

EXHIBIT "B"
THIRD REVISION TO FRUITLAND COAL FORMATION PARTICIPATING AREA "CDE", (CDE3)
CARRACAS CANYON UNIT AREA
RIO ARriba COUNTY, NEW MEXICO

TRACT NO.	LEASE NO. OR TYPE OF LAND	DESCRIPTION	PARTICIPATING ACRES	PERCENT OF PARTICIPATION	WORKING INTEREST OWNERS
10	USA NM-30014 100.00000000X	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 33: N/2	320	8.33333334	McHUGH COMPANIES (100.00%)
		SUB TOTAL	320	8.33333334	
PREVIOUSLY ESTABLISHED FRUITLAND COAL FORMATION PARTICIPATING AREA "CDE":					
2A	USA NM-28812 100.00000000X	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 26: W/2	320	8.33333334	ANOCO PRODUCTION CO. (12.50%) FRONTIER ENERGY CORP. (12.50%) McHUGH COMPANIES (75.00%)
15	USA NM-30585 100.00000000X	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 24: S/2 SECTION 25: N/2	640	16.66666666	McHUGH COMPANIES (100.00%)
28	USA NM-28812 100.00000000X	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 23: E/2, E/2NW/4, NE/4NW/4NW/4, E/2SE/4NW/4NW/4, SW/4SW/4NW/4NW/4, W/2NW/4SW/4NW/4, SE/4NW/4SW/4NW/4, SW/4SW/4NW/4, NE/4SW/4, W/2W/2SW/4, W/2NE/4SW/4SW/4, SE/4SW/4SW/4, SW/4SE/4SW/4	540	14.06250000	McHUGH COMPANIES (84.41%) CNG PRODUCING CO. (15.59%)
31	(FEE) LOU DEANE MONTOYA	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 23: NW/4NW/4NW/4, NW/4SW/4NW/4NW/4, E/2SW/4NW/4NW/4, NE/4NW/4SW/4NW/4, E/2SW/4NW/4, W/2SE/4NW/4NW/4	45	1.17187500	McHUGH COMPANIES (100.00%)
32	(FEE) JOHN W. WEST, CONS. 50.00000000X KENNETH J. WEST, EX. 50.00000000X	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 23: E/2NW/4SW/4, E/2NE/4SW/4SW/4, NE/4SE/4SW/4, SE/4SE/4SW/4	55	1.43229166	McHUGH COMPANIES (100.00%)
4	USA NM-29339 100.00000000X	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 15: W/2E/2, SE/4SE/4	200	5.20833334	McHUGH COMPANIES (100.00%)

27B	(FEE): 100.00000000%	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 15: E/2NE/4, NE/4SE/4	120	3.12500000	McHUGH COMPANIES (100.00%)
		VIOLA H. ARMENTA 16.66666667% FRANCES CORDOVA ET VIR 16.66666667% REBECCA GARCIA 16.66666666% * JOE & DEHETRIO MARTINEZ 10.00000000% * SOPHIA MARTINEZ 10.00000000% JOSE & KATHY MARTINEZ 10.00000000% ALBERT A. GALLEGOS 5.00000000% EDUARD S. GALLEGOS, JR. 5.00000000% LINDA SUE LANIER 2.50000000% NORMA MARIA MADRID 2.50000000% ELIZABETH ANN TROXELL 2.50000000% LAURALEE PAYNE 2.50000000%			
2A	USA NH-28812 100.00000000%	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 35: E/2	320	8.333333334	AMOCO PRODUCTION CO. (12.50%) McHUGH COMPANIES (75.00%) FRONTIER ENERGY CORP. (12.50%)
1B	USA NH-59696 100.00000000%	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 34: N/2	320	8.333333333	AMOCO PRODUCTION CO. (25.00%) McHUGH COMPANIES (75.00%)
2C	USA NH-28812 100.00000000%	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 26: E/2 SECTION 35: W/2	640	16.666666666	AMOCO PRODUCTION CO. (12.50%) McHUGH COMPANIES (52.72%) CNG PRODUCING COMPANY (22.28%) FRONTIER ENERGY CORP. (12.50%)
1B	USA NH-59696 100.00000000%	TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPH SECTION 22: S/2	320	8.333333333	AMOCO PRODUCTION CO. (25.00%) McHUGH COMPANIES (75.00%)
			TOTAL	3840	
				100.00000000	

SUMMARY
EXHIBIT "B"
THIRD REVISION TO FRUITLAND COAL FORMATION PARTICIPATING AREA "CDE", (CDE3)
CARRACAS CANYON UNIT AREA
RIO ARriba COUNTY, NEW MEXICO

TYPE LAND	COMMITTED ACRES	NON-COMMITTED ACRES	PERCENT COMMITTED
FEDERAL	3620	-0-	100.00000000
STATE	-0-	-0-	-0-
PATENTED	196	* 24	89.09090909
TOTAL	3816	* 24	99.37500000

* UNLEASED AND NON-COMMITTED FEE OWNERS THAT ARE FORCED POOLED TO 320 ACRE SPACING BY THE STATE OF NEW MEXICO BY ORDER NO. R-8978, CASE NO. 9717.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved,
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other ☐

b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PIPE BACK ☐ DIFF. RENOV. ☐ Other ☐

2. NAME OF OPERATOR
NASSAU RESOURCES, INC.

3. ADDRESS OF OPERATOR
P O BOX 809, Farmington, N.M. 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 1160' FNL - 1060' FWL
At top prod. interval reported below
At total depth

14. FPMR NO. API# 30-039-24416 DATE ISSUED 5-1-89

5. LEASE DESIGNATION AND SERIAL NO.
NM 30014

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Carracas Unit

8. FARM OR LEASE NAME
Carracas Unit 33 B

9. WELL NO.
14

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., ON BLOCK AND SURVEY OR AREA

Sec. 33, T32N, R4W, NMPM

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

15. DATE SPUDDED 8-25-90 16. DATE T.D. REACHED 8-30-90 17. DATE COMPL. (Ready to prod.) 12-6-90 18. ELEVATIONS (OF, MKB, RT, GR, ETC.)* 7295' GL. 19. ELEV. CASINGHEAD 7295' GL.

