Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT - " for such proposals

5. Lease Designation and Serial No.
NM-013688

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Atlantic Com LS #3

2. Name of Operator
Amoco Production Company

Attention:
Patty Haefele

9. API Well No.
3004510489

3. Address and Telephone No.
P.O. Box 800, Denver, CO 80201 (303) 830-4988

10. Field and Pool, or Exploratory Area
Blanco Mesaverde

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1650' FSL 1650' FWL Sec. 24 T 31N R 10W Unit K

11. County or Parish, State
San Juan New Mexico

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
☒ Notice of Intent	☐ Abandonment	☐ Change of Plans
☐ Subsequent Report	☐ Recompletion	☐ New Construction
☐ Final Abandonment Notice	☐ Plugging Back	☐ Non-Routine Fracturing
	☐ Casing Repair	☐ Water Shut-Off
	☐ Altering Casing	☐ Conversion to Injection
	☒ Other Sidetrack	☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Amoco Production Company requests permission to sidetrack this wellbore in the Mesaverde per the attached procedure.

RECEIVED
FEB 23 1996
OIL CON. DIV.
DIST. 3

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct

Signed Patty Haefele Title Staff Assistant Date 02-05-1996

APPROVED
FEB 09 1996
DISTRICT MANAGER

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* See Instructions on Reverse Side

NMOCD

Will order Required (2)

January 28, 1996
revised 02/02/96

Atlantic Com LS #3

1,650' FSL, 1,650' FWL Sect. 24, 31N, 10W
San Juan County, New Mexico
Sidetrack Procedures

PREPARATION

1. MIRUSU complete with 3.5 power swivel, cementing equipment, circulating equipment and rental string of 2.875" drill pipe or Hydril PH-6 tubing and 6-3.750" drill collars. Ensure that the drill pipe and collars have recent inspection papers.

2. Blow down well, ND tree, NUBOPS and pull 2.375" tubing. (Landed at 5,658'--perf'd at 5,627--5,658'.) If stuck, cut at 5,000' and lay down.

3. Pick up drill pipe and set CIBP at 4,950'. Circulate hole with fresh water. Mix and pump 25 sx Class "B" cement (neat) at 15.7 ppg and spot on top of bridge plug (100'+). POH.

4. Test casing to 750 psi. If test positive, proceed to **step 5**. If casing leaks, pick up RTTS packer and isolate hole(s).

5. Run CBL from 4,400' to top of cement (3,230' by TS). Check for good cement at KOP of 3,700-4,200' and check for cement below surface pipe at 172' to see if previous operators pumped down bradenhead. If no good cement is found at KOP, perforate, set retainer 100' above holes and squeeze with 100 sx of 50:50 Pozmix containing 0.4 % Halad 344, 0.25 #/sx flocele, and 5-10 #/sx Gilsonite and CAL-SEAL as recommended by Howco. Remainder of bradenhead cement work will depend on CBL but will probably require the following steps.

6. Perforate 4 JSPF at 2,967' (top of Fruitland) unless casing leaks found near this depth.

7. Set cement retainer at 2,850' and attempt to establish circulation to bradenhead. If circulation obtained, mix and pump sufficient cement to circulate. Use same cement mixture as in **step #5** and proceed to **step #9.** If no circulation obtained, squeeze holes with 100 sx of the same and proceed to **step #8.**

8. Perforate 4 JSPF at 1,200' (above Ojo Alamo), set retainer at 1,100' and repeat **step #7.**

9. WOC. NDBOPS, install casing spool above bradenhead to receive the 4.500" long string. NUBOPS.

10. Pick up 6.250" tooth bit with premium bearings, 6-3.750" drill collars on the drill pipe (tubing) and drill out cement and retainers. Test each perforated interval to 750 psi after drilling and re-squeeze with 100 sx cement if necessary. Rerun CBL if the cement at KOP is questionable

11. RDMOSU.

Atlantic Com LS #3

SIDETRACK

1. MIRURT complete with 3.500" drill string, air package and misting equipment. NUBOPS and test to 2,000 psi with third party tester on first well and every third well thereafter.

