

KELLAHIN, KELLAHIN AND AUBREY

Attorneys at Law

El Patio - 117 North Guadalupe

Post Office Box 2265

Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

W. Thomas Kellahin
Karen Aubrey

Jason Kellahin
Of Counsel

November 28, 1988

RECEIVED

NOV 9

OIL CONSERVATION DIVISION

Mr. William J. LeMay
Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

HAND DELIVERED

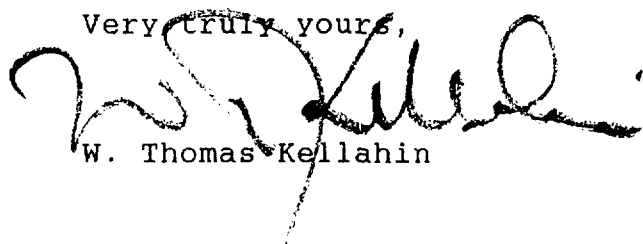
Re: Nassau Resources, Inc.
Application for unorthodox
well location for the
Carracas Canyon Unit,
Rio Arriba County, NM

Case 9559

Dear Mr. LeMay:

On behalf of Nassau Resources, Inc., please set the enclosed Application for hearing at the next available examiner's docket now scheduled for December 21, 1988.

Very truly yours,



W. Thomas Kellahin

WTK/dm
Encl.

cc: Kent Craig

Certified Mail-Return Receipt
Parties shown on Exhibit C to Application

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

Case 9559

IN THE MATTER OF THE APPLICATION OF
NASSAU RESOURCES, INC. FOR EXCEPTIONS
TO DIVISION ORDER R-8768
BASIN FRUITLAND COAL GAS POOL RULES
TO ALLOW TWENTY UNORTHODOX (OFF PATTERN)
LOCATIONS, RIO ARriba COUNTY, NEW MEXICO

A P P L I C A T I O N

COMES NOW NASSAU RESOURCES, INC. by and through its attorneys, Kellahin, Kellahin & Aubrey, and applies to the New Mexico Oil Conservation Division for approval of twenty unorthodox well locations in the Basin-Fruitland Coal Gas Pool, Rio Arriba County, New Mexico and in support would show:

1. On October 17, 1988, the Division entered Order R-8768 which created the Basin Fruitland Coal Gas Pool and adopted temporary Rules and Regulations for said pool including Rule 7 which provides in part that the first well drilled or recompleted on every standard or non-standard unit in the pool shall be located in the NE/4 or SW/4 of a single governmental section and shall be no closer than 790 feet to any outer boundary of the proration unit nor closer than 130 feet to any quarter-quarter section line.

2. Prior to the adoption of the rules for this pool, Applicant, as operator of the Carracas Canyon Unit, had proposed the drilling of Fruitland Coal Gas wells at locations which are now unorthodox under the subject pool rules.

3. The Carracas Canyon Unit in Rio Arriba County, New Mexico lies entirely within the Carson National Forest in topography which is virtually inaccessible to a standard location for these twenty spacing units under the subject pool rules.

4. Applicant proposes the following twenty wells as shown on Exhibit A attached hereto and requests the Division grant each as exceptions to Rule 7 of Order R-8768.

5. Exhibit B is a plat of the area of the Carracas Canyon Unit showing the spacing units and approximate well locations.

6. Attached as Exhibit C is a list of the names and addresses of offsetting interesting owners within a mile of one or more of the locations who may be affected by this Application, all of whom have been provided with notice by certified mail return receipt of this Application.

7. Applicant request that this Application be set for hearing at the next available Examiner's docket now scheduled for December 21, 1988.

WHEREFORE, after notice and hearing, the applicant requests that this application be granted.

KELLAHIN, KELLAHIN & AUBREY

By 

W. Thomas Kellahin

P.O. Box 2265

Santa Fe, NM 87504-2265

(505) 982-4285

Carracas 2A-#11	- All Sec. 2-T31N-R5W (Unit K) - Off Pattern
2200' FWL	2000' FSL
Carracas 14A-#4	- N/2 Sec. 14-T32N-R5W (Unit D) - Off Pattern
790' FNL	790' FWL
Carracas 15A-#16	- S/2 Sec. 15-T32N-R5W (Unit P) - Off Pattern & Unorthodox
200' FSL	500' FEL
Carracas 17B-#15	- E/2 Sec. 17-T32N-R4W (Unit O) - Off Pattern & Unorthodox
650' FSL	2070' FEL
Carracas 19B-#4	- W/2 Sec. 19-T32N-R4W (Unit D) - Off Pattern
1170' FNL	830' FWL
Carracas 21A-#15	- E/2 Sec. 21-T32N-R5W (Unit O) - Off Pattern
790' FSL	1850' FEL
Carracas 21B-#5	- N/2 Sec. 21-T32N-R4W (Unit E) - Off Pattern
1655' FNL	1185' FWL
Carracas 22A-#16	- E/2 Sec. 22-T32N-R5W (Unit P) - Off Pattern
790' FSL	790' FEL
Carracas 25A-#16	- E/2 Sec. 25-T32N-R5W (Unit P) - Off Pattern & Unorthodox
640' FSL	710' FEL
Carracas 25B-#15	- E/2 Sec. 25-T32N-R4W (Unit O) - Off Pattern & Unorthodox
640' FSL	1500' FEL
Carracas 26B-#16	- E/2 Sec. 26-T32N-R4W (Unit P) - Off Pattern
790' FSL	790' FEL
Carracas 27B-#5	- N/2 Sec. 27-T32N-R4W (Unit E) - Off Pattern
1740' FNL	1800' FWL
Carracas 30B-#16	- S/2 Sec. 30-T32N-R4W (Unit P) - Off Pattern
1100' FSL	790' FEL
Carracas 31B-#5	- W/2 Sec. 31-T32N-R4W (Unit E) - Off Pattern
1770' FNL	830' FWL
Carracas 32B-#5	- N/2 Sec. 32-T32N-R4W (Unit E) - Off Pattern
1630' FNL	790' FWL
Carracas 33B-#4	- W/2 Sec. 33-T32N-R4W (Unit D) - Off Pattern
1160' FNL	1060' FWL

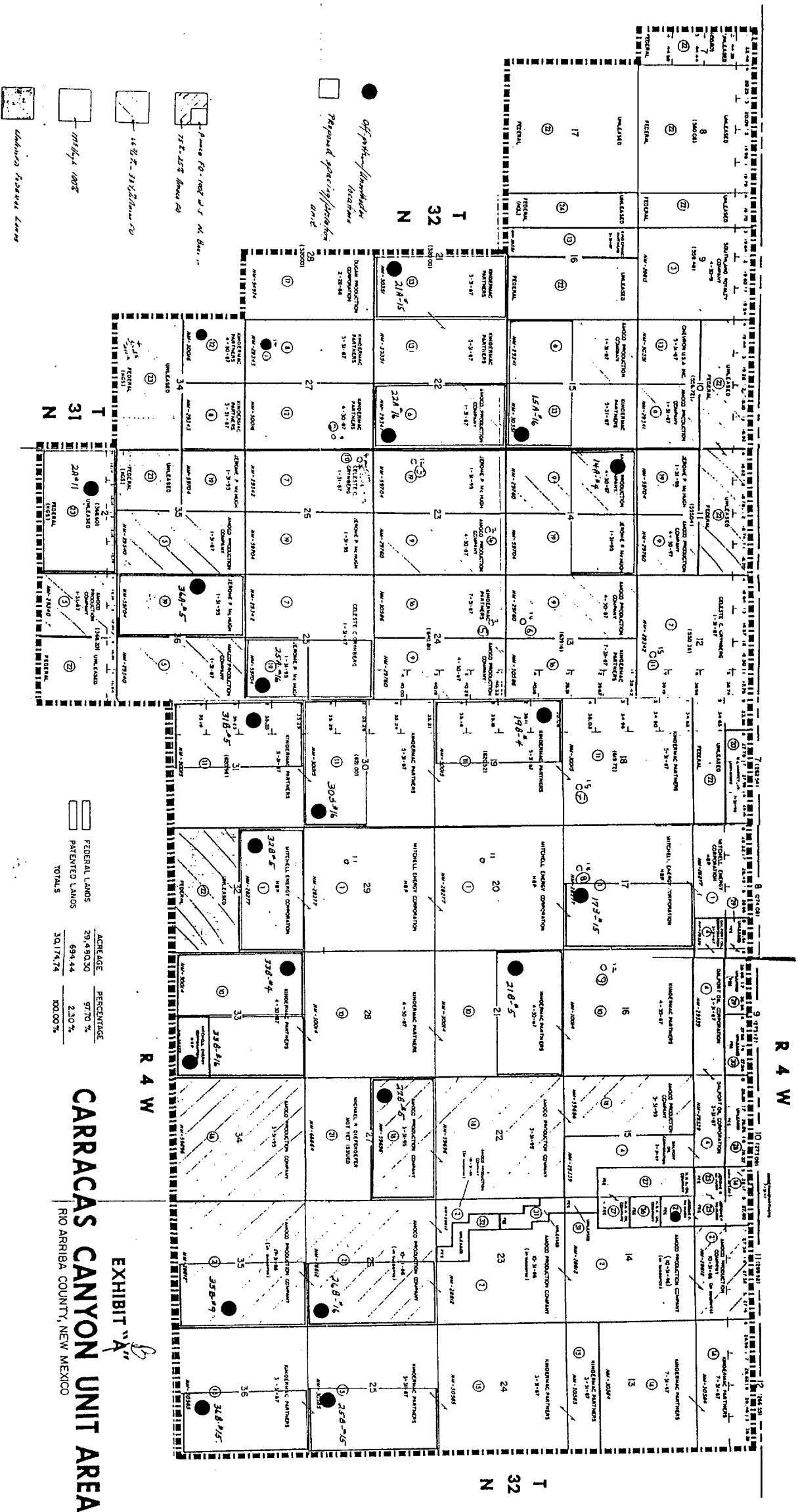
EXHIBIT A

Carracas 33B-#16 - E/2 Sec. 33-T32N-R4W (Unit P) - Off Pattern
790' FSL 1950' FEL

Carracas 35B-#9 - E/2 Sec. 35-T32N-R4W (Unit I) - Off Pattern
1850' FSL 790' FEL

Carracas 36A-#5 - W/2 Sec. 36-T32N-R5W (Unit E) - Off Pattern
1450' FNL 910' FWL

Carracas 36B-#15 - E/2 Sec. 36-T32N-R4W (Unit O) - Off Pattern
1190' FSL 1850' FEL



Amoco Production Company
P. O. Box 800
1670 Broadway
Denver, Colorado 80201
Attn: Production Department

Meridian Oil Inc.
P. O. Box 4289
Farmington, New Mexico 87499-4289
Attn: Production Department

El Paso Natural Gas
P. O. Box 1492
El Paso, Texas 79978

U. S. Department of the Interior
Bureau of Land Management
P. O. Box 1449
Santa Fe, New Mexico 87504-1449

Kersey Development Company
165 South Union, Suite 850
Denver, CO 80228

Dugan Production Corporation
P. O. Box 5820
Farmington, NM 87499
Attn: Richard Corcoran

Mrs. Celeste Grynberg
Grynberg Petroleum
5000 So. Quebec, Suite 500
Denver, CO 80237

Mr. Fred E. Turner
Turner Production Company
4925 Greenville Avenue
Suite 852
Dallas, TX 75206

Newport Exploration, Inc.
44 Inverness Drive E.
Building D
Englewood, CO 80112

Attn: Michael Diefenderfer

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9030
Order No. R-8368

APPLICATION OF JEROME P. MCHUGH
FOR A UNIT AGREEMENT, RIO ARRIBA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 17, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 23rd day of December, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Jerome P. McHugh, seeks approval of the Carracas Canyon Unit Agreement for all oil and gas in any and all formations underlying 30,351.91 acres, more or less, of Federal and Fee lands as described in Exhibit "A" attached hereto and made a part hereof.