20. TOTAL DEPTH, MD & TVD Casers' 4381' KB TD 21. PLUG BACK T.D., MD & TVD 4294' KB 22. IF MULTIPLE COMPL., HOW MANY* NA 23. INTERVALS DRILLED BY TD 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 4072' - 4168' KB Fruitland Coal 25. WAS DIRECTIONAL SURVEY MADE NO

26. TYPE ELECTRIC AND OTHER Microlog, Spectral density Dual Spaced Neutron, Dual Induction, GR Neutron Correlation 27. WAS WELL CORRED NO

CASING RECORD (Report all strings set in well)						
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD		AMOUNT PULLED
9-5/8"	36#	308' KB	12-1/4"	227 cu.ft. circ. to surf.		---
5-1/2"	17#	4381' KB	8-3/4"	1475 cu.ft. circ. to surf.		---
				See reverse.		

LINER RECORD					TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
NA					2-7/8"	4179' KB	---

31. PERFORATION RECORD (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
4072' - 4086' KB with 4 spf		DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4166' - 4168' KB with 4 spf		4072-4168' KB	500 gal 15% HCL acid
			1841 bbls. of 35# YF x-link fluid
			22,500# of 40/70 sand
			237,929# of 20/40 sand
Total perfs 64. .05" diam. holes			

33. PRODUCTION							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
12-5-90*		Flowing				SI	
DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
12-6-90	24	1.000"	---	---	627	0	---
FLOW. TUBING PRESS.	CASINO PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
860 psi	1225 psi	---	---	627	0	0	

34. DISPOSITION OF GAS (Bold, used for fuel, vented, etc.)
Vented to be sold.

TEST WITNESSED BY
Elmer Perry

35. LIST OF ATTACHMENTS
*1st hydrocarbons to well bore during completion operations.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available data.
SIGNED Fran Perrin TITLE Admin. Asst. FARMINGTON AREA

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
			<p><u>Item #28</u></p> <p>Cemented 9-5/8" CSG. as follows: 192 sk of Class "B" w/ 2% CaCl (227 cu.ft.)</p> <p>Cemented 5-1/2" CSG. as follows: 510 sk of 65/35 poz w/ 12% gel, and 1/4#/sk Kirtland flocele (1336 cu.ft.) 100 sk of 50/50 poz w/ 2% gel and 6-1/4#/sk Fruitland gilsonite and 1/4#/sk flocele (139 cu.ft.)</p> <p>Total of 1475 cu.ft.</p>	<p>Ojo Alamo</p> <p>3480'</p> <p>3610'</p> <p>3876'</p> <p>Fruitland Coal</p> <p>4072'</p>		

38. GEOLOGIC MARKERS

JEROME P. MCHUGH/NASSAU RESOURCES, INC.**P O BOX 809****FARMINGTON, N.M. 87499-0809****505 326-7793****FAX NUMBER 505 327-0859****DAILY REPORT****CARRACAS UNIT 33 B #4**

9-12-90 PBTD at 4294' KB. Ran GR-CCL from 4294' KB to 3500' KB.

Perforated with 4" guns. Shot .50" diam. holes.

Shot 4072 - 4086' KB with 4 spf

4166 - 4168' KB with 4 spf

Total perfs 64.

10-1-90 Rigged up and ran bottom hole static pressures.

10-24-90 Rigged up. Unflanged well head. Flanged up BOP. TIH to PBTD with 2-7/8" tubing.

10-25-90 Fraced with 35# 135 YF X-link fluid as follows:

500 gal	15% HCL acid	
25,200 gal	Pad	
3,850 gal	1#/gal	40/70 sand
3,650 gal	2#/gal	40/70 sand
3,500 gal	3#/gal	40/70 sand
6,340 gal	3#/gal	20/40 sand
6,340 gal	4#/gal	20/40 sand
6,340 gal	5#/gal	20/40 sand
6,340 gal	6#/gal	20/40 sand
6,340 gal	7#/gal	20/40 sand
8,054 gal	8#/gal	20/40 sand
3,600 gal	Flush	

Total load to recover 1841 bbls.

22,500# of 40/70 sand pumped

237,929# of 20/40 sand pumped

Pressure Max 4200 psi Avg 2700 psi

Injection rate max 51 bbl/min. Avg 50 bbl/min.

ISIP 811 psi

SI 5 min. 756 psi

10 min. 737 psi

15 min. 677 psi

Well SI at 11:50 am on 10/25/90.

Flowed well through 3/8" choke.

TIH with tubing. Broke circulation. Cleaned out sand.

Circulated well till clean.

Landed 157 jts. of 2-7/8", 6.5#, EUE tubing.

Set at 4179' KB, with seating nipple at 4146' KB.

(no anchor).

Unflanged BOP, flanged up wellhead. Rigged down.

ENGINEERING REPORT

Carracas Unit 33B #4

Section 33, T32N, R04W

Rio Arriba County, New Mexico

Carracas Unit 33B #4, located 1160' FNL and 1060' FWL of Section 33, Township 32 North, Range 4 West, was spudded on August 25, 1990. Total depth of 4381' was reached on August 30, 1989 and 5-1/2", 17 lb/ft casing was set. The Fruitland Coal was perforated at 4072' to 4086' and 4166' to 4186' with 4 shots per foot. The formation was fractured with 22,500 lbs 40/70 sand and 237,929 lbs 20/40 sand in 1841 barrels gelled water at 50 barrels per minute.

