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Aztec, NM 87410  
District IV

New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

Form C-140  
Originated 11/1/95

Submit Original  
Plus 2 Copies  
to appropriate  
District Office

APPLICATION FOR  
QUALIFICATION OF WELL WORKOVER PROJECT  
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

I. Operator: Amoco Production Company OGRID #: 000778  
Address: P.O. Box 800, Denver, Colorado 80201  
Contact Party: Nancy I. Whitaker Phone: (303) 830-5039

II. Name of Well: ATLANTIC A LS # 3 API #: 3004510242  
Location of Well: Unit Letter M, 790 Feet from the SOUTH line and 990 Feet from the WEST line, Section 28, Township 31N, Range 10W, NMPM, SAN JUAN County.

III. Date Workover Procedures Commenced: 4/9/96  
Date Workover Procedures were Completed: 6/14/96  
20

IV. Attach a description of the Workover Procedures undertaken to increase the projection from the Well.

V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.

VI. Pool(s) on which Production Projection is based:

BLANCO MESAVERDE

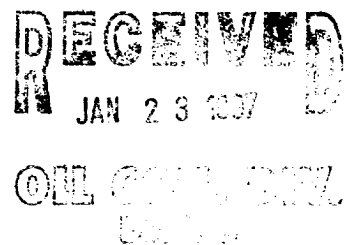
VII. AFFIDAVIT:

State of Colorado )  
) ss.  
County of Denver )

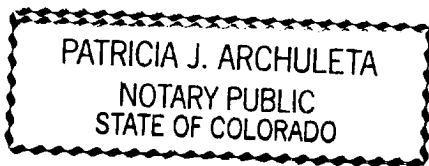
Nancy I. Whitaker, being first duly sworn, upon oath states:

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Nancy I. Whitaker  
(Name)  
Staff Assistant  
(Title)



SUBSCRIBED AND SWORN TO before me this 22nd day of January, 1997.



Patricia J. Archuleta  
Notary Public

My Commission expires: August 12, 1999

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 6/20, 1996.

31.8  
District Supervisor, District 3  
Oil Conservation Division

Date: 2/5/97

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

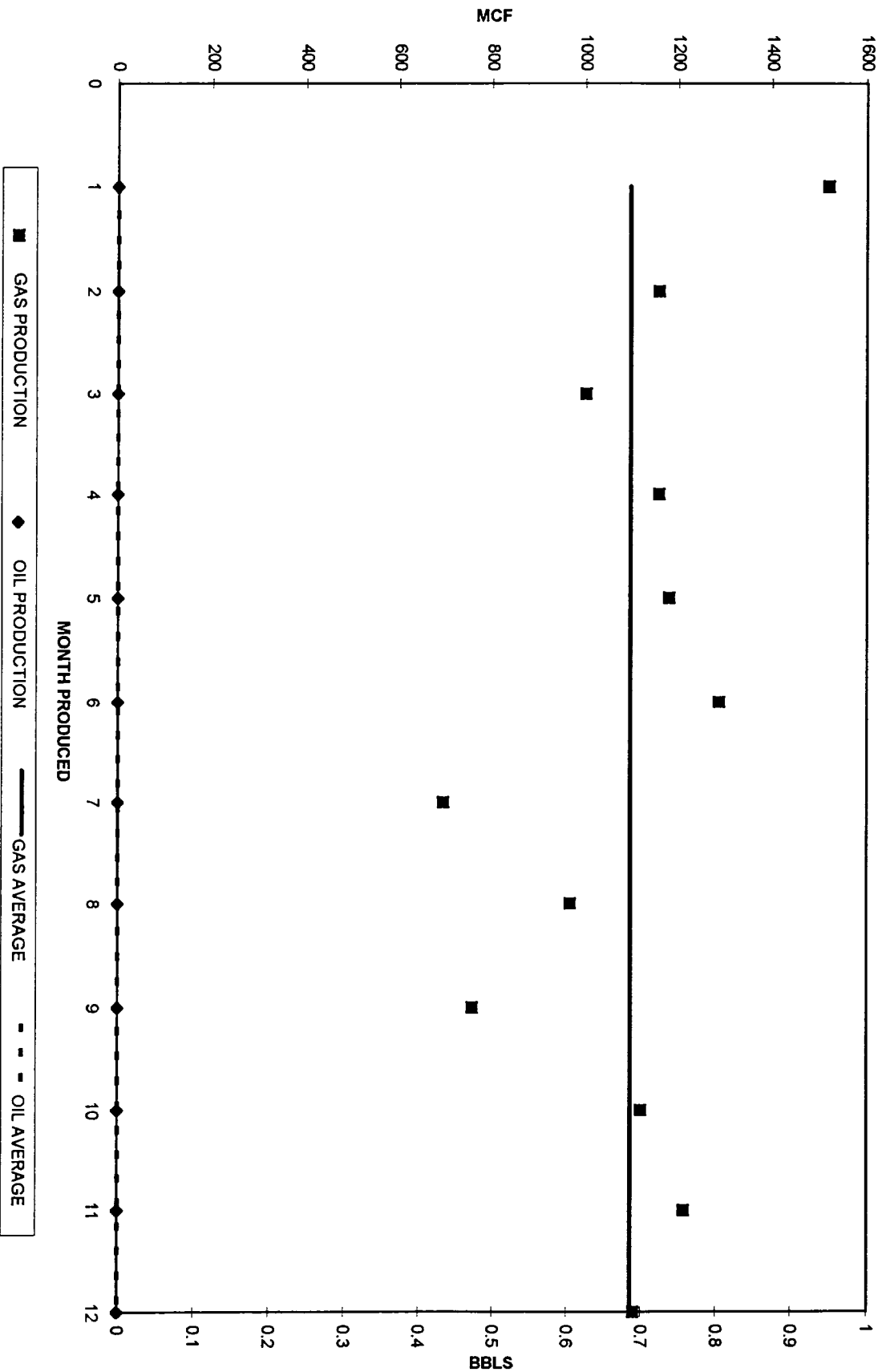
DATE: \_\_\_\_\_

ATLANTIC A L S 3

WELLNAME	WELLNO	POOL	FLAG	API	LOCATION	MONTH	OIL	GAS
ATLANTIC A L S	# 3	BLANCO		3004510242	M 28 31N 10W	04/95	0	1520
		MESAVERDE				05/95	0	1159
						06/95	0	1001
						07/95	0	1159
						08/95	0	1180
						09/95	0	1287
						10/95	0	694
						11/95	0	967
						12/95	0	757
						01/96	0	1120
						02/96	0	1212
						03/96	0	1104
					12-month average - Projected Trend		0	1097

ATLANTIC ALS 3

DECLINE CURVE





Amoco Production Company has sidetracked this well per the following:

MIRUSU 4/9/96. Shoot off tubing at 4336'. Set CIBP at 4300', load hole and test casing to 500 psi, failed. Isolate leak 2500-2619'. Set packer, squeeze leak from 2500-2619' with 200 sx Class B neat, 15.6 ppg. Release packer. Tag top of cement at 2390'. Drill out cement 2390-2482'. Pressure test squeeze to 500 psi, failed. Re-squeeze leak from 2482-2222' inside 7" casing with 50 sx Class B neat, 15.6 ppg. Tag cement top at 2260', drill out to 2645', test casing, had a slight bleed off. Isolate leak 2460'2612', bleed off from 500 to 400 psi in 20 minutes and to 350 psi in 45 minutes; leak too small to re-squeeze. squeeze. Run CBL from 198-4120'. Estimated TOC at 2575' (100% bonding). RDMOSU 4/19/96.

MIRURT 4/30/96. NU BOPs. Pressure test BOPs and manifold to 750 psi, held ok. Set CIBP at 3440'. Oriented whipstock at 59.9 degrees and set whipstock tool. Mill window from 3426-3434', circulate well clean. TIH with motor, collars, sub, and bit. Run survey of whipstock and bottom, whipstock is set at 90 degrees and 2.5 degree angle. Drilling and survey from 3434- TD at 5490'. Run and land 4.5" 11.6# J-55 production casing at 5450'. Pumped 15 bbls spacer and cemented with 325 sx Class B cement, 50/50 poz mix, 2% gel. Landed plug and pressure well to 1900 psi. Bled off pressure and plug held. Run temp survey. Found TOC at 2100'. RREL 5/7/96.

MIRUSU 5/20/96. Run TMD log from 3950-5375'. Pressure test casing and frac valve to 4800 psi, held ok. Perforate at: 4984-4985' and 5044-5045' w/ 2 JSPF, 5001' w/ 1 shot, 5106-5107' w/ 2 JSPF, 5112' w/ 1 shot, 5134-5135' w/ 2 JSPF, 5138' w/ 1 shot, 5146-5147' w/ 2 JSPF, 5160' and 5165' w/ 1 JSPF, 5173-5174' w/ 2 JSPF, 5182' w/ 1 shot, 5190-5191' and 5205-5206' w/ 2 JSPF, and 5214', 5224', 5264' w/ 1 JSPF. Total shots 25. 3.125" gun, .340" diameter, 120 deg phasing, 12.5 gms.

Acidize 4983-5364' with 12 bbls FE HCL. Balled off at 2300 psi, ran 35 7/8 ball sealers, caught 35 balls, had 19 hits, pump rate 4.5 bpm. Frac 4983-5264' with 77,488 lbs 16/30 Arizona sand; 796332 scf, 70% quality, max pressure 2586 psi, max rate 19.2 bpm. Start flowing well on 5/23/96. Set CIBP at 4890'. Pressure test casing to 2082', held ok.

Perforate at: 4348', 4362', 4397', 4446', 4466', 4479', 4489', 4510', 4533', 4579', 4587', 4593', 4605', 4611', 4622', 4628', 4639', 4655', 4661', 4667', 4673', 4690', 4724', 4787', 4853' with 1 JSPF, total shots 25, .340" diameter, 3.125" gun, 120 deg phasing, 12.5 gms. Acidize 4348-4853' with 12 bbls FE HCL, max pressure 3070 psi, max rate 9.8 bpm. Frac 4348-4853' with 73,216 lbs 16/30 sand, 980,614 scf, average pressure 3300 psi, average rate 16.8 bpm. Flowing well. Tag at 4593'. RDMOSU 6/3/96.

MIRUSU 6/14/96. Tagged sand at 4639', cleanout to CIBP at 4890', drill out plug, tag sand at 5276', and cleanout sand to 5384'. Flow well. Landed tubing at 5208' kb. RDMOSU 6/20/96.

BHL: 682' FSL and 1534' FWL