

**Shell Western E&P Inc.**

An affiliate of Shell Oil Company



July 27, 1992

OIL CONSERVATION DIVISION  
RECEIVED

P.O. Box 576  
Houston, TX 77001

Mr. Bob Gallagher  
City of Hobbs  
300 North Turner  
Hobbs, New Mexico 88240

12 JUL 30 PM 9 18

Dear Mr. Gallagher:

SUBJECT: PROPOSED INFILL PRODUCERS  
SHELL WESTERN NORTH HOBBS (GB/SA) UNIT  
LEA COUNTY, NEW MEXICO

This is to advise you that Shell Western E&P Inc. proposes to drill three infill producers within the city of Hobbs. The proposed well numbers and locations are attached. Applications have been filed with the New Mexico Oil Conservation Division for administrative approval to directionally drill well no. 28-332 plus drill well nos. 28-243 and 32-144 at the proposed unorthodox locations.

Shell Western, of course, will make the necessary arrangements to notify residents in the immediate area prior to starting operations. For your information, we have also attached a plat showing the proposed well locations.

Your contact person within Shell Western will be Mr. J. J. Smith, Drilling Superintendent, phone no. (713) 870-2966.

We appreciate the usual cooperation of the City of Hobbs.

Very truly yours,

*J. Marcus Winder*

for W. F. N. Kelldorf  
Technical Manager - Environmental Engineering  
Western Division

JMW:rlb

Attachments

cc: State of New Mexico (w/o attachments)  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 1980  
Hobbs, New Mexico 88241-1980

State of New Mexico (w/o attachments)  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

**Shell Western E&P Inc.**

An affiliate of Shell Oil Company



P.O. Box 576

Houston, TX 77001

July 27, 1992

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87504-2088

Gentlemen:

SUBJECT: UNORTHODOX WELL LOCATION  
NORTH HOBBS (GB/SA) UNIT  
SECTION 32, WELL NO. 144  
T18S-R38E  
HOBBS (GB/SA) POOL  
LEA COUNTY, NEW MEXICO

Pursuant to the provisions of Rule 104-F, Shell Western E&P Inc. (SWEPI) respectfully requests administrative approval to drill the subject well at an unorthodox location within the city limits of Hobbs, New Mexico where surface use restrictions prevent drilling at an orthodox location. Directional drilling to a legal bottom-hole location is not feasible due to the exorbitant, incremental costs involved. The well will be located less than the minimum 330 feet from the 40-acre proration unit, but is orthodox in all other respects. The certified plat submitted within this application indicates the proposed location.

The proposed location for Well No. 144 is also necessary to complete an efficient production and injection pattern, thereby maximizing oil recovery in areas where waterflood oil will be bypassed with the current injection-production well configuration. A project plat identifying all producing and injection wells therein is attached, and the information is hereby certified as current and correct.

By copy of this letter and attachments, we have notified the offset operator shown on the attached service list by certified mail.

Very truly yours,

A handwritten signature in cursive script that reads "J. Marcus Warder".

*for* W. F. N. Kelldorf  
Technical Manager - Environmental Engineering  
Western Division

JMW:rlb

Attachments

JMW21983.DOC.1

cc: State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 1980  
Hobbs, NM 88241-1980

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

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

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

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

OIL CONSERVATION DIVISION

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

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL  
WELL ☒

GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

7. Lease Name or Unit Agreement Name

N. HOBBS (G/SA) UNIT  
SECTION 32

2. Name of Operator

SHELL WESTERN E&P INC.

8. Well No.

144

3. Address of Operator

P. O. BOX 576, HOUSTON, TX 77001 (WCK 4587)

9. Pool name or Wildcat

HOBBS (G/SA)

4. Well Location

Unit Letter M : 533 Feet From The SOUTH Line and 1216 Feet From The WEST Line

Section 32 Township 18S Range 38E NMPM LEA County

10. Proposed Depth

4400'

11. Formation

SAN ANDRES

12. Rotary or C.T.

ROTARY

Elevations (Show whether DF, RT, GR, etc.)  
3626.9 GR

14. Kind & Status Plug. Bond  
BLANKET

15. Drilling Contractor  
UNDETERMINED

16. Approx. Date Work will start  
10/05/92

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	CONDR	40'	60	SURF
12-1/4"	9-5/8"	32.3#	1715'	700	SURF
8-3/4"	7"	20 & 23#	4400'	1050	SURF

BOP PROGRAM: 2000# ram preventer

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE J. Marcus Winder TITLE TECH. MANAGER - ENVIR. ENG. DATE 7/27/92

TYPE OR PRINT NAME W. F. N. KELLDORF (713) 870-3426 TELEPHONE NO.