The well was first delivered at a rate of 832 MCFD on January 15, 1991.

The well has produced a cumulative of 267,481 MCF through October 31, 1992. The October, 1992 production was 7564 MCF and 196 BW for an average producing rate of 244 MCFD and 6.3 BWPD. October, 1992 gas sales were 7546 MCF. A listing of monthly production is attached.

ECONOMICS

Based on October, 1992 sales of 7546 MCF, a wellhead price for gas of \$2.055 per MCF and operating expenses for this well of \$1894.71, the well is currently operating at a profit.

Calculations used to determine the economics of this well are based on historic production, gas prices and well operating costs and projections of future production, gas prices and operating costs as shown on the attached Economics Exhibit.

ECONOMICS EXHIBIT

December, 1992

Application for Approval of Participating Area

Carracas Unit 33B #4

NW NW Section 33, T32N R04W

Rio Arriba County, New Mexico

Well Costs: (based on actual costs) \$461,963

Production: Historical data attached. Projection made from historical data and current production rate and prices. Decline curve attached.

Monthly Operating Cost:

1989 average = \$0000 per month *

1990 average = \$0000 per month *

1991 average = \$4287 per month *

1992 average = \$2595 per month *

1993 est = \$2600 per month escalated at 4% per year.

General and Administrative Costs: \$400 per month are included in above monthly operating costs.

* Monthly Operating Costs include General and Administrative cost, a gas marketing fee of \$.03/MCF, and a water disposal fee of \$.25/BBL

Working Interest: 100%

Net Revenue Interest: 80%

Discount Rate: 10%

Severance Tax: \$0.163 per MCF + 3.3% of net value

Ad Valorem Tax: 1.0% of adjusted revenue

Gas Price:

1989 average = \$1.216 per MCF *

1990 average = \$1.076 per MCF *

1991 average = \$0.878 per MCF *

1992 average = \$1.339 per MCF *

1993 est = \$1.500 per MCF escalated at 4% per year.

Date of First Production: January 15, 1991

Initial Production Rate: 832 MCFD

Calculated Economic Reserves: 267,481 MCF Cumulative + 340,589 MCF remaining

NASSAU RESOURCES, INC.
 Multiphase Curve Analysis
 Rate vs Time

(c) 1994, 1989 Dwigths, A SoftSearch Co.