2. Orient Smith Anchor-Stock whipstock at KOP at 180 degrees with gyro, running gyro from surface for tie-in. Mill window utilizing air/mist, reaming window sufficiently to run directional and stiff bottom hole assemblies without problem.

3. Pick up premium, gage protected, 6.125" TC bit (Smith F37 DODPD w/motor, F37 DP conventional), directional equipment and cut curve as indicated on the attached directional program. Trip out when bit wears out and pick up stiff bottom hole assembly with monel collar and rotate ahead to total measured depth. Take single shot surveys every 150-200' to make certain the general azimuth direction is acceptable and that the angle is not dropping excessively. A final directional plot is required at TMD by the NMOCD. Generally, the directional program is as follows.

KOP--	3,700-4,100' TVD	
Orientation--	180 +/- 20 degrees	
Curve--	5 degrees/100'	
Maximum angle--	28-30 degrees	
Total depth--	5,850' TVD	5,950' TMD

4. Lay down the 3.500" drill string, run 4.500" used casing using a marker joint at 1,000' from bottom. Utilize stand-off bands (4.625" x 6.000") every second joint on the lower 20 joints and every third joint thereafter up to 100' inside the existing 7.000" casing.

5. Cement 325 sx (60 % excess) of 50:50 Pozmix containing 2 % gel, 6 % salt, 0.4 % Halad 344, 0.25 #/sx flocele, and 5 #/sx Gilsonite--single stage at least 500' inside the 7.000" casing. Pump 20 bbls water ahead and displace w/2 % Kcl water. Utilize double wiper plugs or some other method of ensuring the casing is wiped completely such that a rigless completion is possible. Reciprocate the casing throughout the cement job, passing joints. Land casing in full tension. Run temperature survey 10-12 hours after bumping plug.

6. RDMORT.

brad
02/02/96 7:13 AM

SJOET Well Work Procedure

Name **Atlantic Com LS #3**
Version: Preliminary
Date: February 2, 1996
Budget: Repair
Repair Type: Sidetrack Completion

Objectives:
1. Complete new sidetrack wellbore in Mesaverde.

Pertinent Information:

Location:	1650' FSL x 1650' FWL, Sec 24, T31N-R10W	Horizon:	MV
County:	San Juan	API #:	3004510489
State:	New Mexico	Engr:	Kutas
Lease:	Fed NM 013688	Phone:	W-(303)830-5159
Well Flac:	932102		

Economic Information:

APC WI:	28.516%	Current MV Production	0 MCFD
Estimated Cost:	$100,000	MV Anticipated Prod	400 MCFD
Payout:			
Max Cost -12 Mo. P.O.			
PV15:			
Max Cost PV15:	$M		

Note: **Economics will be run on all projects that have a payout exceeding ONE year.**

Formation Tops: (Estimated formation tops)

Nacimento:		Menefee:	5173'
Ojo Alamo:	2530'	Point Lookout:	5536'
Kirtland Shale:	2645'	Mancos Shale:	
Fruitland:	2967'	Gallup:	
Pictured Cliffs:	3318'	Graneros:	
Lewis Shale:	3401'	Dakota:	
Cliff House:	5042'	Morrison:	

Bradenhead Test Information:
Test Date: **Tubing:** **Casing:** **BH:**

Time	BH	CSG	INT	CSG
5 min				
10 min				
15 min				

Comments:

1. MIRU wireline unit. Run gauge ring to ensure clean casing. Tag for and report PBTD.

2. Run GR/CCL/TMD from TD' to 500' above to top of Cliffhouse. Fax log copy to Denver to select perforation intervals.

3. RU perforating equipment. Perforate PLO pay intervals using limited entry techniques. Perf intervals will be identified from TMD log. Utilize 3 1/8" HCP w/ 12.5 g charges (0.34" EHD, 13.13" Penetration).