(3) All plans of development and operation and creations, expansions, or contractions of participating areas or expansions or contractions of the unit area, should be submitted to the Director of the Division for approval.

(4) Approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED THAT:

(1) The Carracas Canyon Unit Agreement is hereby approved for all oil and gas in any and all formations underlying those

lands described in Exhibit "A" attached hereto and made a part hereof.

(2) The plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Division to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) The unit operator shall file with the Division an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Division within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

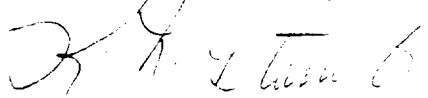
(4) All plans of development and operation, all unit participating areas and expansions and contractions thereof, and all expansions or contractions of the unit area, shall be submitted to the Director of the Oil Conservation Division for approval.

(5) This order shall become effective upon the approval of said unit agreement by the Director of the appropriate agency of the United States Department of Interior; this order shall terminate ipso facto upon the termination of said unit agreement; and the last unit operator shall notify the Division immediately in writing of such termination.

(6) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS,
Director

S E A L

EXHIBIT "A"
CASE 9030
ORDER NO. R-8368
CARRACAS CANYON UNIT
RIO ARriba COUNTY, NEW MEXICO

TOWNSHIP 31 NORTH, RANGE 5 WEST, NMPM

Irregular Sections 1 and 2: All

TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPM

Irregular Sections 7-12: All
Sections 13-17 : All

Irregular Sections 18 and 19: All
Sections 20-29: All

Irregular Sections 30 and 31: All
Sections 32-36: All

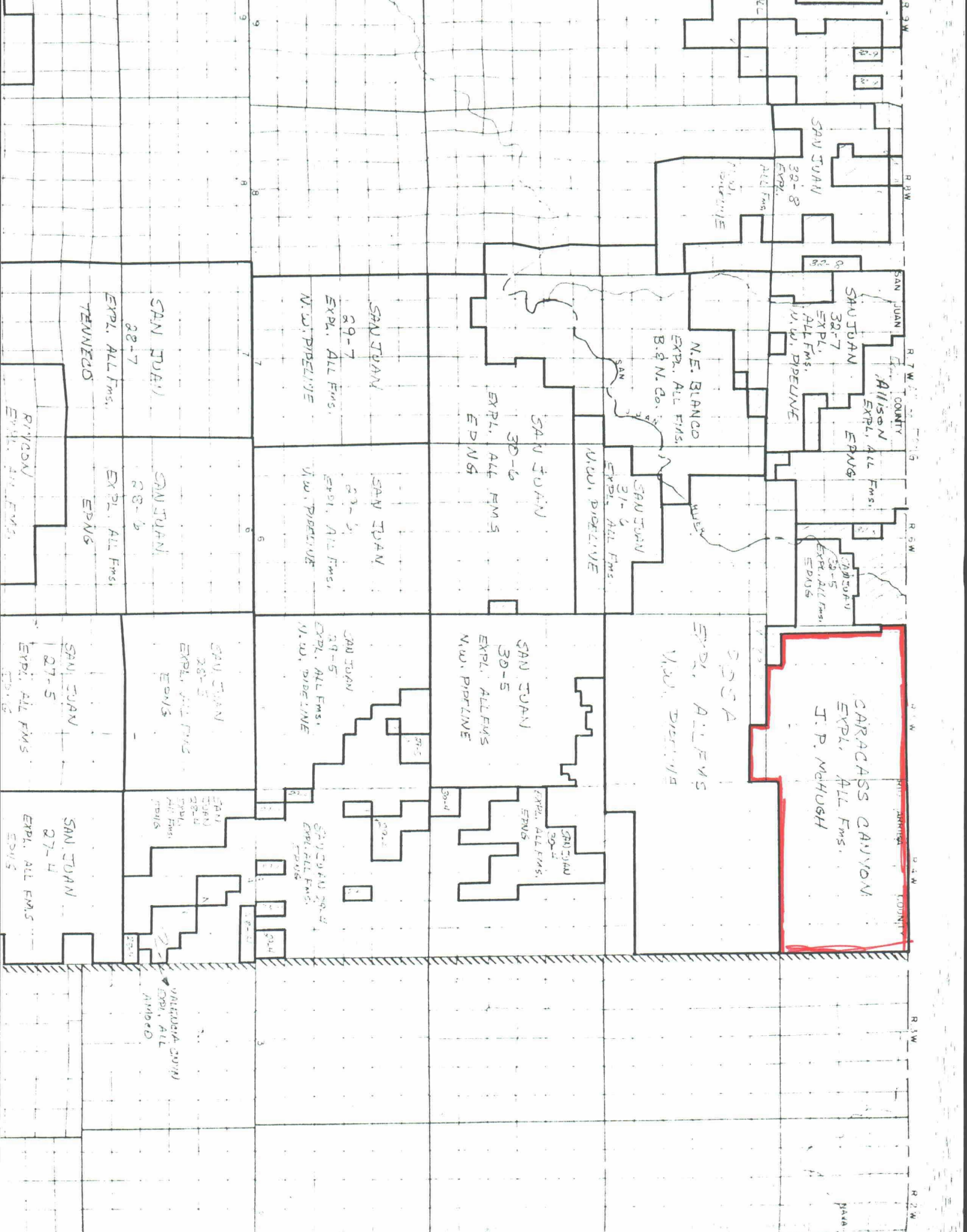
TOWNSHIP 32 NORTH, RANGE 5 WEST, NMPM

Irregular Sections 7-13: All
Sections 14-17: All

Irregular Section 18: All
Section 21: E/2
Sections 22 and 23: All

Irregular Section 24: All
Sections 25-27: All
Section 28: E/2
Sections 34-36: All

Comprising 30,351.91 acres, more or less, of Federal
and Fee (Patented) lands.



November 22, 1988

New Mexico Oil Conservation Division
ATTN: Mike Stogner
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 A #16
640' FSL - 710' FEL
Sec. 25, Township 32 North, Range 5 West, NMPM
Rio Arriba County, New Mexico

Case 9559

Gentlemen:

Nassau Resources, Inc., hereby requests administrative approval of an unorthodox location for the captioned well based upon terrain and archeological findings.

As indicated by the attached topographic map, the terrain in this section is extremely rough and no other drill site on this lease is feasible which meets Carson Nation Forest guidelines for development. Also, cultural resources, believed to have eroded from the higher elevations northwest of the proposed well pad, were recorded during the archeological survey.

Attached is a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest indicating their guidelines for development.

This well is in Nassau's Carracas Unit. Amoco Production Co. and Celeste C. Grynberg, offsetting operators as indicated by the attached lease plat, have been notified of this application by certified mail. Jerome P. McHugh and Kindermac Partners are operating affiliates with Nassau Resources, Inc. and have been notified of this application.

Also attached are the C-102 plat and production map.

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

Respectfully submitted,

Fran Perrin
Fran Perrin

XC: Ernie Busch, NMOCD, Aztec, NM
Jerome P. McHugh/Kindermac
Amoco Production Co.
Celeste C. Grynberg

Attachments

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

All distances must be from the outer boundaries of the Section.

Operator Nassau Resources, Inc.		Lease Carracas Unit 25 A		Well No. 16
Unit Letter P	Section 25	Township 32 North	Range 5 West	County Rio Arriba
Actual Footage Location of Wells 640 feet from the South line and 710 feet from the East line				
Ground Level Elev. 6978	Producing Formation Fruitland	Pool Basin Fruitland Coal	Dedicated Acreages 320.0 Acres	

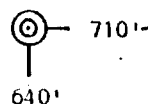
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Carracas Unit Unitization

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 interests, has been approved by the Division.

SECTION 25		Celeste G. Grynberg 100% NM 29342
		NM 59704 Jerome P. McHugh 100%
Nassau Resources, Inc. Carracas Unit 25 A #16		
Appl. for Unorthodox Loc.		



CERTIFICATION

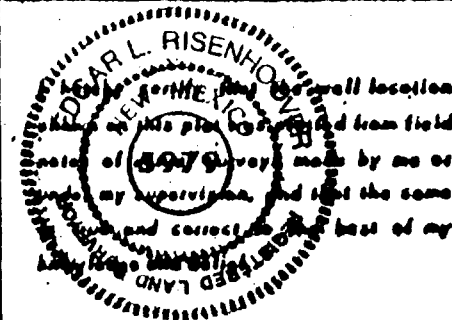
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
James S. Hazen

Position
Field Supt.

Company
Nassau Resources, Inc.

