

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Shell Oil Company

3. ADDRESS OF OPERATOR
 P. O. Box 1858, Roswell, New Mexico 88201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 660' FSL & 660' FEL, Section 23, T-20-S, R-34-E, NMPM
 At proposed prod. zone Survey, Lea County, New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 22 miles West of Eunice on State Road 170, 1 1/2 miles North & 1/2 mile East of road.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. line, if any) 660'

16. NO. OF ACRES IN LEASE 160

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None

19. PROPOSED DEPTH 10,500'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3700' DF estimated

22. APPROX. DATE WORK WILL START* April 28, 1964

23. PROPOSED CASING AND CEMENTING PROGRAM

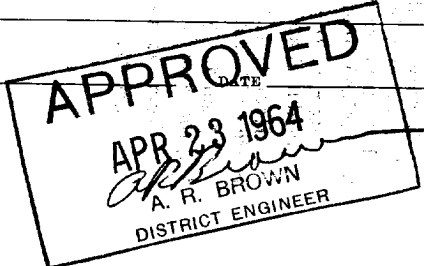
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	350'	350 bx.
12 1/4"	9 5/8"	36#	5500'	2200 bx.
8 3/4"	4 1/2"	9 5/8#, 10.5#, 11.8#	10,500'	200 bx.

SALT SECTION MUST BE ISOLATED FROM FLUIDS ~~AND~~ BY CEMENT.
 BELOW
 We propose to drill to a depth of 10,500' and test the Bone Spring.

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

Original Signed By
 R. A. LOWERY
 SIGNED R. A. Lowery TITLE District Exploitation Engineer April 14, 1964

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY _____ TITLE _____
 CONDITIONS OF APPROVAL, IF ANY :



*See Instructions On Reverse Side

Instructions

General: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

Item 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

Items 15 and 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

Item 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-128
 Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

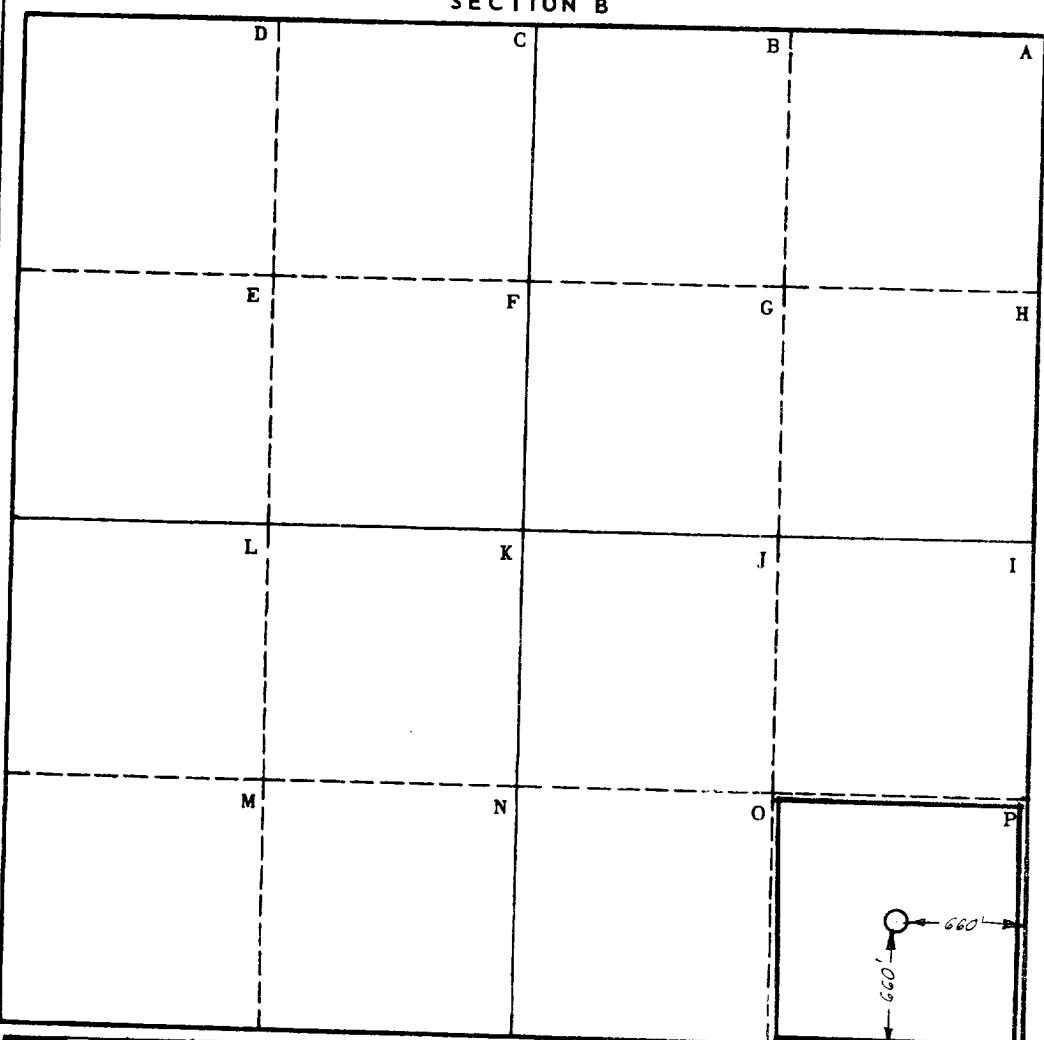
SECTION A

Operator Shell Oil Company		Lease Shell Sinclair Federal		Well No. 1
Unit Letter P	Section 23	Township 20S	Range 34E	County Lea
Actual Footage Location of Well: 660 feet from the south line and 660 feet from the east line				
Ground Level Elev. not available	Producing Formation Bone Spring	Pool Penguin Area		Dedicated Acreage: 40 Acres

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES NO . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES NO . If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



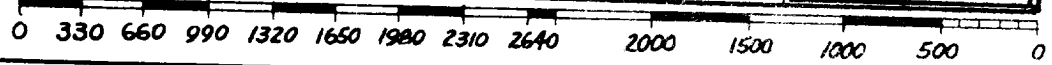
CERTIFICATION

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

Name	Original Signed By R. A. Lowery R. A. LOWERY
Position	District Exploitation Engineer
Company	Shell Oil Company
Date	APR 14 1964

I hereby certify that the well location shown on the plat in SECTION B 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	April 13, 1964
T. J. Chapman, Jr., Chief Surveyor Shell Oil Company	
<i>T. J. Chapman Jr.</i>	



11/27/86
LTH