4. Break down perforations using 2% Kcl water and 7/8" RCN balls w/ 1.1 SG. Recover balls with junk basket.

5. RU fracture stimulation equipment. Fracture stimulate PLO pay according to frac schedule A. Flowback well as soon as stimulation equipment is disconnected and moved off. Flow well back starting with 1/4" choke gradually increasing to 1/2" choke. Flow well back overnight or over weekend. Record flowing and shutin pressures, choke size, and liquid recoveries.

6. TIH w/ wireline and tag for fill. If sand fill is below next perf interval(s) then set wireline CIBP between MN and PLO. If sand fill is into MN section then a rig or CTU will be required to clean out fill prior to proceeding with completion.

7. Once CIBP is set, pressure test to ensure good seal.

8. RU perforating equipment. Perforate MN pay intervals using limited entry techniques. Perf intervals will be identified from TMD log. Utilize 3 1/8" HCP w/ 12.5 g charges (0.34" EHD, 13.13" Penetration).

9. Break down perforations using 2% Kcl water and 7/8" RCN balls w/ 1.1 SG. Recover balls with junk basket.

10. RU fracture stimulation equipment. Fracture stimulate MN pay according to frac schedule A. Flow back well as soon as stimulation equipment is disconnected and out of the way. Flow well back starting with 1/4" choke gradually increasing to 1/2" choke. Flow well back overnight or over weekend. Record flowing and shutin pressures, choke size, and liquid recoveries.

11. TIH w/ wireline and tag for fill. If sand fill is below next perf interval(s) then set wireline RBP between CH and MN. If sand fill is into CH section then a rig or CTU will be required to clean out fill prior to proceeding with completion.

12. Once RBP is set, pressure test to ensure good seal.

13. RU perforating equipment. Perforate CH pay intervals using limited entry techniques. Perf intervals will be identified from TMD log. Utilize 3 1/8" HCP w/ 12.5 g charges (0.34" EHD, 13.13" Penetration).

14. Break down perforations using 2% Kcl water and 7/8" RCN balls w/ 1.1 SG. Recover balls with junk basket.

15. RU fracture stimulation equipment. Fracture stimulate CH pay according to frac schedule A. Flow back well as soon as stimulation equipment is disconnected and out of the way. Flow well back starting with 1/4" choke gradually increasing to 1/2" choke. Flow well back overnight or over weekend. Record flowing and shutin pressures, choke size, and liquid recoveries.

16. MIRUSU. TIH w/ tubing x bit and scraper. Clean out fill to RBP. Pull RBP. Clean out MN interval. DO CIBP. Clean out to PBTD.

17. Land 2 3/8" production tubing. Set tbg at approximately mid-perf depth' (1/2 mule shoe on bottom w/ seating nipple one joint up). Final setting depth will be selected based on pay intervals from TMD log. Flow well to clean up. Swab well in if necessary. RDMOSU.

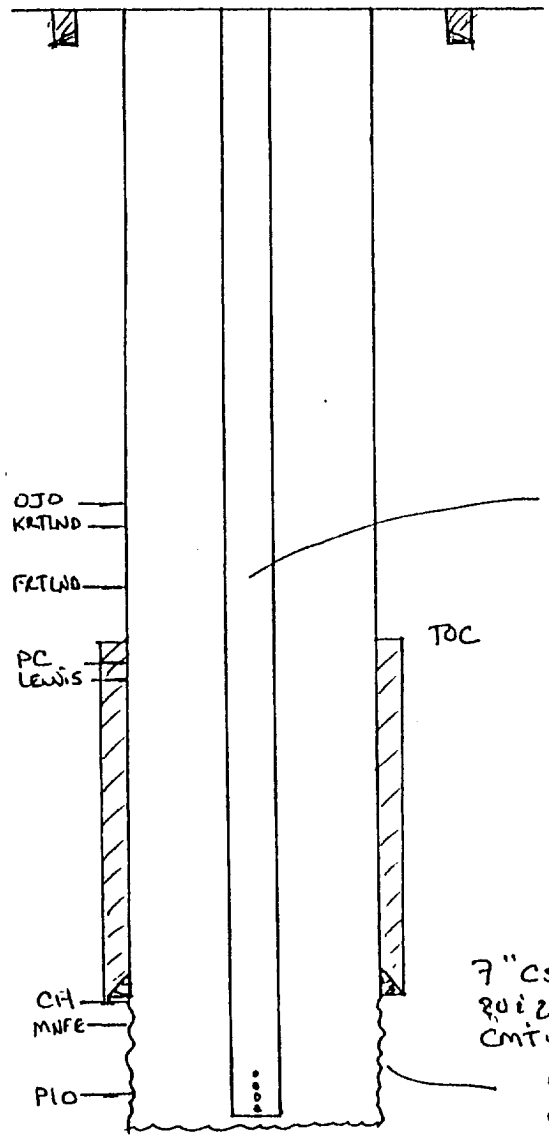
18. Obtain gas and water samples. SI well pending equipment hook up. Turn well over to production.