CARRACAS UNIT 33B-4
 D 33 T32N R04W FRUITLAND COAL
 RIO ARRIBA COUNTY, NM

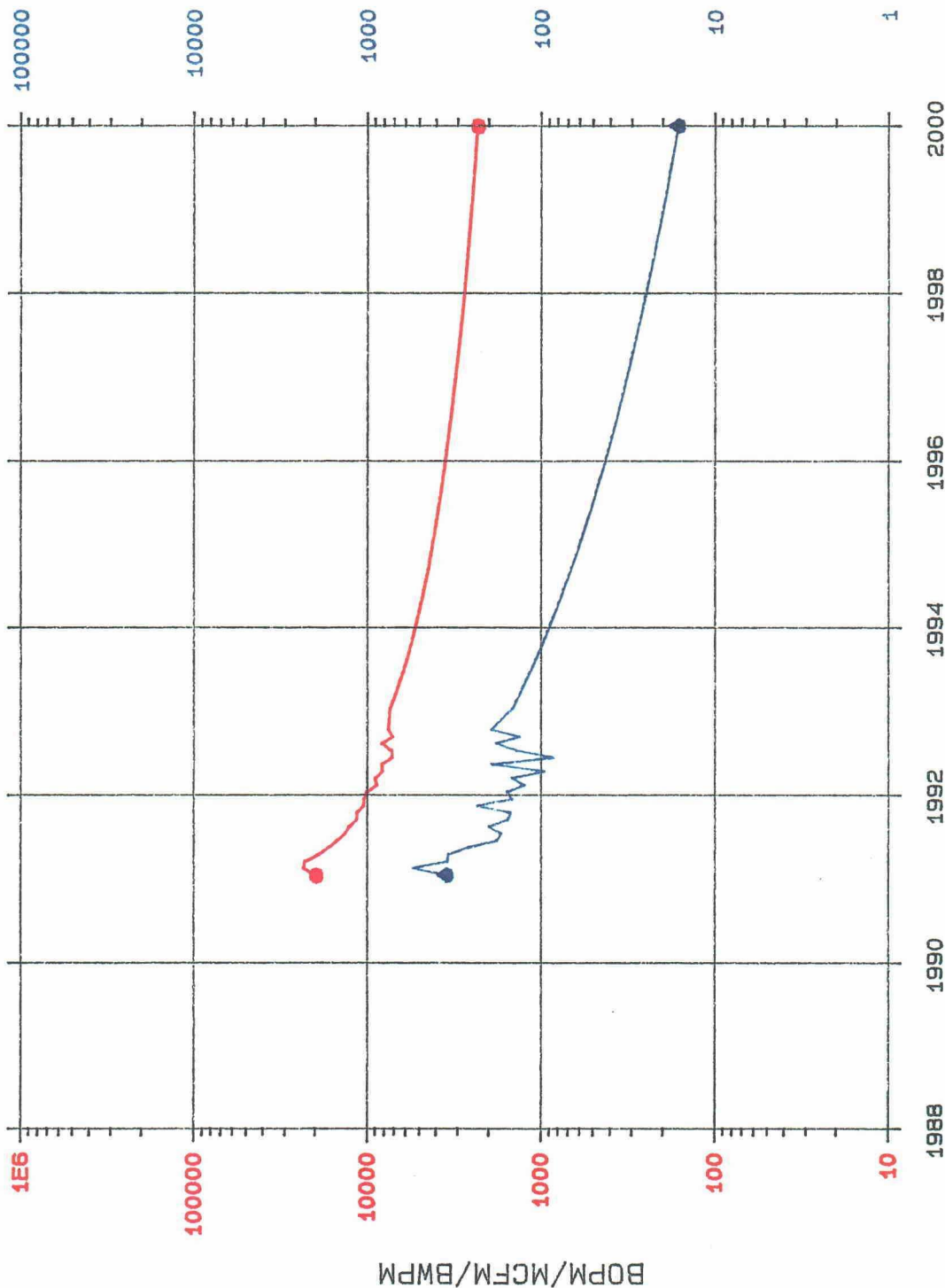
12/08/1992

Project:
 CCU 33B-4

Production Curves

GAS: • GAS DATA
 0 History 1/91 - 10/92
 1 Hyperbolic 1/93 - 8/20
 G1 : 7500.000 MCF/M
 D1 : 30.000 %
 n : 1.500
 Gs : 998.919 MCF/M
 De : 2.229 %
 Np : 664.091 MMCF

WTR: • WATER DATA
 0 History 1/91 - 10/92
 1 Hyperbolic 1/93 - 10/42
 G1 : 150.000 UNT/M
 D1 : 40.000 %
 n : 0.500
 Gs : 0.624 UNT/M
 De : 3.651 %
 Np : 5.786 MUNT



OPERATOR: NASSAU RESOURCES, INC.
 LSE WELLNO: CARRACAS UNIT 338-4
 FIELD: BASIN FRUITLAND COAL
 COUNTY: RIO ARRIBA
 STATE: NM

CCU 338-4

LOCATION: D 33 32N 04W
 FORMATION: FRUITLAND COAL
 RSVR CLASS: PROVED PRODUCING
 JNT VNTURE: PA

BFIT 20 COLUMN REPORT
 INDIVIDUAL WELL ANALYSIS
 Report Date: JAN 1993
 Discount Date: JAN 1993
 Evaluation Date: JAN 1993

----- REPORT COMMENTARY -----

CARRACAS CANYON UNIT PARTICIPATING AREA
 COMMERCIAL WELL DETERMINATION

----- DIVISION OF INTEREST -----

1st NONZERO WI 1/93 100.000000%
 1st NONZERO NRI 1/93 80.000000%
 FINAL W.I. 100.000000%
 FINAL N.R.I. 80.000000%

----- PROFIT AND PRODUCTION INDICATORS -----

LIFE OF THE PROJECT 8 years 2 months
 PAYOUT TERM N/A
 ROI - DISCOUNTED N/A
 ROI - UNDISCOUNTED N/A
 INTERP. IRR > 400 %

END OF PERIOD (MO/YR)	GROSS PRODUCTION		NET PRODUCTION		EFFECTIVE PRICES		NET REVENUE			
	OIL & CND --(MBBL)-----	GAS & CGS (MMCF)--	OIL & CND --(MBBL)-----	GAS & CGS (MMCF)--	OIL & CND --(\$/BBL)-----	GAS & CGS (\$/MCF)--	OIL & CND ----(M\$)-----	GAS & CGS (M\$)-----	OTHER (M\$)-----	TOTAL (M\$)-----
PRIOR		267.481								
12/93	0.000	74.500	0.000	59.600	N/A	1.53	0.000	91.083	0.000	91.083
12/94	0.000	55.874	0.000	44.699	N/A	1.59	0.000	71.020	0.000	71.020
12/95	0.000	45.783	0.000	36.627	N/A	1.65	0.000	60.403	0.000	60.403
12/96	0.000	39.295	0.000	31.436	N/A	1.71	0.000	53.735	0.000	53.735
12/97	0.000	34.710	0.000	27.768	N/A	1.77	0.000	49.133	0.000	49.133
12/98	0.000	31.265	0.000	25.012	N/A	1.83	0.000	45.760	0.000	45.760
12/99	0.000	28.566	0.000	22.853	N/A	1.89	0.000	43.182	0.000	43.182
12/00	0.000	26.383	0.000	21.106	N/A	1.95	0.000	41.150	0.000	41.150
12/01	0.000	4.213	0.000	3.370	N/A	1.98	0.000	6.690	0.000	6.690
SUB TOTAL	0.000	340.589	0.000	272.471			0.000	462.156	0.000	462.156
REMAINDER	0.000	0.000	0.000	0.000			0.000	0.000	0.000	0.000
TOTAL	0.000	340.589	0.000	272.471			0.000	462.156	0.000	462.156
ULTIMATE		608.070								

END OF PERIOD (MO/YR)	NET EXPENSES	NET PROD. TAXES	NET W.P.T.	TOTAL EXP+TAXES	NET CASH OPER. INC.	NET INVESTMENT	NET RESALE	NET OPERATING INCOME BFIT		
	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	---(M\$)---	UNDISC (M\$)---	DISC @ 10.00% (M\$)---	CUM DISC (M\$)---
12/93	30.987	13.531	0.000	44.518	46.565	0.000	0.000	46.565	44.328	44.328
12/94	31.420	10.265	0.000	41.684	29.336	0.000	0.000	29.336	25.256	69.584
12/95	32.164	8.506	0.000	40.670	19.733	0.000	0.000	19.733	15.375	84.959
12/96	33.043	7.382	0.000	40.425	13.310	0.000	0.000	13.310	9.390	94.349
12/97	33.992	6.592	0.000	40.584	8.549	0.000	0.000	8.549	5.463	99.812
12/98	34.984	6.002	0.000	40.987	4.774	0.000	0.000	4.774	2.766	102.578
12/99	36.003	5.543	0.000	41.546	1.635	0.000	0.000	1.635	0.865	103.443
12/00	37.041	5.174	0.000	42.215	-1.066	0.000	0.000	-1.066	-0.493	102.950
12/01	6.275	0.831	0.000	7.107	-0.417	0.000	0.000	-0.417	-0.186	102.764
SUB TOTAL	275.909	63.826	0.000	339.736	122.419	0.000	0.000	122.419	102.764	
REMAINDER	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
TOTAL	275.909	63.826	0.000	339.736	122.419	0.000	0.000	122.419	102.764	

