 1850' FWL
Sec. 25, T32N, R4W, NMPM
Rio Arriba County, N. M.

Dear Mr. Hawkins:

Enclosed is a copy of the subject Application for Unorthodox Location.

Amoco Production Co. is a party to the Nassau Resources, Inc., Carracas Unit; if Amoco has no objection to this application, we request that you notify the Oil Conservation Division as soon as possible. Please send a waiver to the attention of Michael Stogner, New Mexico Oil Conservation Division, P O Box 2088, Santa Fe, N. M. 87504.

Please feel free to call if you have any questions.

Thank you,

Fran Perrin

Fran Perrin

FP/cm

Enclosure

xc: NMOCD, Santa Fe, N. M.

February 14, 1990

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Bureau of Indian Affairs
Attn: Sherryl Vigil,
Supt. of BIA, Jicarilla Agency
P O Box 167
Dulce, NM 87528

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #3
920' FNL - 1850' FWL
Sec. 25, T32N, R4W, NMPM
Rio Arriba County, N. M.

Dear Ms. Vigil:

Enclosed is a copy of the subject Application for Unorthodox Location.

Section 19 and 30 are unleased Jicarilla Indian minerals. If, as owner of offsetting minerals, you have no objection to this application, we request that you notify the Oil Conservation Division as soon as possible. Please send a waiver to the attention of Michael Stogner, New Mexico Oil Conservation Division, P O Box 2088, Santa Fe, N. M. 87504.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin

FP/cm

Enclosure

xc: NMOCD, Santa Fe, N. M.