Amoco Production Company

ENGINEERING CHART

Sheet No ____ Of ____
File ____
Appn ____
Date 1-24-96
By GMK

SUBJECT ATLANTIC Com LS 3 MV
SECT 24K - T31N - R10W



TOC @ 3230'
(BY TEMP SURV)

AMOCO PRODUCTION COMPANY File No.: atlntlcm3

FINAL **DRILLING AND COMPLETION PROGRAM** Date: 2/2/96

Lease:	Atlantic Com LS	Well No.	#3
County:	San Juan, New Mexico	Location:	1650' FSL, 1650' FWL Sect 24, 31N, 10W
Former name:	None	Field:	Basin Mesaverde 31 10

OBJECTIVE: Further exploit the Mesaverde.

METHOD OF DRILLING

TYPE OF TOOLS	DEPTH OF DRILLING
Rotary	0 - TD

SPECIAL SURVEYS

TYPE	DEPTH
NONE	

REMARKS:
Logs run as considered necessary.
None anticipated

APPROXIMATE DEPTHS OF GEOLOGICAL MARKER

Actual GL--------Estimated KB 6,544 6,556

Marker	True Vert Depth	Msd.Depth (ft.)	SS Elev. (ft.)
Ojo Alamo		2,530	4,026
Kirtland		2,645	3,911
Fruitland*		2,967	3,589
Pictured Cliffs*		3,318	3,238
Lewis Shale		3,401	3,155
Cliff House*	5,042	5,042	1,514
Menefee	5,173		1,383
Point Lookout	5,536		1,020
KOP	**3,850**	**3,850**	
TOTAL DEPTH	**5,850**	**5,950**	

#Probable completion * Possible pay

OJO ALAMO IS POSSIBLE USEABLE WATER

SPECIAL TESTS

TYPE	DEPTH INTERVAL, ETC
None	

Remarks:

DRILL CUTTING SAMPLES

FREQUENCY	DEPTH
As penetration rate pe	ICP__TD

DRILLING TIME

FREQUENCY	DEPTH
Geolograph	0 - TD

Remarks:
Mud Logging Program: None
Coring Program: None

MUD PROGRAM:

Approx. Interval	Type Mud	Weight, #/gal	Vis, sec/qt.	W/L, cc's/30 min.
0------SCP	None--Recompletion only			
SCP----ICP	None--Recompletion only			
ICP----TD	Air/Mist	////		

REMARKS:

An air/mist circulating medium will be used as necessarry to remove steel cuttings and to protect air motors.

CASING PROGRAM:

Casing String	Estimated Depth	Casing Size	Hole Size	Landing Point, Cement, Etc
Conductor				
Surface	In place			
Intermediate	In place			
Production	5,950	4 1/2"	6 1/8"	1

Remarks:

1. Production casing will be cemented back up into the 7.000" intermediate.

GENERAL REMARKS:

Well was drilled and completed in 1953. Will plug the existing open hole with CIBP set in 7.000" casing at 4,950' and 100' of Class "B" cement spotted on top (4,950'-4,850'). Casing will be tested, repaired if necessary and the upper water sands will be protected by circulating and /or squeezing with cement. A whipstock will be set at =/-3,850' and the well redrilled into the Mancos at an approximate 180 degree azimuth. Southern Rockies Engineering staff to design completion program.