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

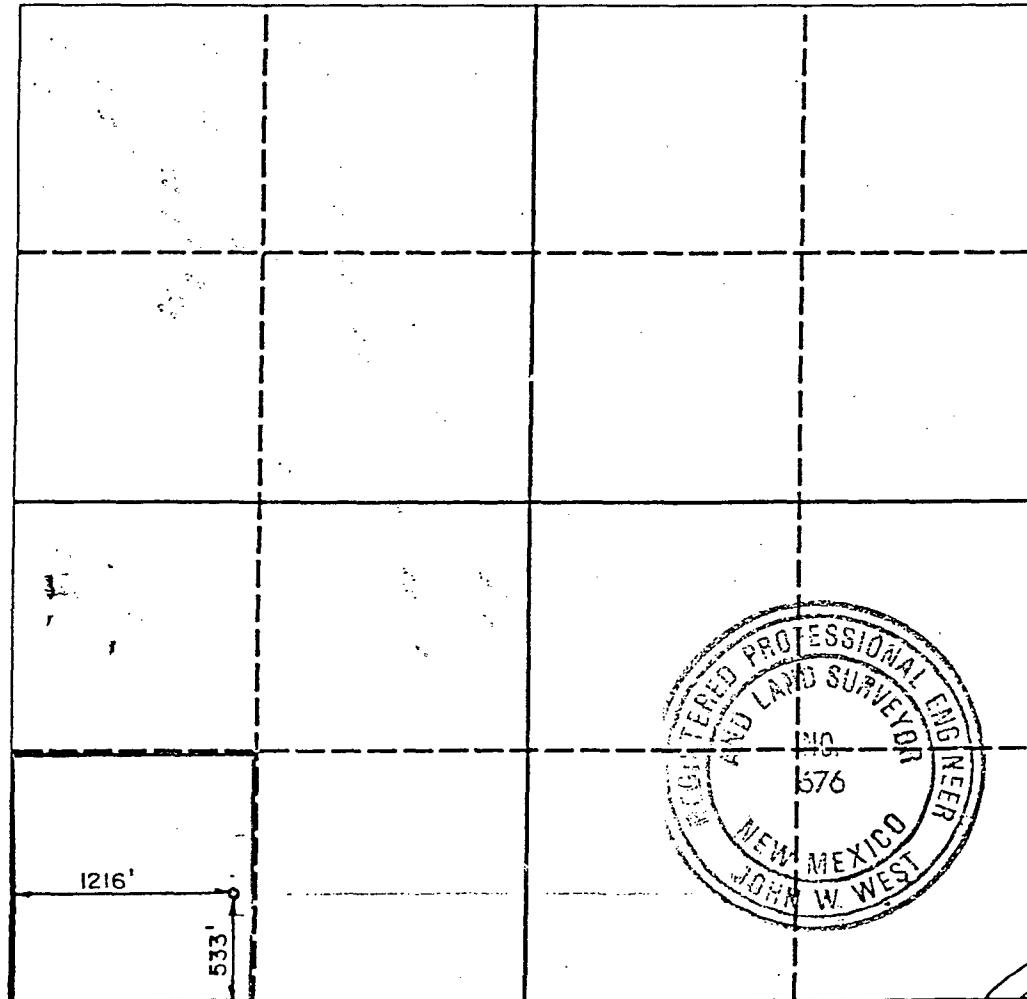
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Shell Western E. & P. Inc.			Lease North Hobbs (G/SA) UNIT		Well No. 32-144
Unit Letter M	Section 32	Township 18-South	Range 38-East	County Lea	
Actual Footage Location of Well: 533 feet from the South line and 1216 feet from the West line					
Ground level Elev. 3626.9	Producing Formation SAN ANDRES		Pool HOBBS (G/SA)	Dedicated Acreage: 40 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☒ Yes ☐ No If answer is "yes" type of consolidation 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature  
*J. Marcus Windes Jr.*  
Printed Name  
W. F. N. KELLDORF

Position  
TECH. MGR.- ENVIR. ENG.

Company  
SHELL WESTERN E&P INC.