Date
11/22/88



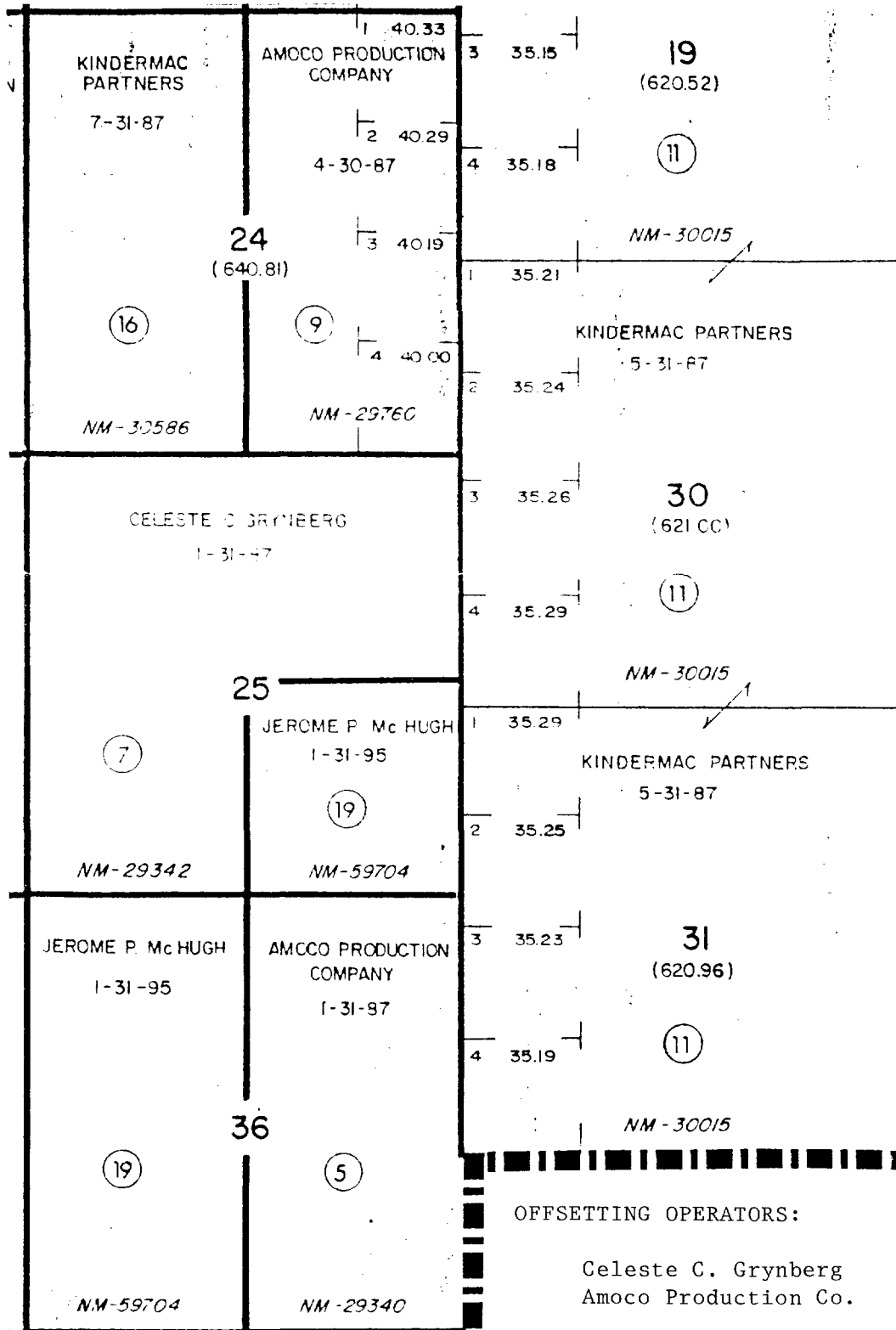
Date Surveyed
August 24, 1988

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhofer
Certificate No. 5979

LEASE PLAT

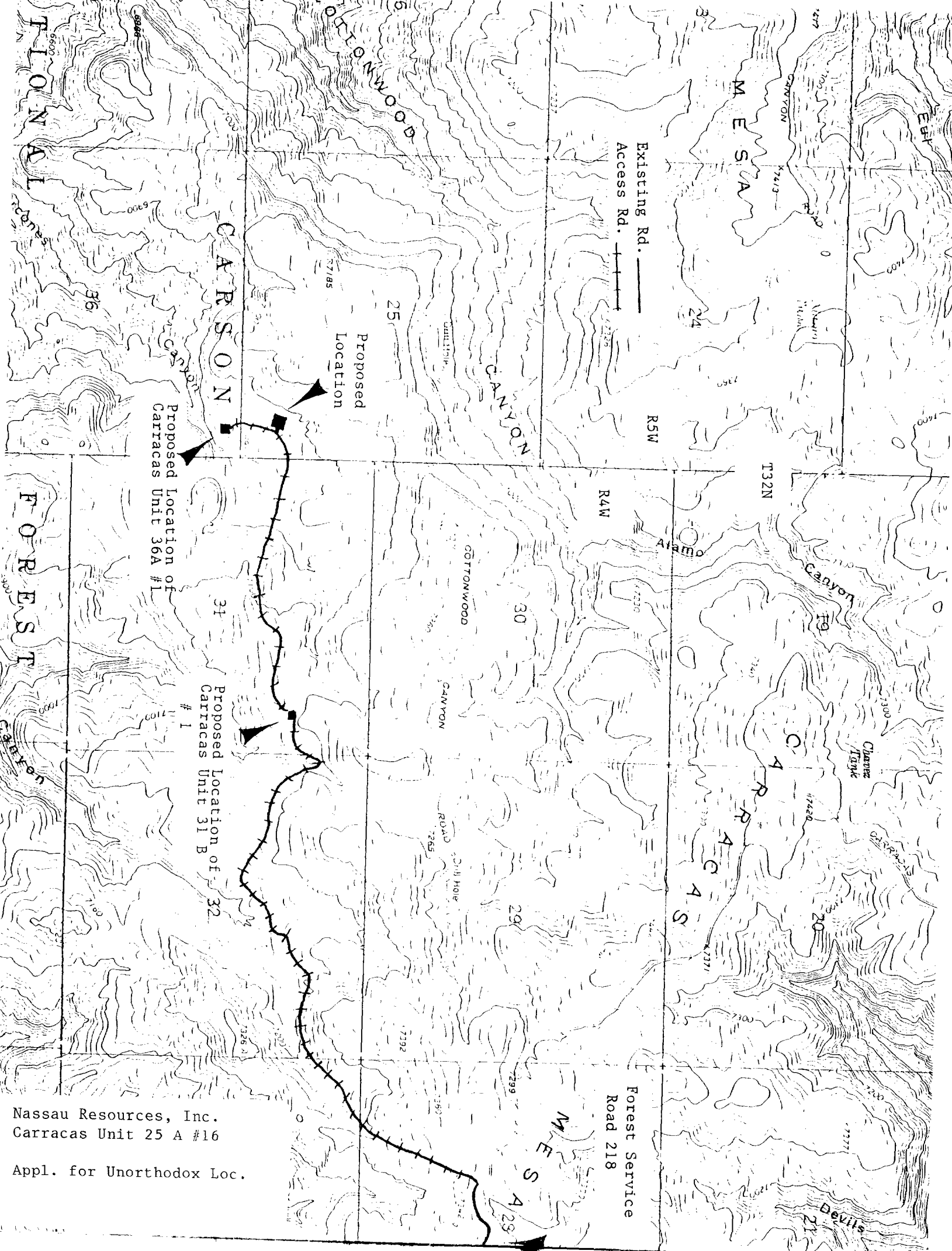
Township 32 North, Ranges 4 and 5 West, NMPM, Rio Arriba County, NM



Nassau Resources, Inc.
Carracas Unit 25 A #16

Appl. for Unorthodox Loc.

Kindermac Partners
Jerome P. McHugh



Nassau Resources, Inc.
Carracas Unit 25 A #16
Appl. for Unorthodox Loc.

14

13

R4W

n Juan 32.5 Unit

R5W

19

23

24

T32N

Belco Pet

30

26

25

1 mile

Caracas Mesa

Pan Am

31

35

36

Nassau Resources, Inc.
Carracas Unit 25 A #16

Appl. for Unorthodox Loc.

n Juan 32.5 Unit



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



AUG 9 1988

RECEIVED

Nassau Resources, Inc.
Carracas Unit 25 A #16

Appl. for Unorthodox Loc.

November 22, 1988

New Mexico Oil Conservation Division
ATTN: Mike Stogner
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 A #16
640' FSL - 710' FEL
Sec. 25, Township 32 North, Range 5 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 terrain and archeological findings.

As indicated by the attached topographic map, the terrain in this section is extremely rough and no other drill site on this lease is feasible which meets Carson Nation Forest guidelines for development. Also, cultural resources, believed to have eroded from the higher elevations northwest of the proposed well pad, were recorded during the archeological survey.

Attached is a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest indicating their guidelines for development.

This well is in Nassau's Carracas Unit. Amoco Production Co. and Celeste C. Grynberg, offsetting operators as indicated by the attached lease plat, have been notified of this application by certified mail. Jerome P. McHugh and Kindermac Partners are operating affiliates with Nassau Resources, Inc. and have been notified of this application.

Also attached are the C-102 plat and production map.

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

Respectfully submitted,

Fran Perrin
Fran Perrin

XC: Ernie Busch, NMOCD, Aztec, NM
Jerome P. McHugh/Kindermac
Amoco Production Co.
Celeste C. Grynberg

Attachments

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

All distances must be from the outer boundaries of the Section.

Operator Nassau Resources, Inc.		Lease Carracas Unit 25 A		Well No. 16
Unit Letter P	Section 25	Township 32 North	Range 5 West	County Rio Arriba
Actual Footage Location of Wells 640 feet from the South line and 710 feet from the East line				
Ground Level Elev. 6978	Producing Formation Fruitland	Pool Basin Fruitland Coal	Dedicated Acreages 320.0 Acres	

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Celeste C. Grynberg 100% NH 29342	
NH 59704 Jerome P. McHugh 100%	
Nassau Resources, Inc. Carracas Unit 25 A #16	
Appl. for Unorthodox Loc.	
710' 640'	

CERTIFICATION

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

Name

James S. Hazen

Position

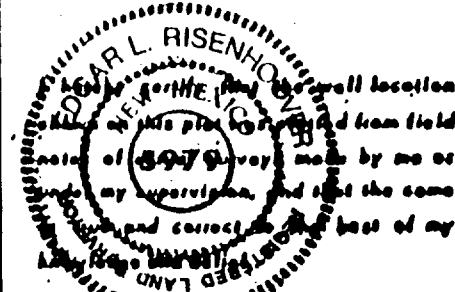
Field Supt.

Company

Nassau Resources, Inc.