Form 46 Reviewed by: Logging program reviewed by:

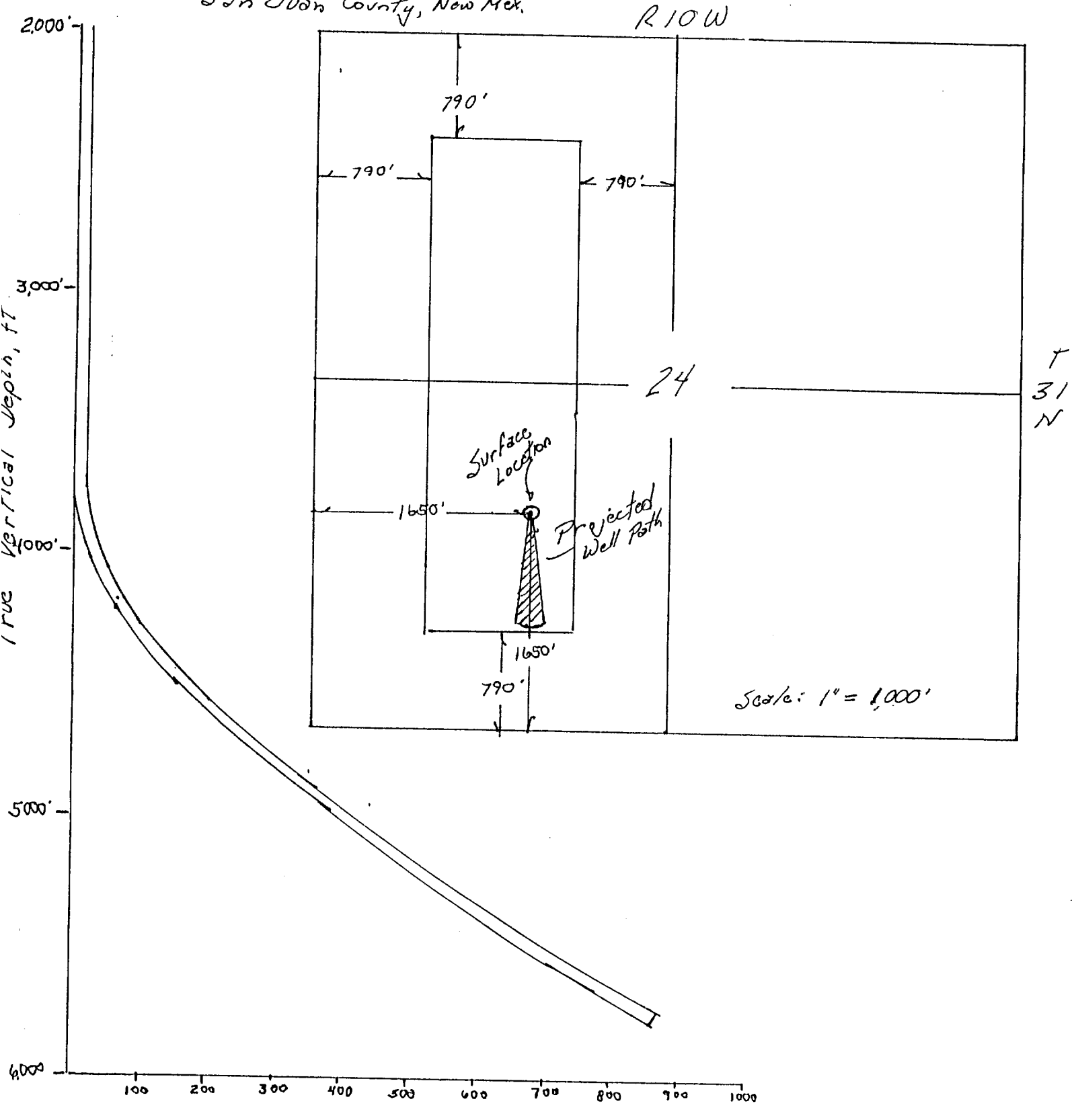
PREPARED BY:	APPROVED:	APPROVED:
Kutas/bilyeu 2/20/96	Kent Upper 2/22/96	
Form 46 7-84bw	For Production Dept	For Exploration Dept.