----- PRESENT WORTH PROFILE -----

1 - 5.00 % 111.872 M\$ 3 - 15.00 % 94.860 M\$ 5 - 30.00 % 76.592 M\$ 7 - 70.00 % 49.9
 2 - 10.00 % 102.764 M\$ 4 - 20.00 % 87.965 M\$ 6 - 50.00 % 60.545 M\$

OPERATOR: NASSAU RESOURCES, INC.
LSE WELLNO: CARRACAS UNIT 33B-4
FIELD: BASIN FRUITLAND COAL
COUNTY: RIO ARRIBA
STATE: NM

CCU 33B-4
INPUT DATA SUMMARY
INDIVIDUAL WELL ANALYSIS

LOCATION: D 33 32N 04W
FORMATION: FRUITLAND COAL
RSVR CLASS: PROVED PRODUCING
JNT VNTURE: PA

----- REPORT COMMENTARY -----
CARRACAS CANYON UNIT PARTICIPATING AREA
COMMERCIAL WELL DETERMINATION

----- CALCULATION PARAMETERS -----
PROJECT START DATE: 1/93
PRODUCTION REVENUE START DATE: 1/93
EVALUATION START DATE: 1/93
METHOD OF PAYOUT: STREAM VALUE
PAYOUT ON STREAM: COI UNDISCOUNTED
CUM VALUE TO PAYOUT: \$

----- CALCULATION PARAMETERS -----
TYPE OF INTEREST: OUTSIDE EVAL INTEREST
OUTSIDE WORKING INTEREST: 100.000000 %
NET REVENUE INTEREST: 80.000000 %
BASE CASE DISCOUNT RATE: 10.00 %
PROJ BASE CASE DSC RATE: 10.00 %

4. WELL SCHEDULING

GAS (2), 0, 1/93
1, SCHED (1), 1, NO ESCAL, NO LIMIT, PROJECT LIFE (9)

5. DIVISION OF INTEREST SCHEDULING

EWI (1), 0, 1/93
1, SCHED (1), 100.000000 %, PROJECT LIFE (10)
NRI-O/A(4), 0, 1/93
1, SCHED (1), 80.000000 %, PROJECT LIFE (10)

6. PRODUCTION SCHEDULING

GAS (2), 0, HST (2), 267.481 MMCF, 01/93 STANDARD
1, HYP (4), 7500.000 MCF/M (2), 998.919 MCF/M (2), EXP 1.50, DEC 30.000, CUM PROD (2), 931.009, MMCF (2)
Oth-A (6), 0, HST (2), 4.540 MUNT, 01/93 STANDARD
1, HYP (4), 150.000 UNT/M (2), 0.624 UNT/M (2), EXP 0.50, DEC 40.000, ADD TIME (5), 49-Y 10-M

7. PRICE SCHEDULING

GAS (2), 0, 1/93
1, SCHED (1), 1.50 \$/MCF (2), AS04 , 3.50, PROJECT LIFE (9)

8. EXPENSE SCHEDULING

DIR OPER (1), 0, 1/93
1, SCHED (1), 2320.00 \$/W/M (3), AS04 , NO LIMIT, PROJECT LIFE (9)
VAR-GAS (8), 0, 1/93
1, SCHED (1), 0.03 \$/MCF (4), NO ESCAL, NO LIMIT, PROJECT LIFE (9)
VAR-OTH-P(9), 0, 1/93
1, SCHED (1), 0.25 \$/UNT (4), AS04 , 2.00, PROJECT LIFE (9)
VAR-Ot-A(12), 0, 1/93
1, SCHED (1), 0.25 \$/UNT (4), AS04 , 2.00, PROJECT LIFE (9)

9. TAX SCHEDULING

SEV (1), NEW MEXICO, OIL, 7.080 %, 0.000000 \$/BBL, GAS, 3.330 %, 0.163000 \$/MCF
AD VAL (2), % OF ADJUSTED REVENUE - 1.00 %, FIXED AMOUNT - 0.000,
OIL SEV-LIST (7), FOR 0-Y 0-M

GAS SEV-LIST (8), FOR 0-Y 0-M
ADVAL -LIST (9), FOR 0-Y 0-M
NET WPT-LIST(10), FOR 0-Y 0-M
GRS WTP-LIST(11), FOR 0-Y 0-M
T3 ABP -LIST(12), FOR 0-Y 0-M

10. INVESTMENT SCHEDULING

*** INVESTMENTS NOT SCHEDULED ***

11. LOANS SCHEDULING

*** LOANS NOT SCHEDULED ***

12. STREAM ADJUSTMENT SCHEDULING

*** STREAM ADJUSTMENTS NOT SCHEDULED ***

HISTORIC DATA LISTING

CCU 33B-4

GAS

STANDARD

TIME DEC

END

SEG TYPE

CONDITION

0 HST 267.481 MMCF

01/93

HISTORIC DATA: MCF

PRIOR PRODUCTION:

0.000 MMCF

1/ 1/91 - 1/31/91	19630.000
2/ 1/91 - 2/28/91	23302.000
3/ 1/91 - 3/31/91	22789.000
4/ 1/91 - 4/30/91	19075.000
5/ 1/91 - 5/31/91	16683.000
6/ 1/91 - 6/30/91	14883.000
7/ 1/91 - 7/31/91	13429.000
8/ 1/91 - 8/31/91	12599.000
9/ 1/91 - 9/30/91	11444.000

10/ 1/91 - 10/31/91	11424.000
11/ 1/91 - 11/30/91	10439.000
12/ 1/91 - 12/31/91	10373.000
1/ 1/92 - 1/31/92	10017.000
2/ 1/92 - 2/29/92	8741.000
3/ 1/92 - 3/31/92	9012.000
4/ 1/92 - 4/30/92	8144.000
5/ 1/92 - 5/31/92	8238.000
6/ 1/92 - 6/30/92	7132.000

HISTORIC DATA: MCF

7/ 1/92 - 7/31/92	7251.000
8/ 1/92 - 8/31/92	8224.000
9/ 1/92 - 9/30/92	7088.000
10/ 1/92 - 10/31/92	7564.000

1 HYP 7500.000 MCF/M 998.919 MCF/M 1.50 30.000 2 931.009 MMCF CUM

Other - Associate

STANDARD

TIME DEC

END

SEG TYPE

CONDITION

0 HST 4.540 MUNT

01/93

HISTORIC DATA: UNT

PRIOR PRODUCTION:

0.000 MUNT

1/ 1/91 - 1/31/91	348.000
2/ 1/91 - 2/28/91	552.000
3/ 1/91 - 3/31/91	342.000
4/ 1/91 - 4/30/91	341.000
5/ 1/91 - 5/31/91	263.000
6/ 1/91 - 6/30/91	180.000
7/ 1/91 - 7/31/91	169.000
8/ 1/91 - 8/31/91	201.000
9/ 1/91 - 9/30/91	156.000

10/ 1/91 - 10/31/91	149.000
11/ 1/91 - 11/30/91	235.000
12/ 1/91 - 12/31/91	147.000
1/ 1/92 - 1/31/92	158.000
2/ 1/92 - 2/28/92	124.000
3/ 1/92 - 3/31/92	149.000
4/ 1/92 - 4/30/92	96.000
5/ 1/92 - 5/31/92	194.000
6/ 1/92 - 6/30/92	85.000

HISTORIC DATA LISTING
CCU 338-4

Other - Associate

STANDARD

TIME DEC

END

SEG TYPE

CONDITION

HISTORIC DATA: UNT

7/ 1/92 - 7/31/92	139.000
8/ 1/92 - 8/31/92	183.000
9/ 1/92 - 9/30/92	133.000
10/ 1/92 - 10/31/92	196.000

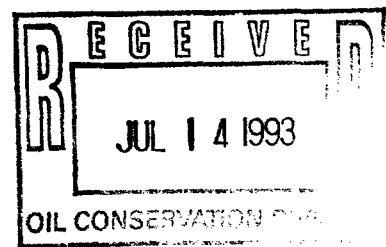
1	HYP	150.000 UNT/M	0.624 UNT/M	0.50	40.000	5	[49]-YRS [10]-MOS	ADD
---	-----	---------------	-------------	------	--------	---	-------------------	-----

Carracas Canyon Unit (PA)
3180 (070)

JUL 8 1993

CERTIFIED-RETURN RECEIPT REQUESTED
P 309 773 757

Nassau Resources, Inc.
650 S. Cherry, Suite 1225
Denver, CO 80222-1894



Dear Mr. Joda:

The First Revision of the Fruitland Coal Formation "CDE" Participating Area, Carracas Canyon Unit, is hereby approved effective as of October 1, 1990, pursuant to Section 11 of the Carracas Canyon Unit Agreement, Rio Arriba County, New Mexico.

The First Revision of the Fruitland Coal Formation "CDE" Participating Area is a result of adding 640 acres which consists of the S $\frac{1}{2}$ sec. 24 and the N $\frac{1}{2}$ sec. 25, T. 32 N., R. 4 W. to the participating area for a total of 3200 acres and is based upon the completion of Unit Well No. 13-24B, located SW $\frac{1}{4}$ SW $\frac{1}{4}$ of sec. 24 and well No. 3-25B, located NE $\frac{1}{4}$ NW $\frac{1}{4}$ of sec. 25, both on Federal lease NMNM 30585. Both wells have been determined capable of producing unitized substances in paying quantities. Enclosed is the approved schedule showing the lands and their percentage of allocation in the participating area. Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the First Revision of the Fruitland Coal Formation "CDE" Participating Area, and the effective date.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please call Janice Easley at (505) 599-6355.

Sincerely,

~~/s/ Duane Spencer~~

Duane W. Spencer
Chief, Branch of Reservoir Management

Enclosure

1 - Approved Application (27 pp)

cc:

MMS, Denver w/encl.

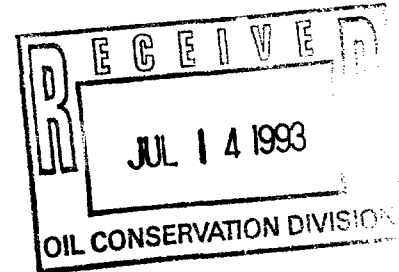
NMOCD, Santa Fe w/o encl.

Carracas Canyon Unit (PA)
3180 (070)

JUL 8 1993

CERTIFIED-RETURN RECEIPT REQUESTED
P 309 773 758

Nassau Resources, Inc.
650 S. Cherry, Suite 1225
Denver, CO 80222-1894



Dear Mr. Joda:

The Second Revision of the Fruitland Coal Formation "CDE" Participating Area, Carracas Canyon Unit, Rio Arriba County, New Mexico is hereby approved effective as of December 1, 1990, pursuant to Section 11 of the Carracas Canyon Unit Agreement, Rio Arriba County, New Mexico.

The Second Revision of the Fruitland Coal Formation "CDE" Participating Area (PA) results in the addition of 320 acres (N $\frac{1}{2}$ sec. 33, T. 32 N., R. 4 W.) to the participating area for a total of 3520 acres and is based upon the completion of Unit Well No. 4-33B, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of sec. 33, Federal lease NMNM 30014, which has been determined capable of producing unitized substances in paying quantities. Enclosed is the approved revised schedule showing the lands and their percentage of allocation in the PA. Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the Second Revision of the Fruitland Coal Formation "CDE" PA, Carracas Canyon Unit and the effective date.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please call Janice Easley at (505) 599-6355.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Chief, Branch of Reservoir Management

Enclosure

1 - Approved Application (18 pp)

cc:

MMS, Denver w/encl

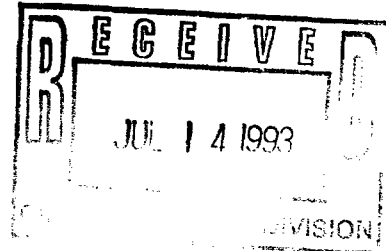
NMOCD, Santa Fe w/o encl

Carracas Canyon Unit (PA)
3180 (070)

JUL 8 1993

CERTIFIED-RETURN RECEIPT REQUESTED
P 309 773 755

Nassau Resources, Inc.
650 S. Cherry, Suite 1225
Denver, CO 80222-1894



Dear Mr. Joda:

The Initial Fruitland Coal Formation "E" Participating Area, Carracas Canyon Unit, is hereby approved effective as of July 24, 1990, pursuant to Section 11 of the Carracas Canyon Unit Agreement, Rio Arriba County, New Mexico.

The Initial Fruitland Coal Formation "E" Participating Area (PA) results in an initial participating area of 320 acres (S $\frac{1}{2}$ sec. 22, T. 32 N., R. 4 W.), and is based upon the completion of Unit well No. 9-22B, located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 22, Federal lease NMNM 59696, which has been determined capable of producing unitized substances in paying quantities. Enclosed is the approved schedule showing the lands and their percentage of allocation in the participating area. Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the establishment of the Fruitland Coal Formation "E" PA, and the effective date.

This Participating Area has been assigned Reference No. 891019596E for production and accounting reporting purposes.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please call Janice Easley at (505) 599-6355.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Chief, Branch of Reservoir Management

Enclosure

1 - Approved Application (17 pp)

cc:

MMS, Denver w/encl.

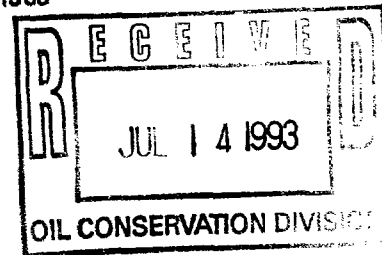
NMOCD, Santa Fe w/o encl.

Carracas Canyon Unit (PA)
3180 (070)

JUL 8 1993

CERTIFIED-RETURN RECEIPT REQUESTED
P 309 773 774

Nassau Resources, Inc.
650 S. Cherry, Suite 1225
Denver, CO 80222-1894



Dear Mr. Joda:

The Second Revision of the Fruitland Coal Formation "D" Participating Area, Carracas Canyon Unit, Rio Arriba County, New Mexico is hereby approved effective as of December 1, 1989, pursuant to Section 11 of the Carracas Canyon Unit Agreement, Rio Arriba County, New Mexico.

The Second Revision of the Fruitland Coal Formation "D" Participating Area (PA) results in the addition of 320 acres (E $\frac{1}{2}$ sec. 35, T. 32 N., R. 4 W.) to the participating area for a total of 1280 acres and is based upon the completion of Unit Well No. 9-35B, located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 35, Federal lease NMNM 28812, which has been determined capable of producing unitized substances in paying quantities. Enclosed is the approved revised schedule showing the lands and their percentage of allocation in the PA. Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the Second Revision of the Fruitland Coal Formation "D" PA, Carracas Canyon Unit and the effective date.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please call Janice Easley at (505) 599-6355.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Chief, Branch of Reservoir Management

Enclosure

1 - Approved Application (15 pp)

cc:

MMS, Denver w/encl

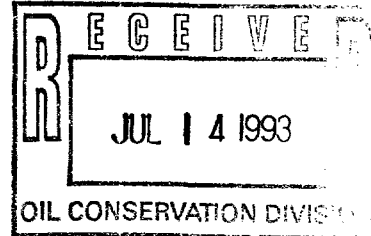
NMOCD, Santa Fe w/o encl

Carracas Canyon Unit (PA)
3180 (070)

JUL 8 1993

CERTIFIED-RETURN RECEIPT REQUESTED
P 309 773 773

Nassau Resources, Inc.
650 S. Cherry, Suite 1225
Denver, CO 80222-1894



Dear Mr. Joda:

The First Revision of the Fruitland Coal Formation "D" Participating Area, Carracas Canyon Unit, Rio Arriba County, New Mexico is hereby approved effective as of November 1, 1989, pursuant to Section 11 of the Carracas Canyon Unit Agreement, Rio Arriba County, New Mexico.

The First Revision of the Fruitland Coal Formation "D" Participating Area (PA) results in the addition of 320 acres (N½ sec. 34, T. 32 N., 4 W.) to the participating area for a total of 960 acres and is based upon the completion of Unit Well No. 2-34B, located in the NW¼NE¼ sec. 34, Federal lease NMNM 59696, which has been determined capable of producing unitized substances in paying quantities. Enclosed is the approved revised schedule showing the lands and their percentage of allocation in the PA. Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the First Revision of the Fruitland Coal Formation "D" PA, Carracas Canyon Unit and the effective date.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions please call Janice Easley at (505) 599-6355.

Sincerely,

~~/s/ Duane Spencer~~

Duane W. Spencer
Chief, Branch of Reservoir Management

Enclosure

1 - Approved Application (15 pp)

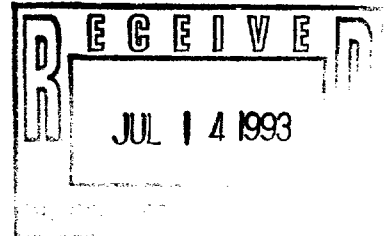
cc:

MMS, Denver w/encl

NMOCD, Santa Fe w/o encl

Carracas Canyon Unit (PA)
3180 (070)

JUL 8 1993



CERTIFIED-RETURN RECEIPT REQUESTED
P 309 773 772

Nassau Resources, Inc.
650 S. Cherry, Suite 1225
Denver, CO 80222-1894

Dear Mr. Joda:

The Initial Fruitland Coal Formation "D" Participating Area, Carracas Canyon Unit, is hereby approved effective as of October 10, 1989, pursuant to Section 11 of the Carracas Canyon Unit Agreement, Rio Arriba County, New Mexico.

The Initial Fruitland Coal Formation "D" Participating Area (PA) results in an initial Participating Area of 640 acres, consisting of the E $\frac{1}{2}$ sec. 26 and the W $\frac{1}{2}$ sec. 35, all in T. 32 N., R. 4 W. This PA is based upon the completion of Unit well No. 13-35B, located SW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 35, Federal lease NMNM 28812 and Unit well No. 16-26B, located SE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 26, Federal lease NMNM 28812. Both wells have been determined capable of producing unitized substances in paying quantities. Enclosed is the approved schedule showing the lands and their percentage of allocation in the participating area. Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the establishment of the Fruitland Coal Formation Participating Area "D", and the effective date.

This Participating Area has been assigned Reference No. 891019596D for production and accounting reporting purposes.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please call Janice Easley at (505) 599-6355.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Chief, Branch of Reservoir Management

Enclosure

1 - Approved Application (27 pp)

cc:

MMS, Denver w/encl.

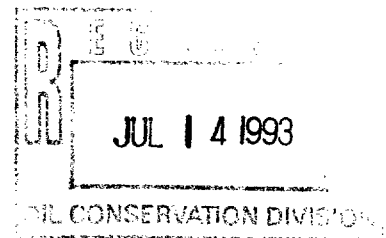
NMOCD, Santa Fe w/o encl.

Carracas Canyon Unit (PA)
3180 (070)

JUL 8 1993

CERTIFIED-RETURN RECEIPT REQUESTED
P 309 773 771

Nassau Resources, Inc.
650 S. Cherry, Suite 1225
Denver, CO 80222-1894



Dear Mr. Joda:

The Initial Fruitland Coal Formation "C" Participating Area, Carracas Canyon Unit, is hereby approved effective as of September 19, 1989, pursuant to Section 11 of the Carracas Canyon Unit Agreement, Rio Arriba County, New Mexico.

The Initial Fruitland Coal Formation "C" Participating Area results in an initial Participating Area of 320 acres (E½ sec. 15, T. 32 N., R. 4 W.), and is based upon the completion of Unit well No. 7-15B, located SW¼NE¼ sec. 15, T. 32 N., R. 4 W., Federal lease NMNM 29339, which has been determined capable of producing unitized substances in paying quantities. Enclosed is the approved schedule showing the lands and their percentage of allocation in the participating area. Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the establishment of the Fruitland Coal Formation Participating Area "C", and the effective date.

This Participating Area has been assigned Reference No. 891019596C for production and accounting reporting purposes.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please call Janice Easley at (505) 599-6355.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Chief, Branch of Reservoir Management

Enclosure

1 - Approved Application (17 pp)

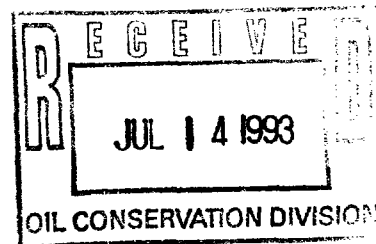
cc:

MMS, Denver w/encl.

NMOCD, Santa Fe w/o encl.

Carracas Canyon Unit (PA)
3180 (070)

JUL 8 1993



CERTIFIED-RETURN RECEIPT REQUESTED
P 309 773 756

Nassau Resources, Inc.
650 S. Cherry, Suite 1225
Denver, CO 80222-1894

Dear Mr. Joda:

The combining of separate Fruitland Coal Formation "C" "D" and "E" Participating Areas into one Fruitland Coal Formation "CDE" Participating Area, Carracas Canyon Unit, is hereby approved effective as of September 1, 1990, pursuant to Section 11 of the Carracas Canyon Unit Agreement, Rio Arriba County, New Mexico.

The Fruitland Coal Formation "CDE" Participating Area is a result of adding 640 acres (sec. 23, T. 32 N., R. 4 W.) to the participating area for a total of 2560 acres and is based upon the completion of Unit Well No. 15-23B located SW $\frac{1}{4}$ SE $\frac{1}{4}$, and No. 8-23B located SE $\frac{1}{4}$ NE $\frac{1}{4}$, both in sec. 23, Federal lease NMNM 28812. Both wells have been determined capable of producing unitized substances in paying quantities. Enclosed is the approved schedule showing the lands and their percentage of allocation in the participating area. Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the establishment of the Fruitland Coal Formation "CDE" Participating Area, and the effective date.

This Participating Area has been assigned Reference No. 891019596F for production and accounting reporting purposes.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 *et seq.*

If you have any questions, please call Janice Easley at (505) 599-6355.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Chief, Branch of Reservoir Management

Enclosure

1 - Approved Application (28 pp)

cc:

MMS, Denver w/encl.

NMOCD, Santa Fe w/o encl.