Date  
7-17-92

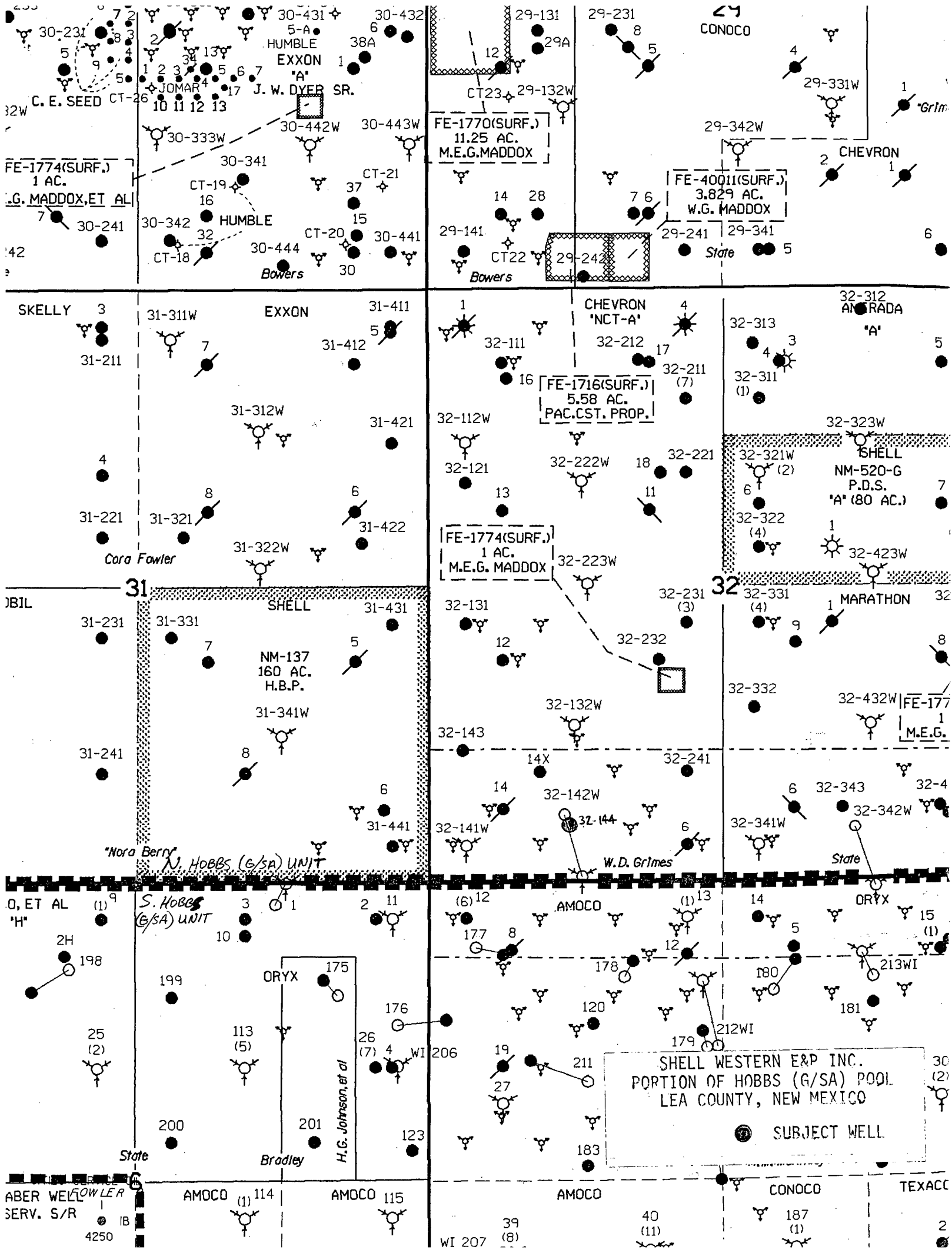
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