Amoco Production Company

ENGINEERING CHART

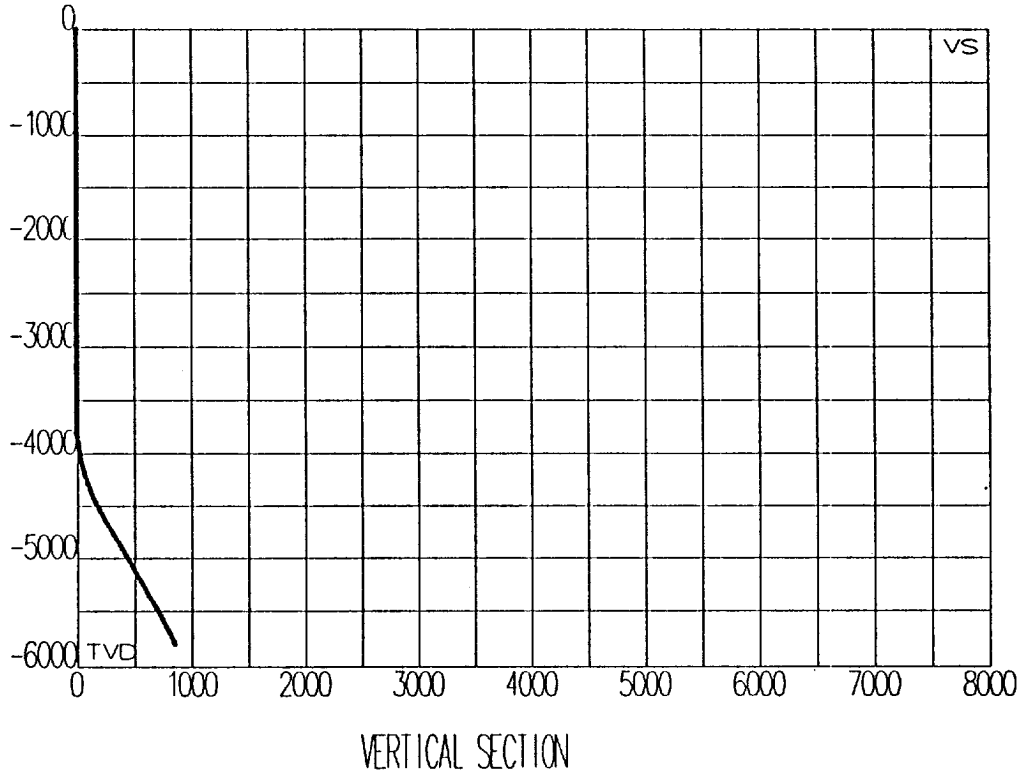
Sheet No ____ Of ____
File ____
Appn ____
Date Feb 02, 1996
By Dilya

SUBJECT Atlantic Com LS #3
Sect 24K, 31N, 10W
1650' FSL, 1650' FWL,
San Juan County, New Mex.



Form 371 1 86

Atlantic Com LS #3
Section 24K, 31N, 10W
1650' FSL, 1650' FWL
San Juan County, New Mexico



VERTICAL SECTION

5

Section 24K, 31N, 10W
1650'FSL, 1650'FWL
San Juan County, N.M.