Date

11/22/88



Date Surveyed

August 24, 1988

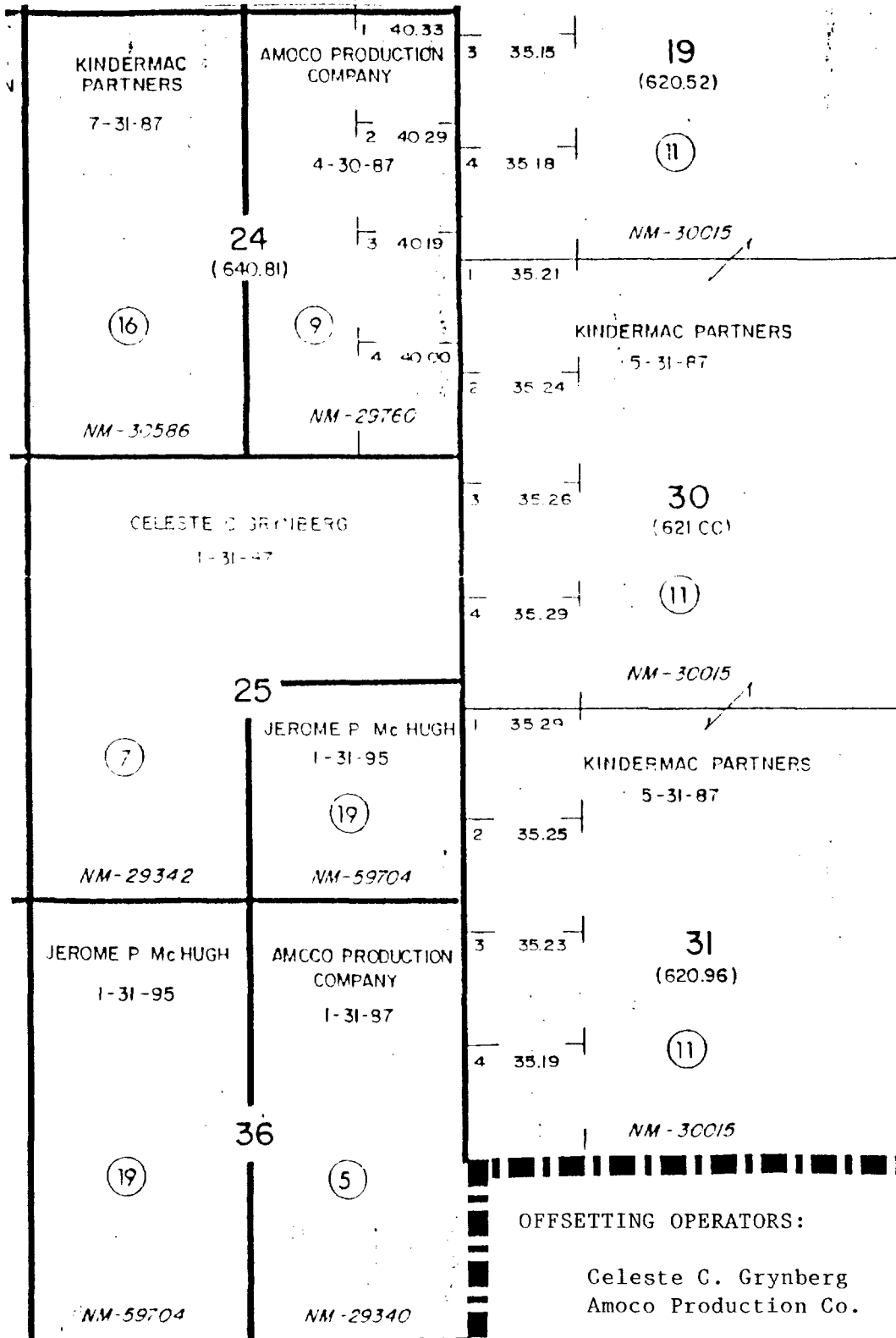
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and/or Land Surveyor

Edgar L. Risenhofer

Certificate No. 5979

LEASE PLAT

Township 32 North, Ranges 4 and 5 West, NMPM, Rio Arriba County, NM



OFFSETTING OPERATORS:

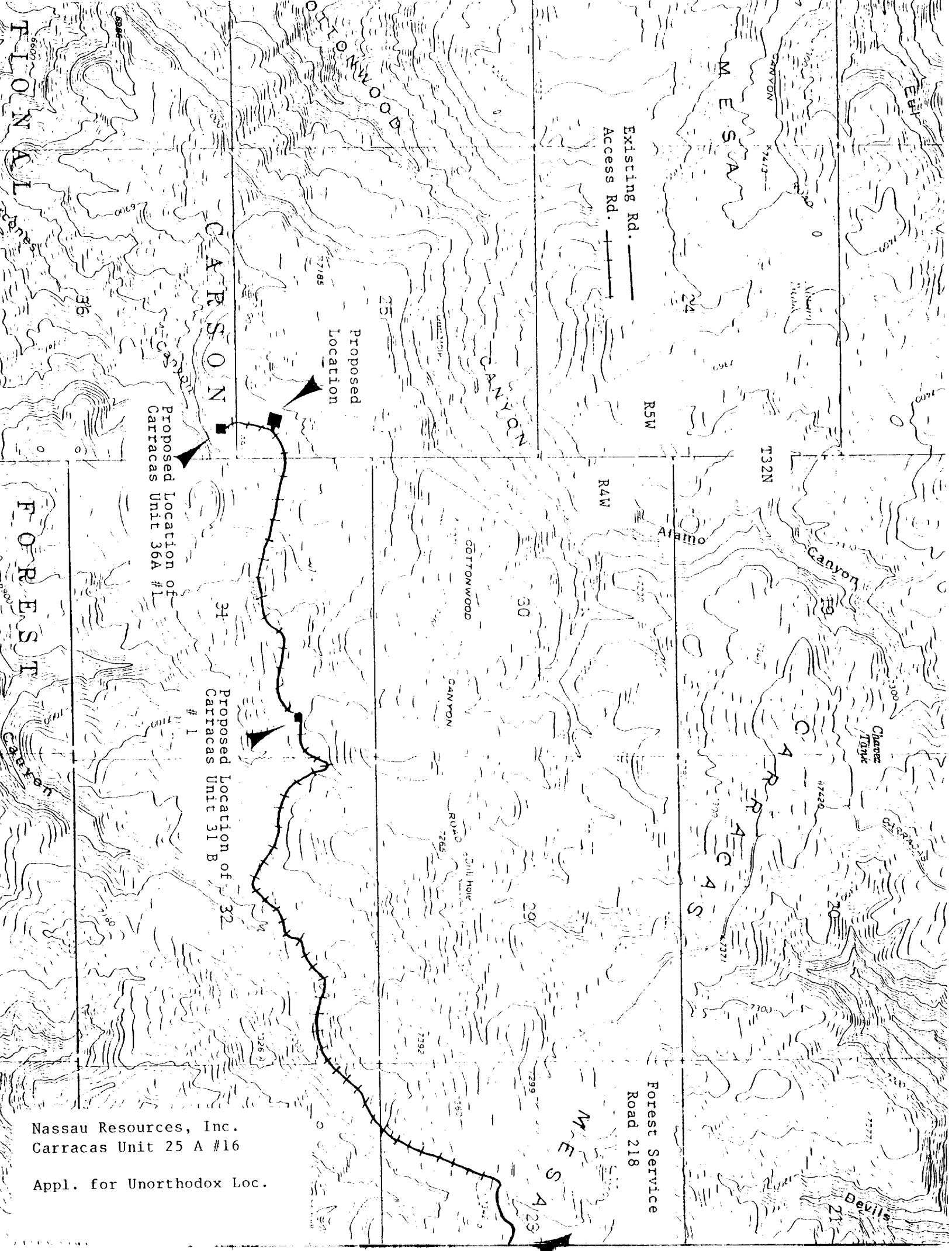
Celeste C. Grynberg
Amoco Production Co.

OPERATING AFFILIATES:

Kindermac Partners
Jerome P. McHugh

Nassau Resources, Inc.
Carracas Unit 25 A #16

Appl. for Unorthodox Loc.



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Gobernador Route
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Reply to 2820

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Operator Nassau Resources, Inc.			Lease Carracas Unit 25 A			Well No. 16		
Unit Letter P	Section 25	Township 32 North	Range 5 West	County Rio Arriba				
Actual Footage Location of Well: 640 feet from the South line and 710 feet from the East line								
Ground Level Elev. 6978	Producing Formation Fruitland		Pool Basin Fruitland Coal		Dedicated Acreages 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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Carracas Unit Unitization

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 interests, has been approved by the Division.

SECTION 25		Celeste C. Grynberg 100% NH 29342	
		NH 59704 Jerome P. McHugh 100%	
Nassau Resources, Inc. Carracas Unit 25 A #16			
Appl. for Unorthodox Loc.			
		 710' 640'	

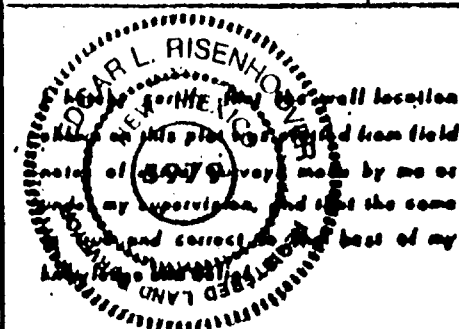
CERTIFICATION

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

Name
James S. Hazen
Position
Field Supt.

Company
Nassau Resources, Inc.

Date
11/22/88



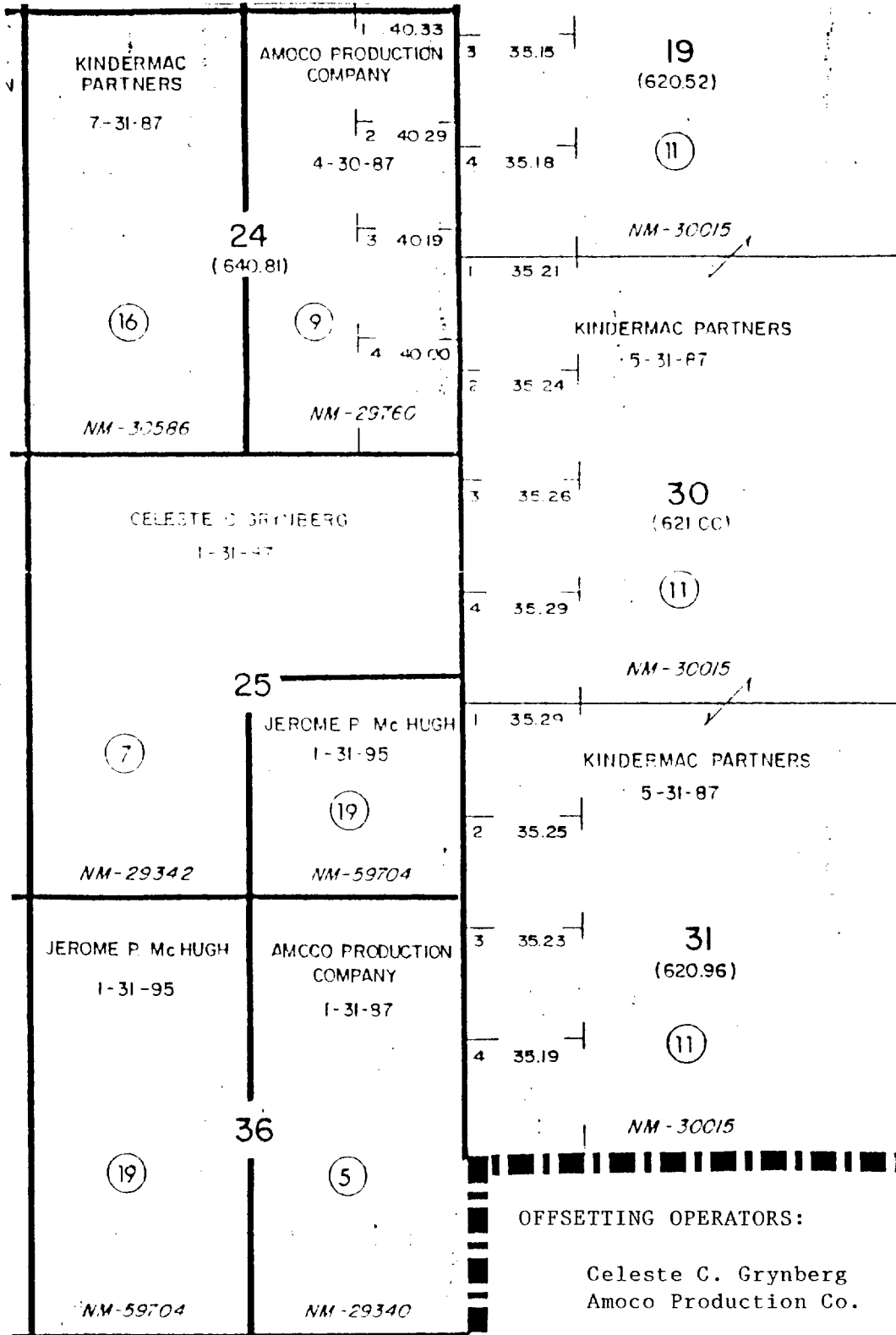
Date Surveyed
August 24, 1988

Registered Professional Engineer
and/or Land Surveyor


Certificate No. 5979

LEASE PLAT

Township 32 North, Ranges 4 and 5 West, NMPM, Rio Arriba County, NM



OFFSETTING OPERATORS:

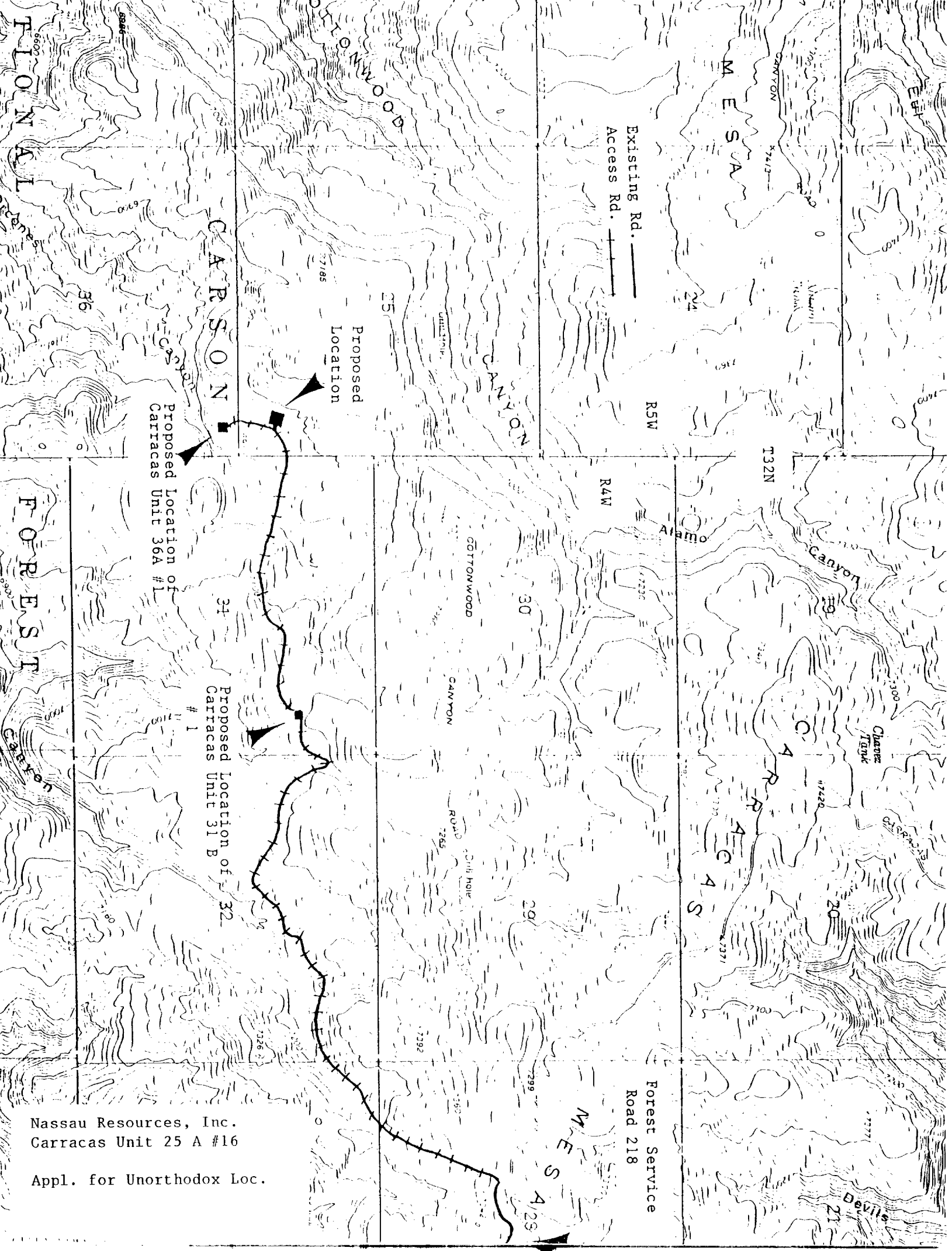
Celeste C. Grynberg
Amoco Production Co.

OPERATING AFFILIATES:

Kindermac Partners
Jerome P. McHugh

Nassau Resources, Inc.
Carracas Unit 25 A #16

Appl. for Unorthodox Loc.



Nassau Resources, Inc.
Carracas Unit 25 A #16

Appl. for Unorthodox Loc.

14

13

R4W

n Juan 32.5 Unit

R5W

19

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24

T32N

Belco Pet

30

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25

aracas Mesa

1 mile

Pan Am

31

35

36

Nassau Resources, Inc.
Carracas Unit 25 A #16

Appl. for Unorthodox Loc.

n Juan 32.5 Unit



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



AUG 9 1988

RECEIVED

Nassau Resources, Inc.
Carracas Unit 25 A #16

Appl. for Unorthodox Loc.

November 22, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Amoco Production Co.
2325 E. 30th St.
Farmington, New Mexico 87401

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 A #16
640' FSL - 710' FEL
Sec. 25, Township 32 North, Range 5 West, NMPM
Rio Arriba County, New Mexico

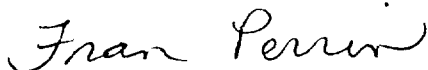
Gentlemen:

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

If Amoco Production Co., as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin

Enclosure

November 22, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Celeste C. Grynberg
5000 S. Quebec Suite 500
Denver, Colorado 80237

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 A #16
640' FSL - 710' FEL
Sec. 25, Township 32 North, Range 5 West, NMPM
Rio Arriba County, New Mexico

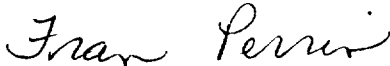
Gentlemen:

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

If Celeste C. Grynberg, as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin

Enclosure

GRYNBERG PETROLEUM COMPANY

5000 SOUTH QUEBEC ● SUITE 500 ● DENVER, COLORADO 80237-2707 USA ● PHONE 303 - 850-7490

TELEX: 510 600 2180 ENERGY DVR
TELECOPIER: 303-850-7490

November 29, 1988

Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

ATTENTION: Mike Stogner

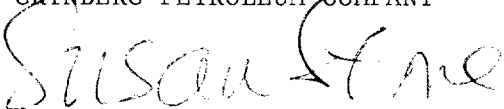
RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 A #16
Rio Arriba County, New Mexico

Dear Mr. Stogner:

Celeste C. Grynberg, as an offsetting operator, has no objection to the proposed unorthodox location.

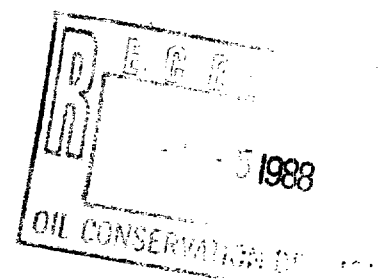
Sincerely,

GRYNBERG PETROLEUM COMPANY



Susan Stone
Land Manager

SS/lk



Florine,

set for
hearing @

Earnie's Request



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

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

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 11-16-88

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

Case 9559

Gentlemen:

I have examined the application dated 11-16-88
for the ARIZONA RESOURCES, INC. CARRIZAS UNIT #15 0-25-32N-4W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Does not for Hearing - seek an exception to R-8768

Yours truly,

Ed Bruck

November 15, 1988

New Mexico Oil Conservation Division
ATTN: Mike Stogner
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Case 9559

Gentlemen:

Nassau Resources, Inc., hereby requests administrative approval of an unorthodox location for the captioned well based upon terrain and Forest Service guidelines for development.

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. Also attached is a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest indicating their guidelines for development.

This well is in Nassau's Carracas Unit. Union Oil of California, and the Jicarilla Apache Tribe, offsetting operators as indicated by the attached lease plat, have been notified of this application by certified mail. Also attached are the C-102 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
Union Oil of California
Jicarilla Apache Tribe, Dulce, N.M.
BIA, Jicarilla Agency, Dulce, N.M.

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

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

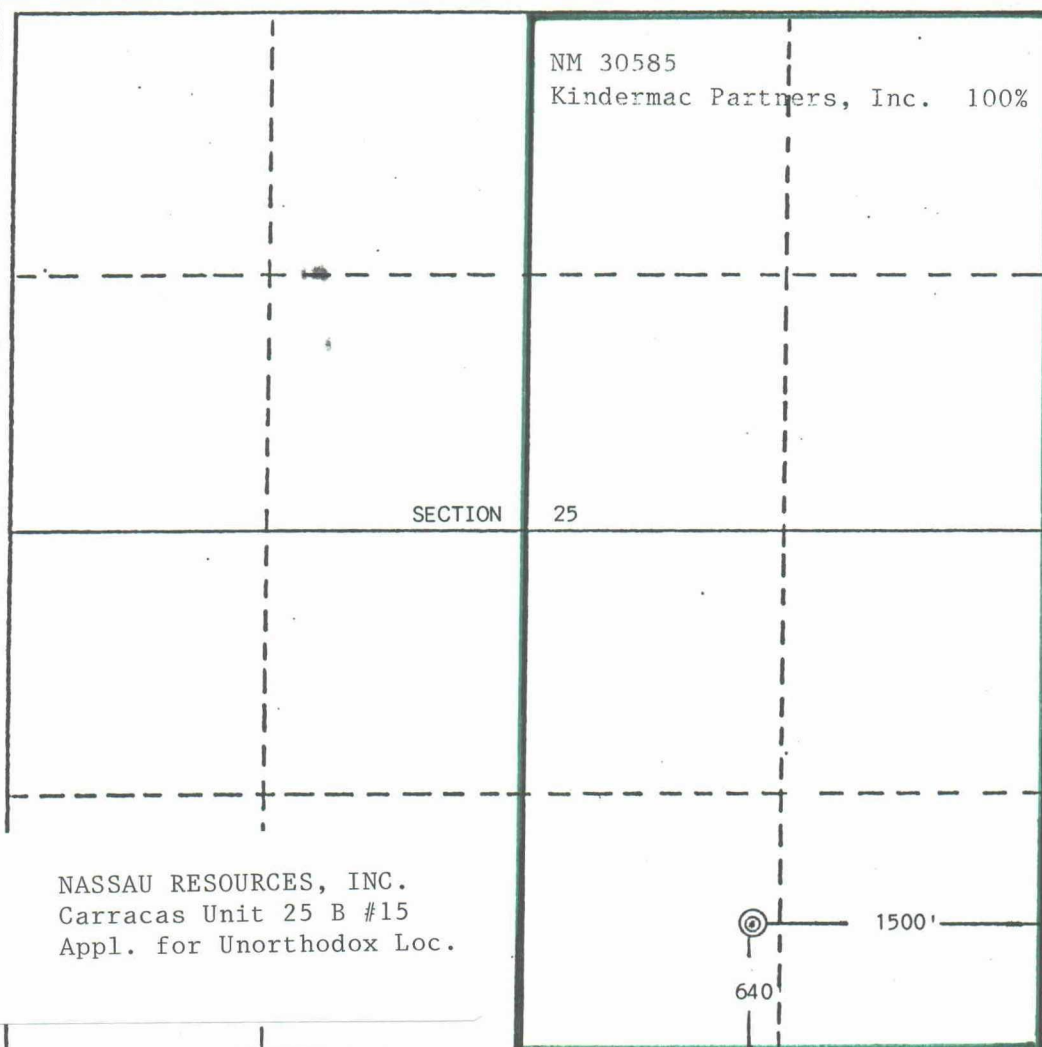
Operator Nassau Resources, Inc.		Lease Carracas Unit 25 B		Well No. 15
Unit Letter 0	Section 25	Township 32 North	Range 4 West	County Rio Arriba
Actual Footage Location of Well: 640 feet from the South line and 1500 feet from the East line				
Ground Level Elev. 6740	Producing Formation Fruitland	Pool 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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization - 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 interests, has been approved by the Division.



CERTIFICATION

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

Fran Perrin

Name

Fran Perrin

Position

Admin. Asst.

Company

Nassau Resources, Inc.

Date

11/15/88

I hereby certify that the location shown on this plat was taken 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

October 10, 1988

Registered Professional Engineer
and/or Land Surveyor

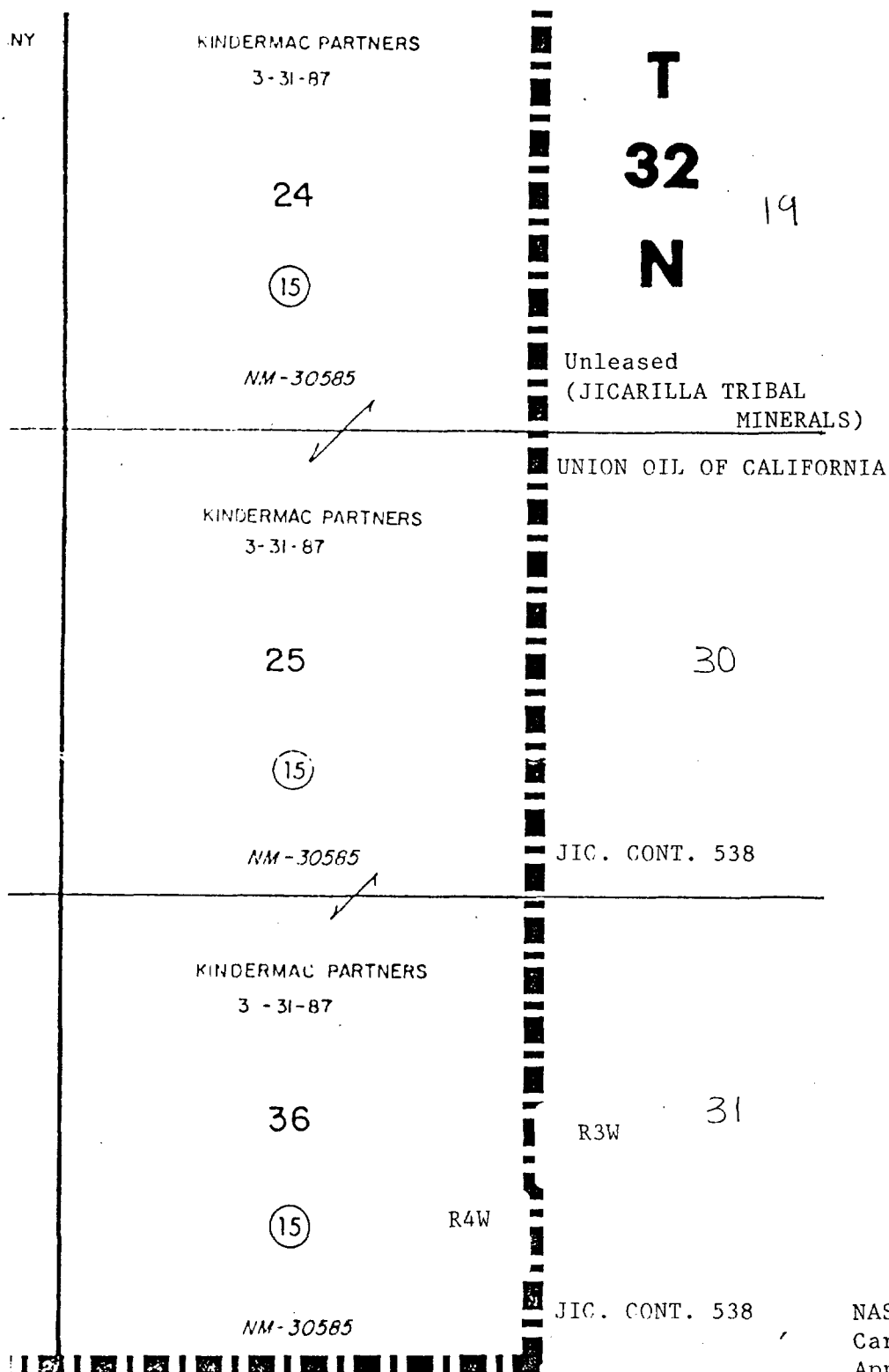
Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.

LEASE PLAT

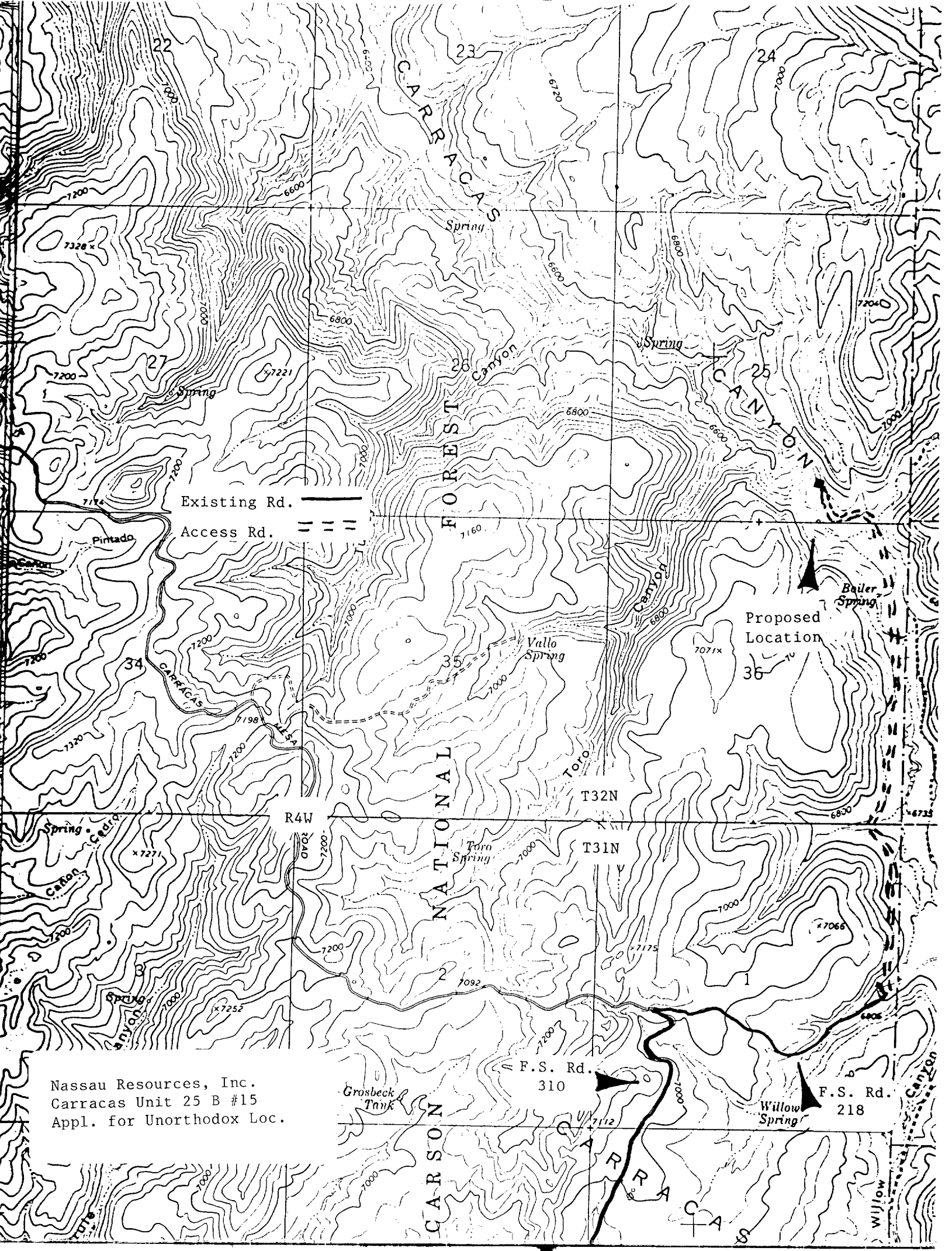
Township 32 North, Range 4 West, NMPM, Rio Arriba County, NM



Offsetting Operators:

Union Oil of
California
Jicarilla Apache
Tribe

NASSAU RESOURCES, INC.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.



Nassau Resources, Inc.
Carracas Unit 25 B #15
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.

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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



AUG 9 1988

RECEIVED

Nassau Resources, Inc.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.

Q-
D

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T 32 N

R 4 W

R 3 W

Carson National
Forest

23

24

19

Jicarilla Indian
Reservation

26

25

30

1 mile

35

36

31

NASSAU RESOURCES, INC.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.

November 15, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Union Oil of California
P. O. Box 3100
Midland, Texas 79702

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

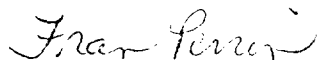
Gentlemen:

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

If Union Oil of California, as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin

fp

Enclosure

November 15, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Jicarilla Apache Tribe
ATTN: Thurman Velarde
Oil & Gas Administration
P.O. Box 507
Dulce, N. M.