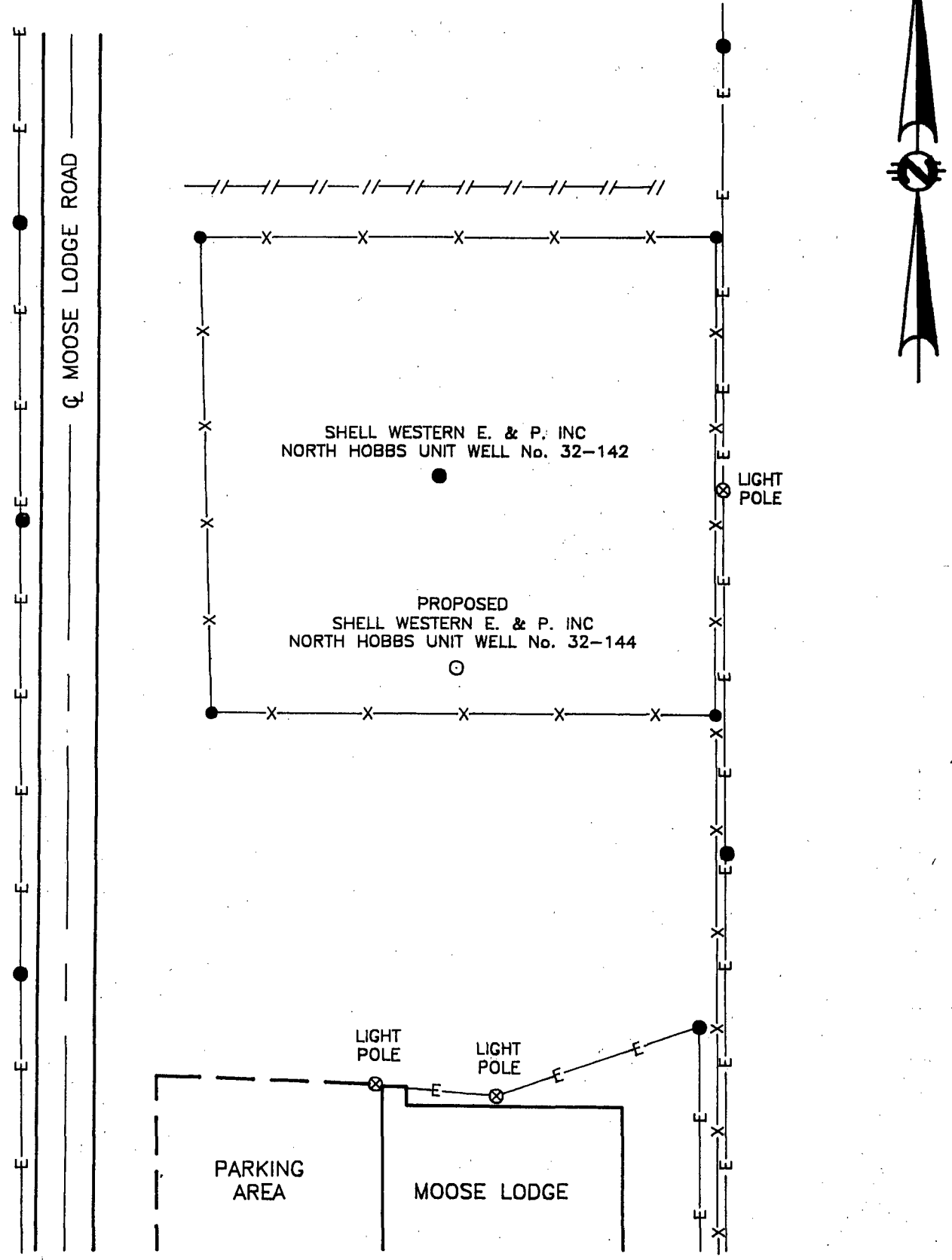
Date Surveyed  
June 20, 1991

Signature & Seal of  
Professional Surveyor

*John W. West*  
Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239



SW/4 SECTION 32, TOWNSHIP 18 SOUTH, RANGE 36 EAST, N.M.P.M.  
LEA COUNTY, NEW MEXICO



I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

*[Signature]*  
JOHN W. WEST, N.M. P.E. & P.S. No. 676  
TEXAS P.L.S. No. 1138  
GARY L. JONES N.M. P.S. No. 7977  
GARY G. EIDSON TEXAS P.L.S. No. 4735

**SHELL WESTERN E. & P., INC.**

TOPOGRAPHIC STUDY OF AN EXISTING WELL PAD & AREA WITHIN 200' OF THE PROP. NORTH HOBBS UNIT 32-144, SECTION 32, TOWNSHIP 18 SOUTH, RANGE 36 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO

**JOHN W. WEST ENGINEERING COMPANY**  
CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

Survey Date: 6-20-1991	Drawn By: S. STANFIELD
Approved By:	Sheet 1 of 1 Sheets
Project Number: 91-06-058	File Name: NHU32144
Date: 6-26-1991	Disk: SWEPI WELL1 Scale: 1"=60'

SERVICE LIST

Offset Operator

Amoco Production Company  
P. O. Box 68  
Hobbs, NM 88240



PS Form 3811, July 1982

- **SENDER:** Complete items 1, 2, 3, and 4.  
Add your address in the "RETURN TO" space on reverse.

**(CONSULT POSTMASTER FOR FEES)**

1. The following service is requested (check one).

☐ Show to whom and date delivered ..... \$  
☒ Show to whom, date, and address of delivery .....

2. ☐ **RESTRICTED DELIVERY** ..... \$  
(The restricted delivery fee is charged in addition to the return receipt fee.)

**TOTAL \$**

3. **ARTICLE ADDRESSED TO:**

AMOCO PRODUCTION CO.  
P. O. BOX 68  
HOBBS, NM 88240

4. **TYPE OF SERVICE:**

☐ REGISTERED ☐ INSURED  
☒ CERTIFIED ☐ COO  
☐ EXPRESS MAIL

**ARTICLE NUMBER**

P 247 193  
904

(Always obtain signature of addressee or agent)

I have received the article described above.

**SIGNATURE** ☐ Addressee ☐ Authorized agent

5. **DATE OF DELIVERY**

**POSTMARK**  
(may be on reverse side)

6. **ADDRESSEE'S ADDRESS** (Only if requested)

7. **UNABLE TO DELIVER BECAUSE:**

7a. **EMPLOYEE'S INITIALS**

RETURN RECEIPT

**Shell Western E&P Inc.**

An affiliate of Shell Oil Company



July 27, 1992

OIL CONSERVATION DIVISION  
RECEIVED

P.O. Box 576  
Houston, TX 77001

Mr. Bob Gallagher  
City of Hobbs  
300 North Turner  
Hobbs, New Mexico 88240

1992 JUL 30 AM 9 18

Dear Mr. Gallagher:

SUBJECT: PROPOSED INFILL PRODUCERS  
SHELL WESTERN NORTH HOBBS (GB/SA) UNIT  
LEA COUNTY, NEW MEXICO

This is to advise you that Shell Western E&P Inc. proposes to drill three infill producers within the city of Hobbs. The proposed well numbers and locations are attached. Applications have been filed with the New Mexico Oil Conservation Division for administrative approval to directionally drill well no. 28-332 plus drill well nos. 28-243 and 32-144 at the proposed unorthodox locations.

Shell Western, of course, will make the necessary arrangements to notify residents in the immediate area prior to starting operations. For your information, we have also attached a plat showing the proposed well locations.

Your contact person within Shell Western will be Mr. J. J. Smith, Drilling Superintendent, phone no. (713) 870-2966.

We appreciate the usual cooperation of the City of Hobbs.

Very truly yours,

*J. Marcus Winder*

W. F. N. Kelldorf  
Technical Manager - Environmental Engineering  
Western Division

JMW:rlb

**Attachments**

cc: State of New Mexico (w/o attachments)  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 1980  
Hobbs, New Mexico 88241-1980

State of New Mexico (w/o attachments)  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

**Shell Western E&P Inc.**

An affiliate of Shell Oil Company



P.O. Box 576  
Houston, TX 77001

July 27, 1992

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87504-2088

Gentlemen:

SUBJECT: UNORTHODOX WELL LOCATION  
NORTH HOBBS (GB/SA) UNIT  
SECTION 28, WELL NO. 243  
HOBBS (GB/SA) POOL  
T18S-R38E  
LEA COUNTY, NEW MEXICO

Pursuant to the provisions of Rule 104-F, Shell Western E&P Inc. (SWEPI) respectfully requests administrative approval to drill the subject well at an unorthodox location within the city limits of Hobbs, New Mexico where surface use restrictions prevent drilling at an orthodox location. Directional drilling to a legal bottom-hole location is not feasible due to the exorbitant, incremental costs involved. The well will be located less than the minimum 330 feet from the 40-acre proration unit, but is orthodox in all other respects. The certified plat submitted within this application indicates the proposed location.

The proposed location for Well No. 243 is necessary to complete an efficient production and injection pattern, thereby maximizing oil recovery in areas where waterflood oil will be bypassed with the current injection-production well configuration. A project plat identifying all producing and injection wells therein is attached, and the information is hereby certified as current and correct.

NOTE: No offset operator will be notified by copy of this application since we offset ourselves at this proration unit.

Very truly yours,

A handwritten signature in cursive script, appearing to read "W. F. N. Kelldorf".

for W. F. N. Kelldorf  
Technical Manager - Environmental Engineering  
Western Division

JMW:rlb

Attachments

JMW21981.DOC.1

cc: State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 1980  
Hobbs, NM 88241-1980

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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

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

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL  
WELL ☒

GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

7. Lease Name or Unit Agreement Name

N. HOBBS (G/SA) UNIT  
SECTION 28

2. Name of Operator

SHELL WESTERN E&P INC.

8. Well No.

243

3. Address of Operator

P. O. BOX 576, HOUSTON, TX 77001 (WCK 4587)

9. Pool name or Wildcat  
HOBBS (G/SA)

4. Well Location

Unit Letter N : 560 Feet From The SOUTH Line and 1330 Feet From The WEST Line

Section 28

Township 18S

Range 38E

NMPM

LEA

County

10. Proposed Depth

4400'

11. Formation

SAN ANDRES

12. Rotary or C.T.

ROTARY

13. Elevations (Show whether DF, RT, GR, etc.)

3641.4' GR

14. Kind & Status Plug. Bond

BLANKET

15. Drilling Contractor

UNDETERMINED

16. Approx. Date Work will start

10/16/92

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	CONDR	40'	60	SURF
12-1/4"	9-5/8"	32.3#	1725'	700	SURF
8-3/4"	7"	20 & 23#	4400'	1050	SURF

BOP PROGRAM: 2000# ram preventer

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE J. Marcus Winder TITLE TECH. MANAGER - ENVIR. ENG. DATE 7/27/92

TYPE OR PRINT NAME W. F. N. KELLDORF (713) 870-3426 TELEPHONE NO.

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Shell Western E. & P. Inc.			Lease North Hobbs (G/SA) UNIT		Well No. 28-243
Unit Letter N	Section 28	Township 18 South	Range 38 East	County Lea	
Actual Footage Location of Well: 560 feet from the South line and 1330 feet from the West line					
Ground level Elev. 3641.4'	Producing Formation SAN ANDRES		Pool HOBBS (G/SA)	Dedicated Acreage: 40 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☒ Yes

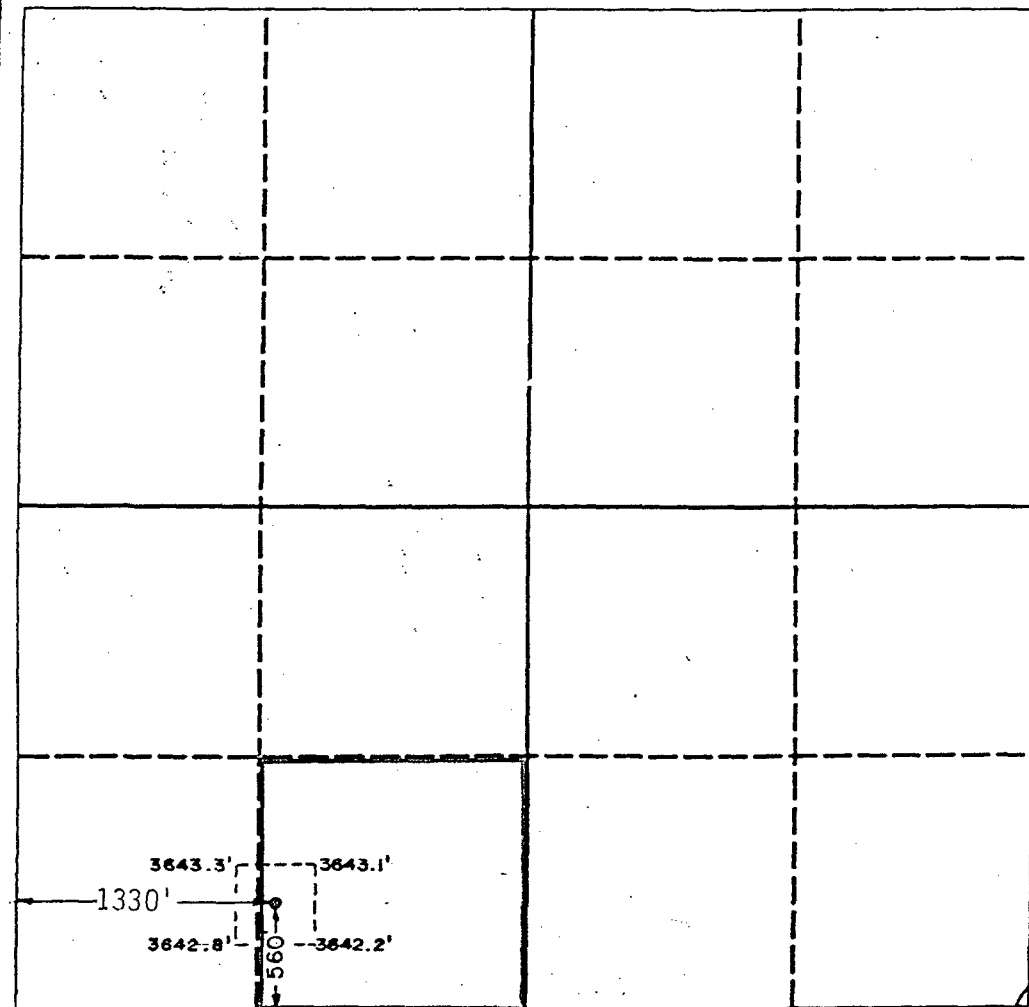
☐ No

If answer is "yes" type of consolidation

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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Printed Name

W. F. N. KELLDORF

Position

TECH. MGR. - ENVIR. ENG.

Company

SHELL WESTERN E&P INC.

Date

7/27/92

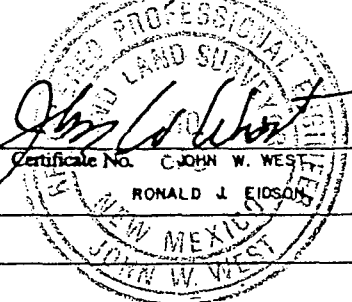
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

June 6, 1991

Signature & Seal of  
Professional Surveyor

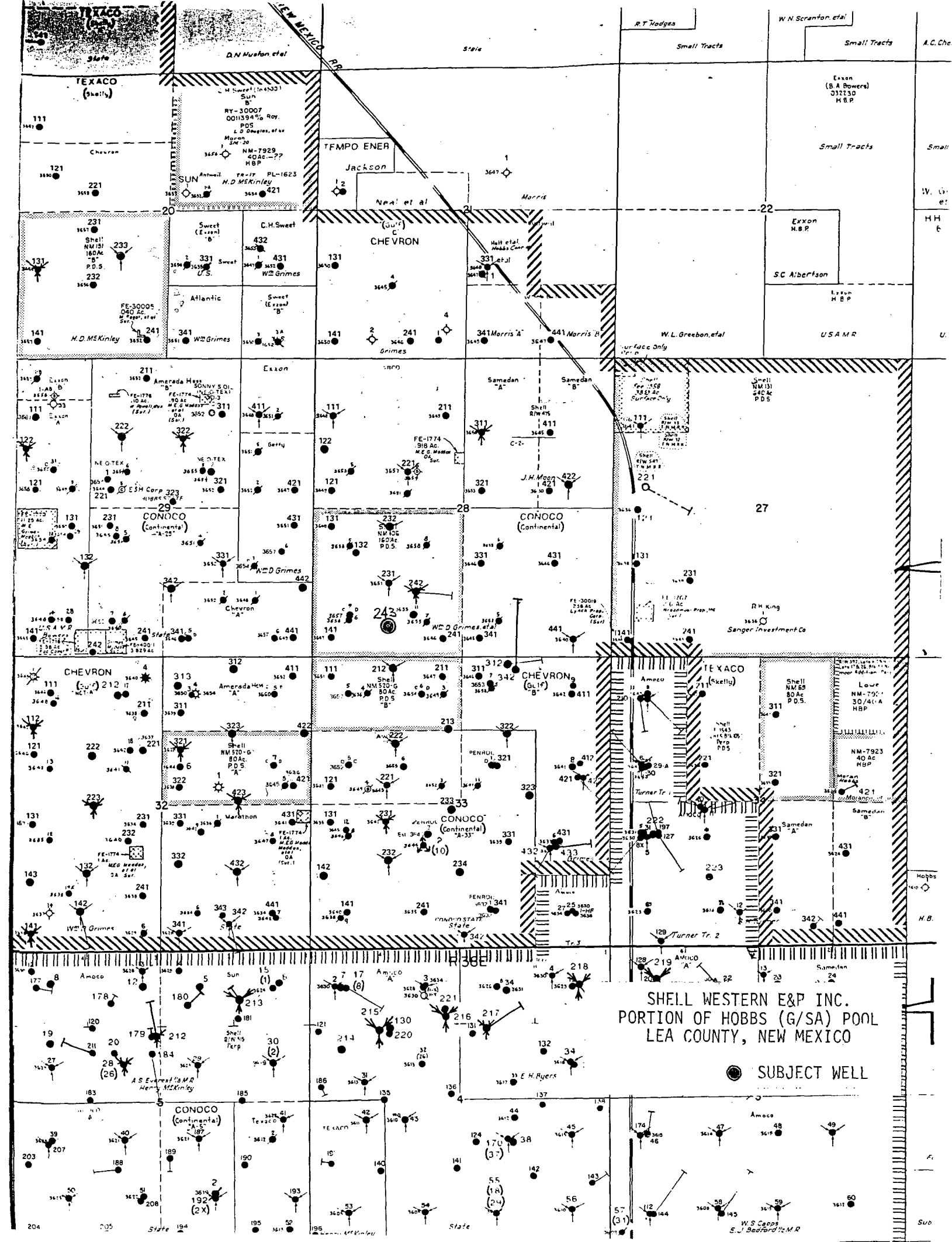


Certificate No. JOHN W. WEST

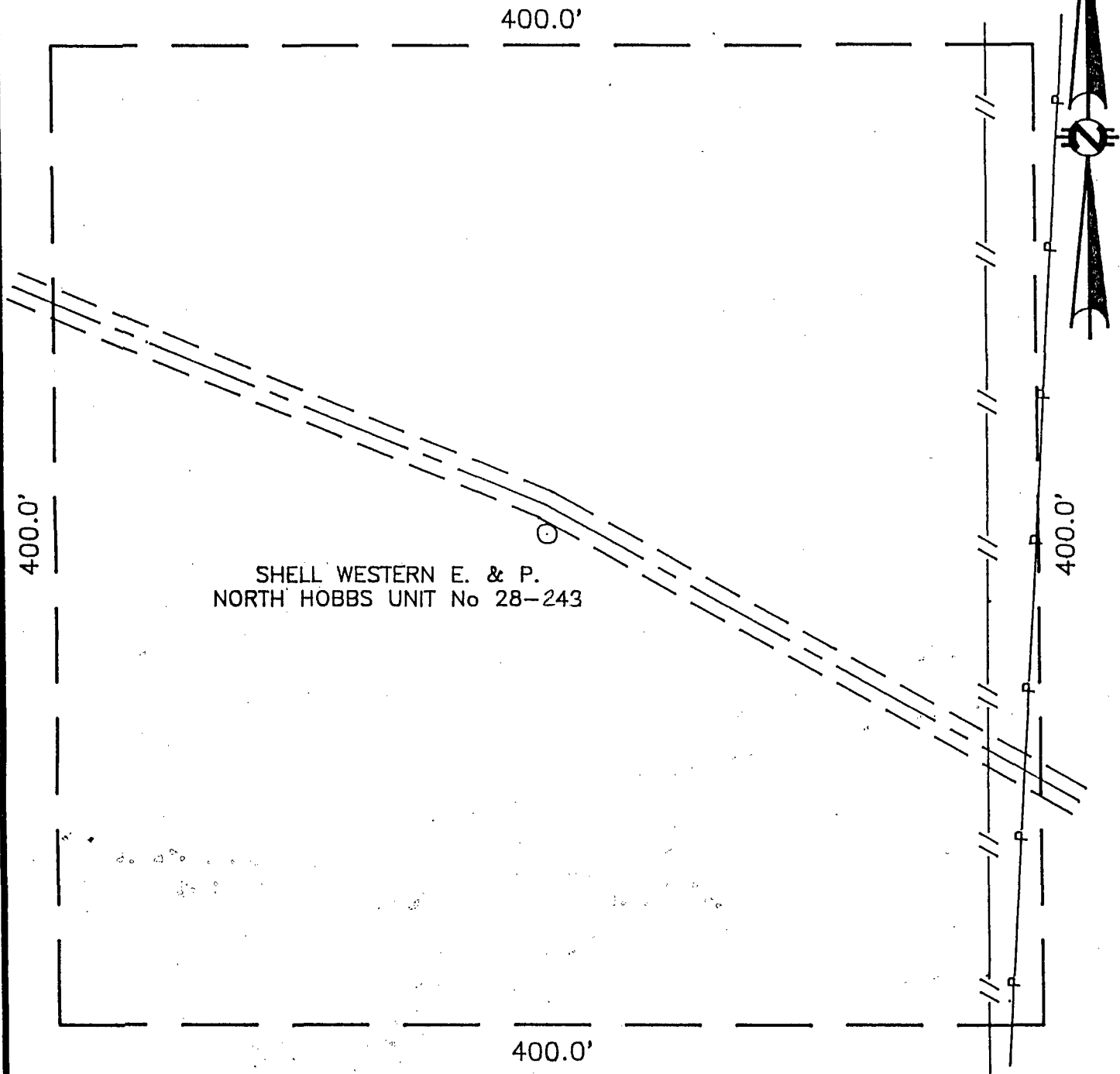
676

RONALD J. EIDSON

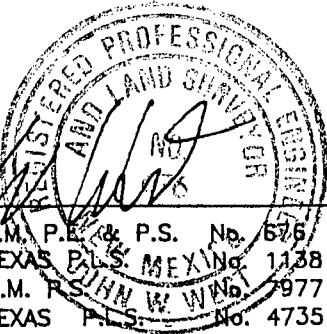
3239



SECTION 28, TOWNSHIP 18 SOUTH, RANGE 38 EAST, N.M.P.M.,  
LEA COUNTY, NEW MEXICO



I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

  
JOHN W. WEST, N.M.P.E. & P.S. No. 676  
GARY L. JONES, N.M.P.S. No. 7977  
GARY G. EIDSON, TEXAS P.L.S. No. 4735

NORTH HOBBS UNIT No. 28-243

SHELL WESTERN E. & P. INC

NORTH HOBBS UNIT No 28-243 LOCATED 560 FEET FROM THE SOUTH LINE AND 1325 FEET FROM THE WEST LINE OF SECTION 28, TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM, LEA COUNTY, NEW MEXICO

JOHN W. WEST ENGINEERING COMPANY  
CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

Survey Date: 6-10-91	Drawn By: Johnny Holmes
Approved By:	Sheet 1 of 1 Sheets
Project Number: 91-06-037	File Name: Location/SWNH-282
Date: 6-19-91	Disk: JH #23
Scale: 1"	





STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

OIL CONSERVATION DIVISION  
RECEIVED  
'92 AUG 4 AM 8 55

BRUCE KING  
GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

7-30-92

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC \_\_\_\_\_  
DHC \_\_\_\_\_  
NSL X \_\_\_\_\_  
NSP \_\_\_\_\_  
SWD \_\_\_\_\_  
WFX \_\_\_\_\_  
PMX \_\_\_\_\_

Gentlemen:

I have examined the application for the:

*Sec. 28 #243-N 28-18-38*

*Shell Western E&P Inc. North Hobbs G/BA Unit* *Sec. 32 #144-M 32-18-38*  
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly,

*Jerry Sexton*  
Jerry Sexton  
Supervisor, District 1

/ed