Units are FEET

T I	Meas. Depth	Survey Incl	Dir	Depth (TVD)	North -South	East -West	Vert. Section	Closure Dist	Dir	Dog Leg
	.00	.00	180.00	.00	.00	.00	.00	0	0	.0
	3700.00	.00	180.00	3700.00	.00	.00	.00	0	0	.0
	3800.00	3.00	180.00	3799.95	-2.62	.00	2.62	3	180	3.0
	3900.00	6.00	180.00	3899.63	-10.46	.00	10.46	10	180	3.0
	4000.00	9.00	180.00	3998.77	-23.51	.00	23.51	24	180	3.0
	4100.00	12.00	180.00	4097.08	-41.74	.00	41.74	42	180	3.0
	4200.00	15.00	180.00	4194.31	-65.08	.00	65.08	65	180	3.0
	4300.00	18.00	180.00	4290.18	-93.48	.00	93.48	93	180	3.0
	4400.00	21.00	180.00	4384.43	-126.85	.00	126.85	127	180	3.0
	4500.00	24.00	180.00	4476.81	-165.12	.00	165.12	165	180	3.0
	4600.00	27.00	180.00	4567.06	-208.16	.00	208.16	208	180	3.0
	4700.00	28.00	180.00	4655.76	-254.34	.00	254.34	254	180	1.0
	4800.00	28.00	180.00	4744.05	-301.28	.00	301.28	301	180	.0
	4900.00	28.00	180.00	4832.35	-348.23	.00	348.23	348	180	.0
	5000.00	28.00	180.00	4920.64	-395.18	.00	395.18	395	180	.0
	5100.00	28.00	180.00	5008.94	-442.13	.00	442.13	442	180	.0
	5138.00	28.00	180.00	5042.49	-459.96	.00	459.96	460	180	.0
	5200.00	28.00	180.00	5097.23	-489.07	.00	489.07	489	180	.0
	5300.00	28.00	180.00	5185.53	-536.02	.00	536.02	536	180	.0
	5400.00	28.00	180.00	5273.82	-582.97	.00	582.97	583	180	.0
	5500.00	28.00	180.00	5362.12	-629.91	.00	629.91	630	180	.0
	5600.00	28.00	180.00	5450.41	-676.86	.00	676.86	677	180	.0
	5697.00	28.00	180.00	5536.06	-722.40	.00	722.40	722	180	.0
	5700.00	28.00	180.00	5538.71	-723.81	.00	723.81	724	180	.0
	5800.00	27.00	180.00	5627.41	-769.98	.00	769.98	770	180	1.0
	5900.00	27.00	180.00	5716.51	-815.38	.00	815.38	815	180	.0
	5993.00	27.00	180.00	5799.37	-857.60	.00	857.60	858	180	.0

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO:

Attachment to Notice of

Intention to Workover

Re: Workover

Well: 3 Atlantic Com LS

CONDITIONS OF APPROVAL

1. If bradenhead remedial cementing work is to be performed, the following intervals should be cemented in addition to the Fruitland top.

A. Ojo Alamo (bottom @ 2046', top @ 2010') -- At a minimum, place a cement plug from 2096' to 1960' plus 100% excess cement in the 7.0" annular space.

B. Nacimiento (top @ 434') -- At a minimum place a cement plug from 484' to 384' plus 100% excess cement in the 7.0" annular space.

C. Surface casing (set @ 172') -- Perforate at 222' and circulate cement to the surface.

Need BH Plat (2)

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 27, 1996

Amoco Production Company
Southern Rockies Business Unit
P. O. Box 800
Denver, Colorado 80201
Attention: J. W. Hawkins

Administrative Order DD-135

Dear Mr. Hawkins:

Reference is made to Amoco Production Company's application dated February 2, 1996 for authorization to recomplete the existing Atlantic Com "LS" Well No. 3 (**API No. 30-045-10489**) by side tracking off of the vertical portion of the wellbore and drill a high angle slant hole to a pre-determined bottom-hole location in order to further develop the Blanco-Mesaverde Pool underlying its existing 282.48-acre non-standard gas spacing and proration unit ("GPU") comprising Lots 3, 4, 5, 10, 11, and 12 and the NW/4 NW/4 and NW/4 SW/4 (W/2 equivalent) of Section 24, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico.