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

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

If the Jicarilla Apache Tribe, as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,

Fran Perrin

Fran Perrin

cm

Enclosure

November 15, 1988

New Mexico Oil Conservation Division
ATTN: Mike Stogner
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

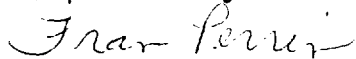
Nassau Resources, Inc., hereby requests administrative approval of an unorthodox location for the captioned well based upon terrain and Forest Service guidelines for development.

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This well is in Nassau's Carracas Unit. Union Oil of California, and the Jicarilla Apache Tribe, offsetting operators as indicated by the attached lease plat, have been notified of this application by certified mail. Also attached are the C-102 plat and production map.

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

Respectfully submitted,



Fran Perrin

Attachments

XC: Ernie Busch, NMOCD, Aztec, NM
Union Oil of California
Jicarilla Apache Tribe, Dulce, N.M.
BIA, Jicarilla Agency, Dulce, N.M.

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

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

Operator Nassau Resources, Inc.		Lease Carracas Unit 25 B		Well No. 15
Unit Letter C	Section 25	Township 32 North	Range 4 West	County Rio Arriba
Actual Footage Location of Well:				
640	feet from the	South	line and	1500
			feet from the	East
			line	
Ground Level Elev. 6740	Producing Formation Fruitland		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).
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☒ Yes ☐ No If answer is "yes," type of consolidation Communitization - 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 interests, has been approved by the Division.

NM 30585 Kindermac Partners, Inc. 100%	
SECTION	25
NASSAU RESOURCES, INC. Carracas Unit 25 B #15 Appl. for Unorthodox Loc.	
1500'	
640'	

CERTIFICATION

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

Fran Perrin

Name

Fran Perrin

Position

Admin. Asst.

Company

Nassau Resources, Inc.

Date

11/15/88

I hereby certify that the location shown on this plat was taken 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

October 10, 1988

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.

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

NY

KINDERMAC PARTNERS
3-31-87

24

(15)

NM-30585

KINDERMAC PARTNERS
3-31-87

25

(15)

NM-30585

KINDERMAC PARTNERS
3-31-87

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(15)

NM-30585

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Unleased
(JICARILLA TRIBAL
MINERALS)

UNION OIL OF CALIFORNIA

JIC. CONT. 538

JIC. CONT. 538

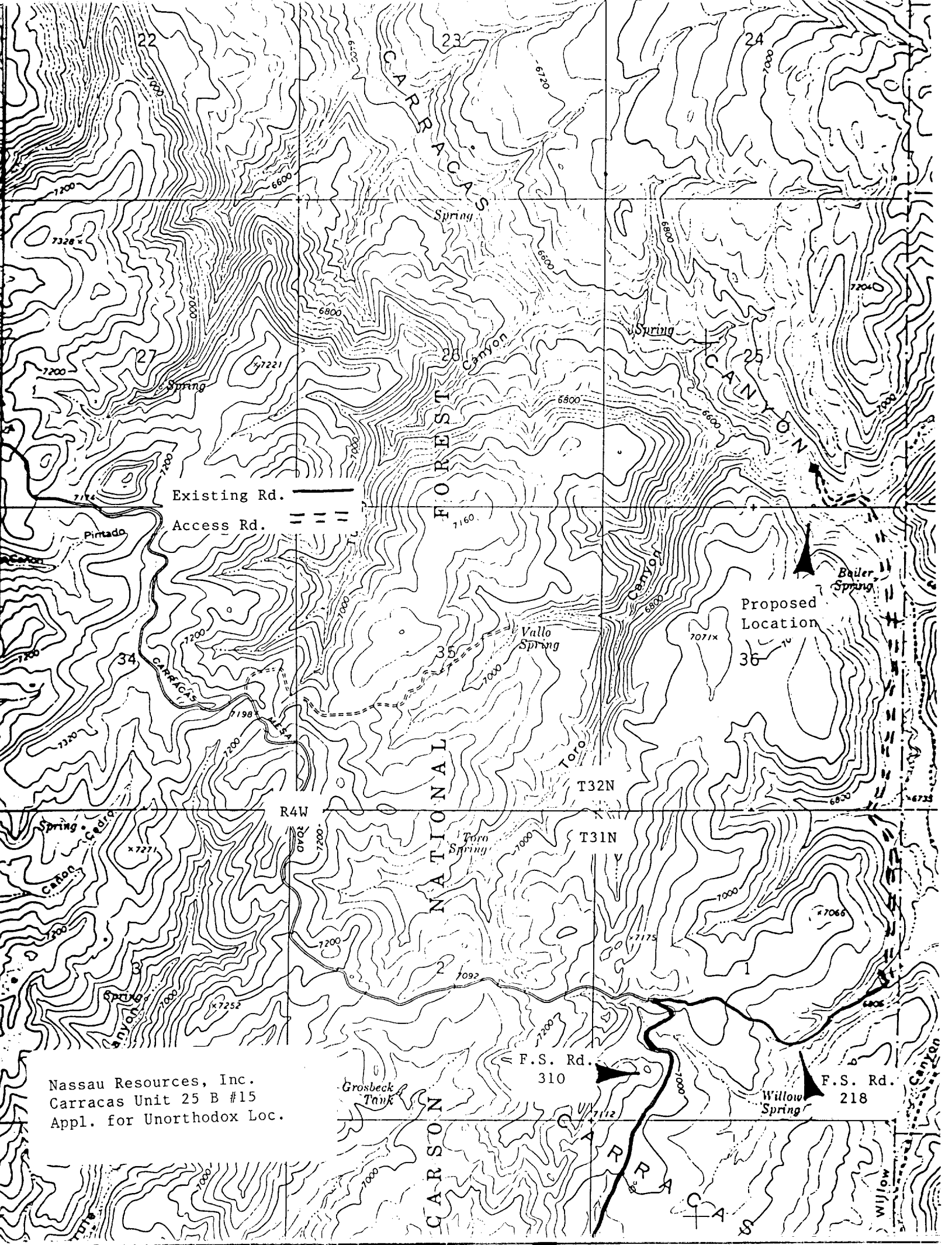
R3W

31

R4W

Offsetting Operators:
Union Oil of
California
Jicarilla Apache
Tribe

NASSAU RESOURCES, INC.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.



Nassau Resources, Inc.
Carracas Unit 25 B #15
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:

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Sincerely,

Philip R. Settles

PHILIP R. SETTLES
District Forest Ranger

Jerome P. McHugh
Farmington, N.M.

CARING FOR THE LAND AND SERVING PEOPLE



AUG 9 1988

RECEIVED

Nassau Resources, Inc.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.

14

13

18

T 32 N

R 4 W

R 3 W

Carson National
Forest

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24

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Jicarilla Indian
Reservation

26

25

30

1 mile

35

36

31

NASSAU RESOURCES, INC.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.

November 15, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Union Oil of California
P. O. Box 3100
Midland, Texas 79702

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

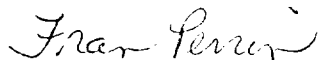
Gentlemen:

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

If Union Oil of California, as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin

fp

Enclosure

November 15, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Jicarilla Apache Tribe
ATTN: Thurman Velarde
Oil & Gas Administration
P.O. Box 507
Dulce, N. M.

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

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Please feel free to call if you have any questions.

Thank you,



Fran Perrin

cm

Enclosure

November 15, 1988

New Mexico Oil Conservation Division
ATTN: Mike Stogner
310 Old Santa Fe Trail, Room 206
Santa Fe, NM 87503

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, 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 terrain and Forest Service guidelines for development.

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. Also attached is a copy of a letter from Philip Settles of the Jicarilla Ranger District of Carson National Forest indicating their guidelines for development.

This well is in Nassau's Carracas Unit. Union Oil of California, and the Jicarilla Apache Tribe, offsetting operators as indicated by the attached lease plat, have been notified of this application by certified mail. Also attached are the C-102 plat and production map.

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

Respectfully submitted,


Fran Perrin

Attachments

XC: Ernie Busch, NMOCD, Aztec, NM
Union Oil of California
Jicarilla Apache Tribe, Dulce, N.M.
BIA, Jicarilla Agency, Dulce, N.M.

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

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

Operator Nassau Resources, Inc.		Lease Carracas Unit 25 B		Well No. 15
Unit Letter C	Section 25	Township 32 North	Range 4 West	County Rio Arriba
Actual Footage Location of Well: 640 feet from the South line and 1500 feet from the East line				
Ground Level Elev. 6740	Producing Formation Fruitland	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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization - 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 interests, has been approved by the Division.

NM 30585 Kindermac Partners, Inc. 100%	
SECTION 25	
NASSAU RESOURCES, INC. Carracas Unit 25 B #15 Appl. for Unorthodox Loc.	
1500'	
640'	

CERTIFICATION

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

Fran Perrin

Name

Fran Perrin

Position

Admin. Asst.

Company

Nassau Resources, Inc.

Date

11/15/88

I hereby certify that the location shown on this plat was taken 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

October 10, 1988

Registered Professional Engineer
and/or Land Surveyor

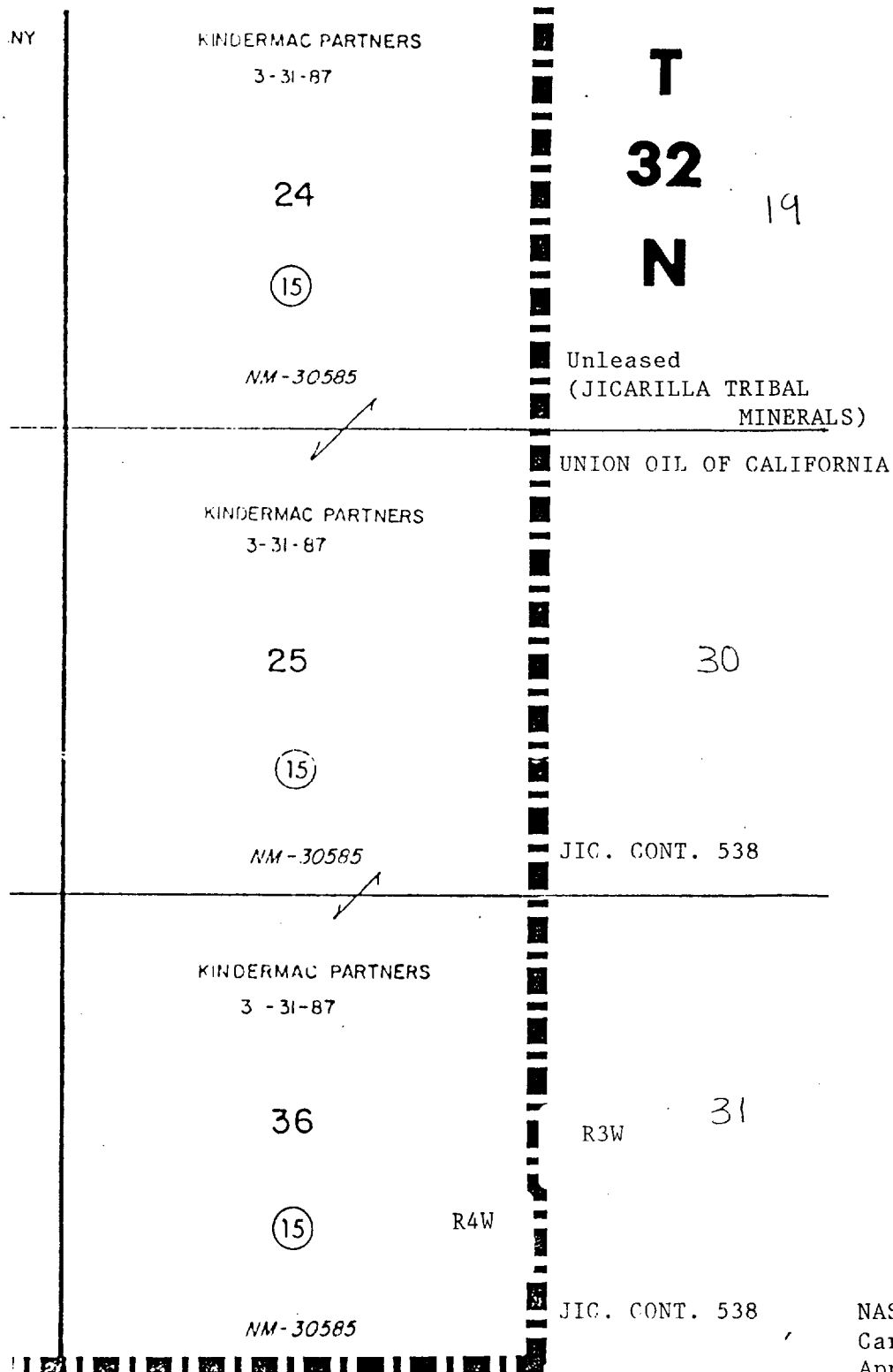
Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.

LEASE PLAT

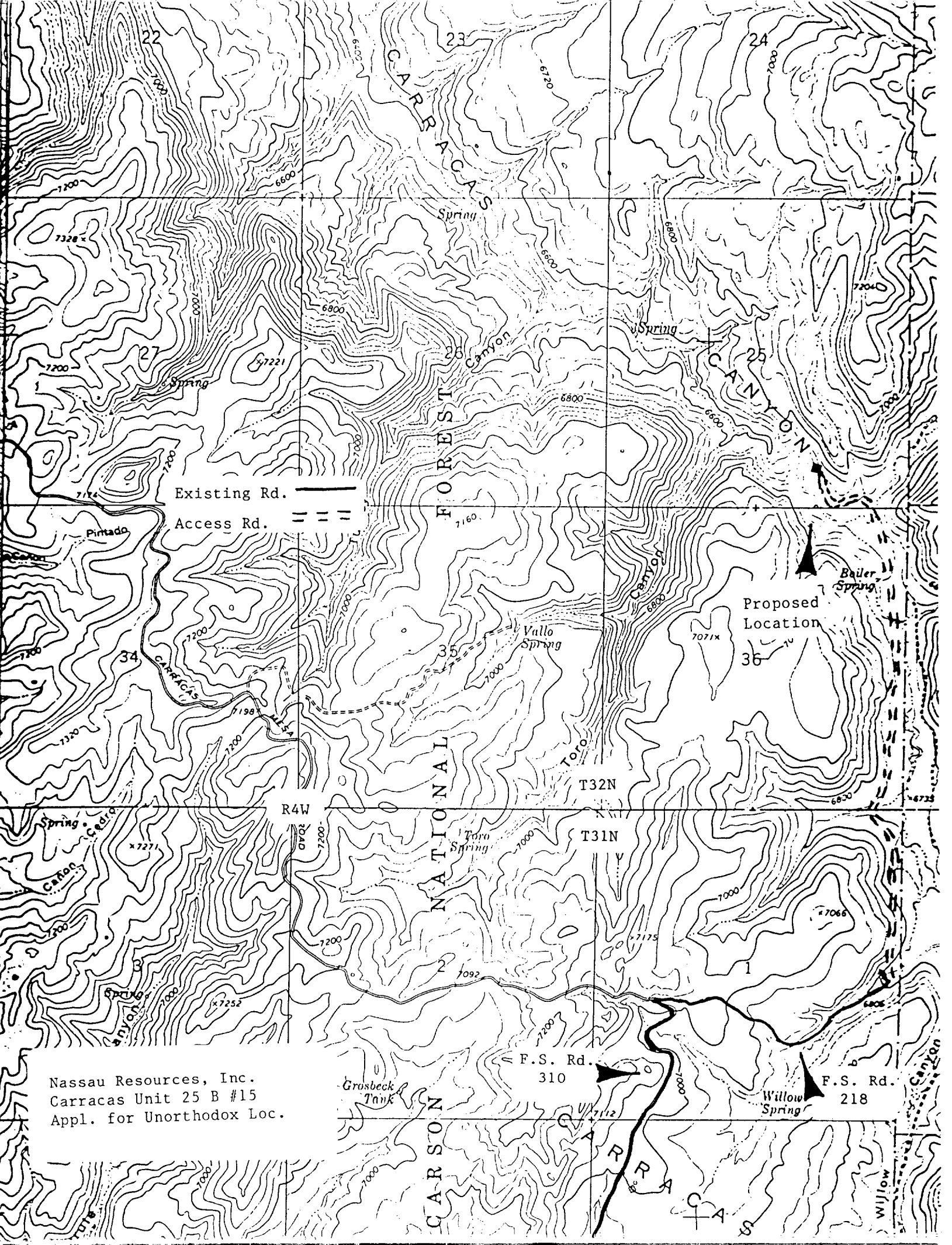
Township 32 North, Range 4 West, NMPM, Rio Arriba County, NM



Offsetting Operators:

Union Oil of
California
Jicarilla Apache
Tribe

NASSAU RESOURCES, INC.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.



Nassau Resources, Inc.
Carracas Unit 25 B #15
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.

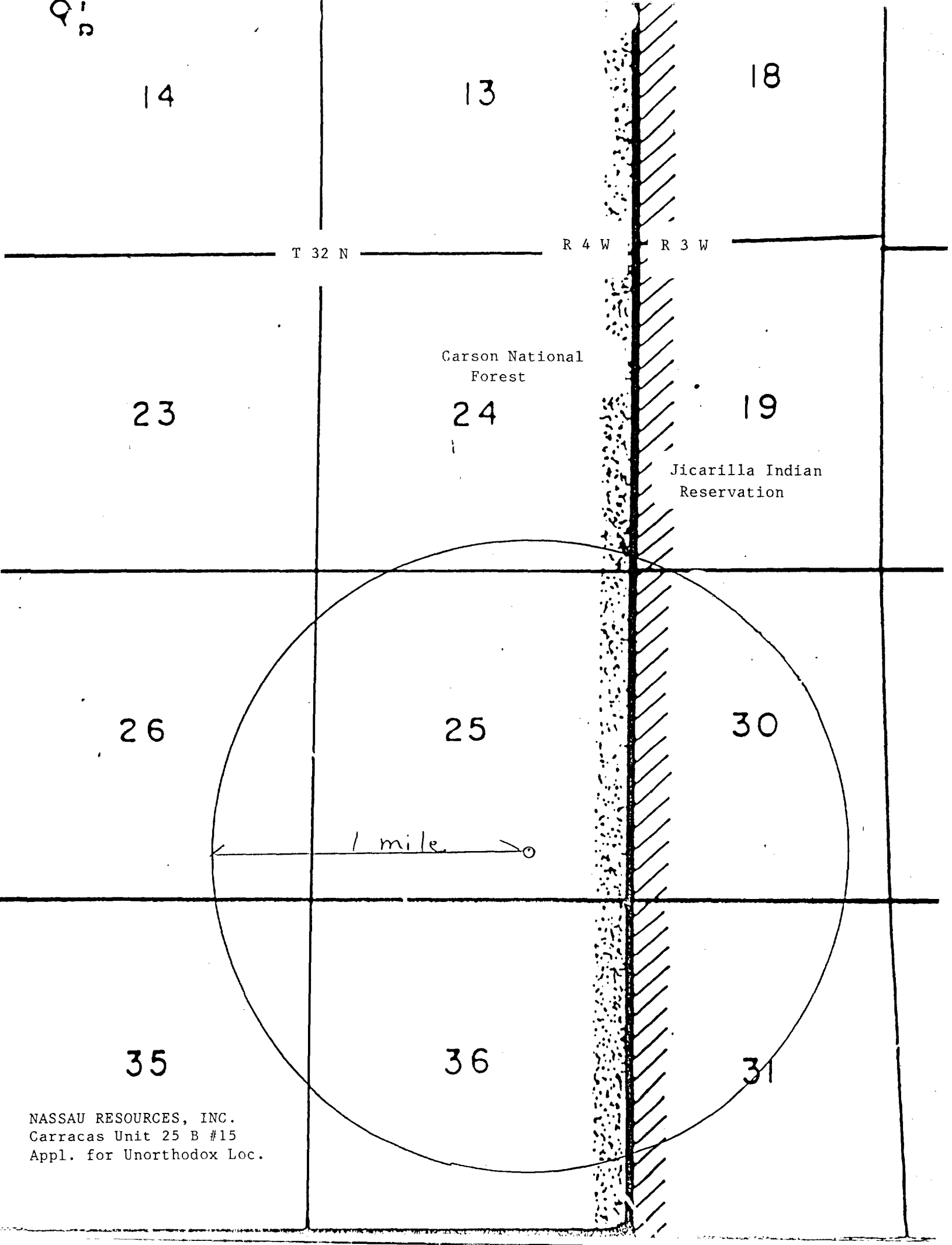
CARING FOR THE LAND AND SERVING PEOPLE



AUG 9 1988

Nassau Resources, Inc.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.

RECEIVED



NASSAU RESOURCES, INC.
Carracas Unit 25 B #15
Appl. for Unorthodox Loc.

November 15, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Union Oil of California
P. O. Box 3100
Midland, Texas 79702

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

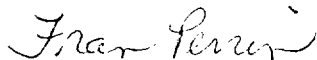
Gentlemen:

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

If Union Oil of California, as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin

fp

Enclosure

November 15, 1988

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Jicarilla Apache Tribe
ATTN: Thurman Velarde
Oil & Gas Administration
P.O. Box 507
Dulce, N. M.

RE: Application for Unorthodox Location
Nassau Resources, Inc.
Carracas Unit 25 B #15
640' FSL - 1500' FEL
Sec. 25, Township 32 North, Range 4 West, NMPM
Rio Arriba County, New Mexico

Gentlemen:

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

If the Jicarilla Apache Tribe, as an offsetting operator to the proposed location, has no objection, we request that you notify the Oil Conservation Division, Attn: Mike Stogner, 310 Old Santa Fe Trail, Room 206, Santa Fe, NM 87503, at your earliest convenience.

Please feel free to call if you have any questions.

Thank you,



Fran Perrin

cm

Enclosure