The Division Director Finds That:

(1) The application has been duly filed under the provisions of Rule 111(D) and (E) of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10388, issued by the Oil Conservation Commission in Case 11,274 on June 13, 1995;

(2) The Atlantic Com "LS" Well No. 3, located at a standard gas well location 1650 feet from the South and West lines (Lot 10/Unit K) of said Section 24, was originally drilled and completed in 1953 as an initial Blanco-Mesaverde gas well, and was assigned the above-described 282.48-acre GPU;

(3) By Order No. R-8170, as amended, the Division promulgated the "*General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Blanco-Mesaverde Pool*", which includes provisions for 320-acre gas spacing and proration units and well location requirements whereby the initial well drilled on a GPU shall be located be no closer than 790 feet to the outer boundary of the quarter section on which the well is located and not closer than 130 feet to any quarter-quarter section line or subdivision inner boundary and the <u>infill</u> well drilled on an existing GPU shall be in the quarter section not containing a Mesaverde gas well and shall be located with respect to the restrictions as previously described;

(4) Within this GPU Amoco is also producing Blanco-Mesaverde gas from its Atlantic Com "LS" Well No. 3-A (**API No. 30-045-22491**), located at a standard infill gas well location 1670 feet from the North line and 1150 feet.from the West line (Lot 4\Unit E) of said Section 24;

(5) A high angle slant hole drilled off of the existing vertical wellbore in the Atlantic Com "LS" Well No. 3 as proposed should provide Amoco a better opportunity to encounter the naturally occurring fracture system in the Mesaverde formation, which should result in a higher production rate and an increased ultimate recovery of gas from this well;

(6) The applicant/operator proposes to kick-off from vertical at a depth of approximately 3,700 feet by milling a window in the existing production casing, drill in a southerly direction, build to an angle of approximately 28 degrees and continue drilling in such a manner as to bottom back into the Blanco-Mesaverde Pool, with total horizontal displacement of said wellbore to be approximately 850 feet;

(7) The applicable drilling window or "producing area" for said wellbore should include that area within the SW/4 equivalent of said Section 24 that is no closer than 790 feet to the quarter section lines; and,

(8) It appearing the applicant has satisfied all of the appropriate requirements prescribed in said Rule 111.D and E, the subject application should be approved and the well should be governed by the provisions contained within this order and all other applicable provisions of Division General Rule 111.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Amoco Production Company, is hereby authorized to recomplete its existing Atlantic Com "LS" Well No. 3 (**API No. 30-045-10489**), located at a standard gas well location 1650 feet from the South and West lines (Lot 10/Unit K) of Section 24, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico, by milling a window in the existing production casing at a depth of approximately 3,700 feet, kick-off from vertical in a southerly direction, build to an angle of approximately 28 degrees and continue drilling in such a manner as to bottom back into the Blanco-Mesaverde Pool (total horizontal displacement of said wellbore to be approximately 850 feet) within a drilling window or "producing area" comprising the SW/4 equivalent of said Section 24 that is no closer than 790 feet to the quarter section lines.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations in said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED FURTHER THAT during or upon completion of directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(2) The applicant shall notify the supervisor of the Aztec district office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Aztec offices of the Division upon completion.

(3) Blanco-Mesaverde gas production from both the existing Atlantic Com "LS" Well No. 3-A (**API No. 30-045-22491**), located at a standard infill gas well location 1670 feet from the North line and 1150 feet from the West line (Lot 4/Unit E) of said Section 24, and Atlantic Com "LS" Well No. 3, as described above, shall be attributed to the existing 282.48-acre non-standard gas spacing and proration unit ("GPU") comprising Lots 3, 4, 5, 10, 11, and 12 and the NW/4 NW/4 and NW/4 SW/4 (W/2 equivalent) of said Section 24.

(4) The operator shall comply with all requirements and conditions set forth in Division General Rule 111.E(2) and any applicable requirements in 111.D and F and Order No. R-8170, as amended.

(5) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(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

WILLIAM J. LEMAY
Director

S E A L

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington