



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

6-19-89

GARREY CARRUTHERS
 GOVERNOR

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

RECEIVED

JUN 23 1989

OIL CONSERVATION DIV.
 SANTA FE

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

RE: Proposed:
 MC _____
 DHC _____
 NSL _____
 NSP _____
 SWD _____
 WFX _____
 PMX _____

SO *X*

Gentlemen:

Argo A # 5-F 22-21-37
Argo A # 9-P 22-21-37
Argo A # 10-C 22-21-37

I have examined the application for the:

Shell Western E+P Inc.

Operator _____ Lease & Well No. _____ Unit _____ S-T-R _____

and my recommendations are as follows:

DAVID TACKED BILL ABOUT THESE
WELLS & HE DIDN'T FEEL APPROVAL WOULD BE
A PROBLEM SINCE THEY WOULD NOT HAVE
BEEN DEVELOPED EXCEPT AS WATER SUPPLY WELLS

Yours very truly,

Jerry Sexton
 Jerry Sexton
 Supervisor, District 1

6162

/ed

Shell Western E&P Inc.

A Subsidiary of Shell Oil Company



P.O. Box 576
Houston, TX 77001

June 14, 1989

*What is this all
about?
Water supply wells*

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

RECEIVED

JUN 19 1989

OIL CONSERVATION DIV.
SANTA FE

Dear Mr. LeMay:

NORTHEAST DRINKARD UNIT
WATER SOURCE WELLS
ARGO 'A' LEASE
WELL NOS. 5, 9 AND 10
NW/4 SEC. 22, T21S-R37E, NMPM
LEA COUNTY, NEW MEXICO

Shell Western E&P Inc. (SWEPI), as operator of the Northeast Drinkard Unit, respectfully requests approval to simultaneously dedicate the subject acreage within the Hare-San Andres Gas Pool. SWEPI anticipates that the Argo 'A' No. 5 and/or No. 9 will be utilized to supplement source water production to the unit waterflood project of which Argo 'A' No. 10 currently serves. All three of the wells are located on the same 160-acre proration unit, necessitating this request.

Considering that associated gas production is secondary to the primary objective of water source utilization, and that the effect of allowing simultaneous dedication of acreage would result in a more efficient and complete production of remaining gas reserves, thereby preventing waste, SWEPI respectfully recommends your approval of this request.

Should you have any questions or if additional information is required,
please contact Marcus Winder at (713) 870-3797.

Yours very truly,

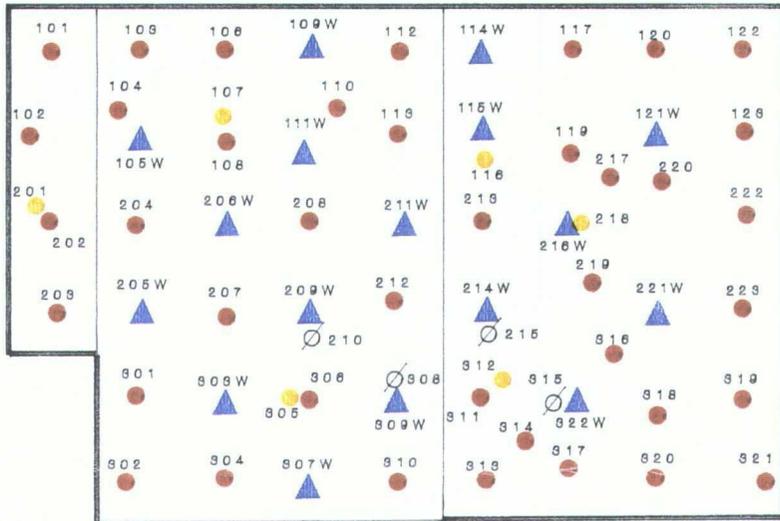


J. H. Smitherman
Regulatory Supervisor
Production Administration
Western Division

JMW:PEE

Attachment

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

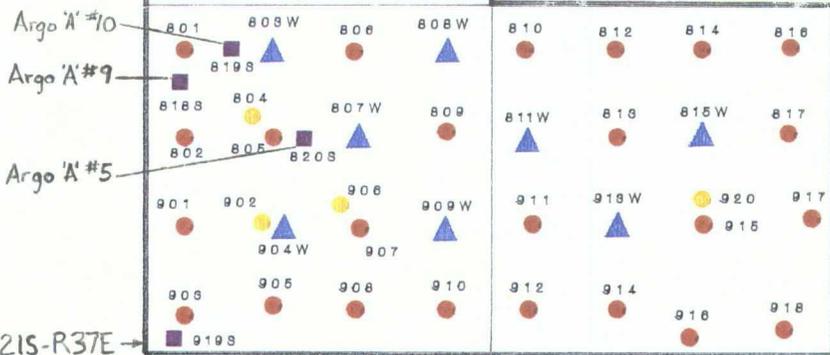


Northeast Drinkard Unit Lea County, New Mexico



LEGEND

- : Oil Producer
- : Gas Producer
- ▲ : Injector
- : Water Source Well
- ⊘ : TA'd



Sec. 22, T21S-R37E

VZS, 4/89

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

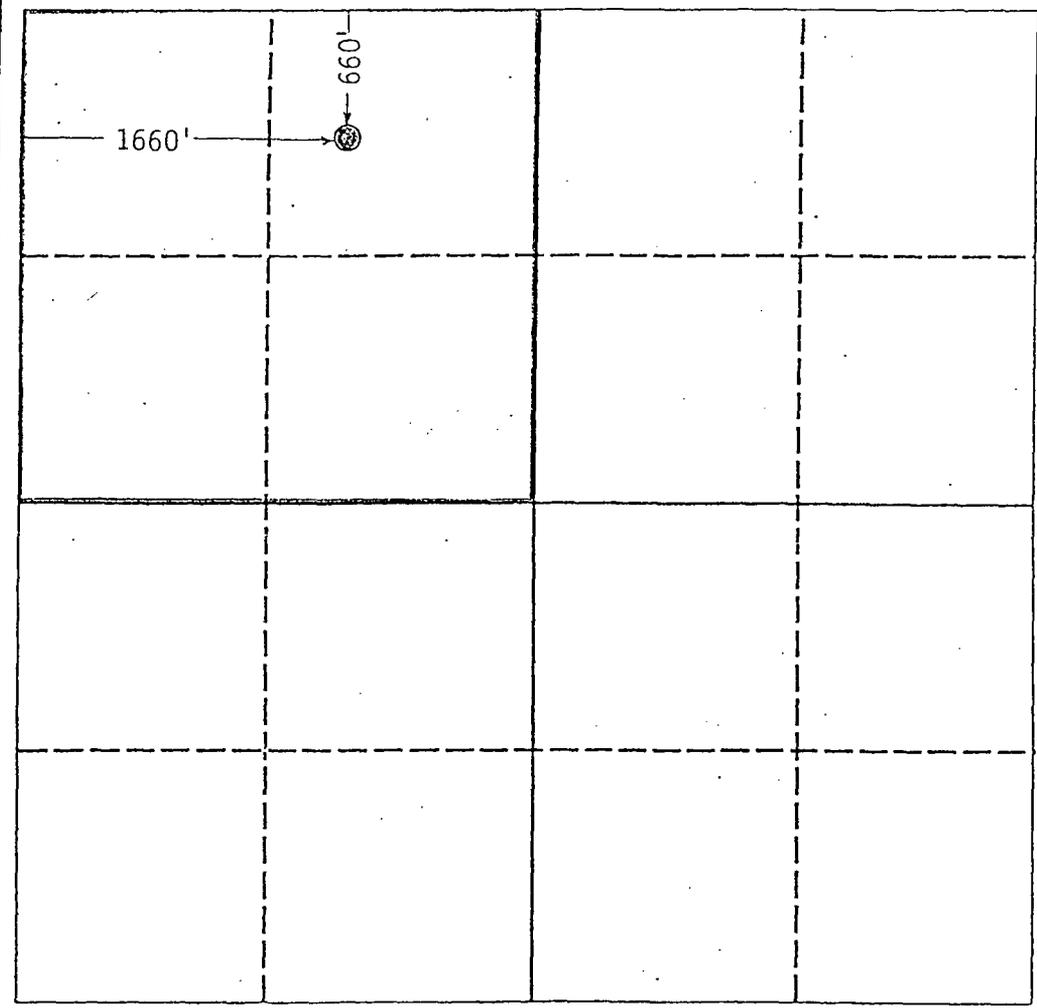
Operator SHELL WESTERN E&P INC.			Lease ARGO A			Well No. 10		
Unit Letter C	Section 22	Township 21S	Range 37E	County NMPM		LEA		
Actual Footage Location of Well: 660 feet from the NORTH line and 1660 feet from the WEST line								
Ground level Elev. 3437' DF		Producing Formation SAN ANDRES			Pool HARE-SAN ANDRES		Dedicated Acreage: 160 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 _____

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: *[Handwritten Signature]*

Printed Name: **W. F. N. KELLDORF**

Position: **STAFF PRODUCTION ENGINEER**

Company: **SHELL WESTERN E&P INC.**

Date: **3-30-89**

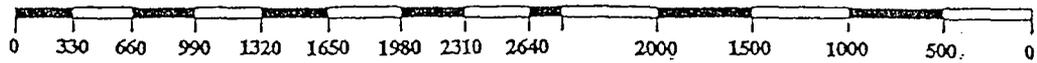
SURVEYOR CERTIFICATION

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: _____

Signature & Seal of Professional Surveyor: _____

Certificate No.: _____



Memo

From 11-17-89
EVELYN DOWNS
Oil Conservation Staff
Specialist

To Mike Stogner

We have not received any response to Shell's request to simultaneously dedicate 160 acres to #5, 9 & 10 in the Hare San Andres Gas.

I have attached a copy of their application along with Jerry's comments.

Shell has filed an intent to complete the #5 as a water source well & SA gas.

Please let me hear about this

Thanks,

Evelyn



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

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RECEIVED

6-19-89

'89 NOV 20 AM 10 36

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HOBBS, NEW MEXICO 88241-1980
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GARREY CARRUTHERS
GOVERNOR

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

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Operator

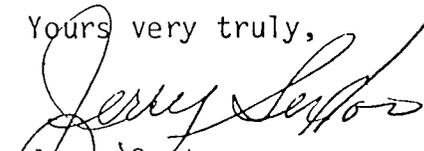
Lease & Well No. Unit

S-T-R

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 Supervisor, District 1

/ed

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P.O. Box 576
Houston, TX 77001

June 14, 1989

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Energy, Minerals and Natural
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Oil Conservation Division
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Santa Fe, NM 87504-2088

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WATER SOURCE WELLS
ARGO 'A' LEASE
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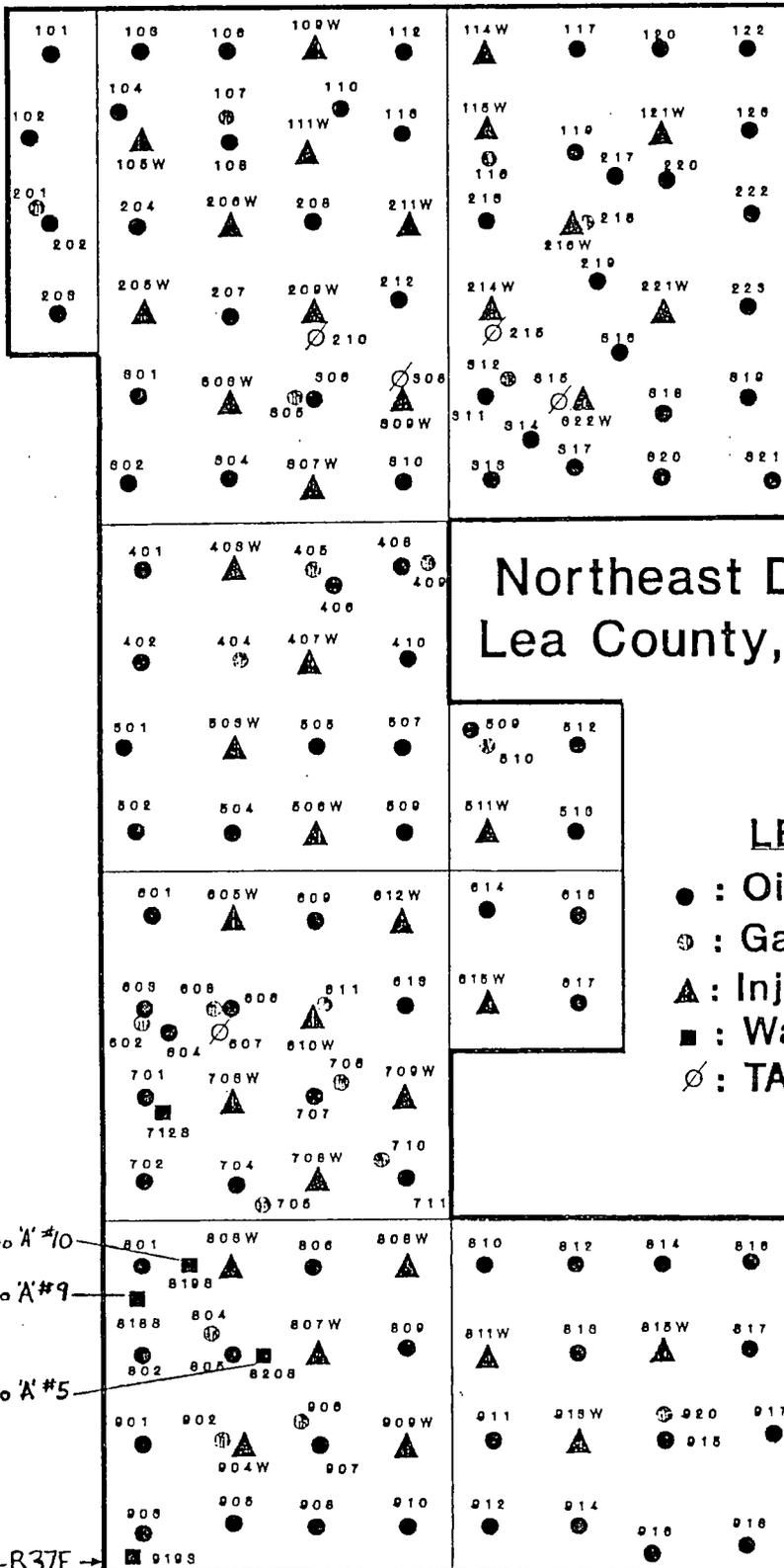


J. H. Smitherman
Regulatory Supervisor
Production Administration
Western Division

JMW:PEE

Attachment

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



Northeast Drinkard Unit Lea County, New Mexico

LEGEND

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- ⊙ : Gas Producer
- ▲ : Injector
- : Water Source Well
- ⊘ : TA'd

Argo A #10
Argo A #9
Argo A #5

Sec. 22, T21S-R37E →

VZS, 4/89

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 Santa Fe, New Mexico 87504-2088

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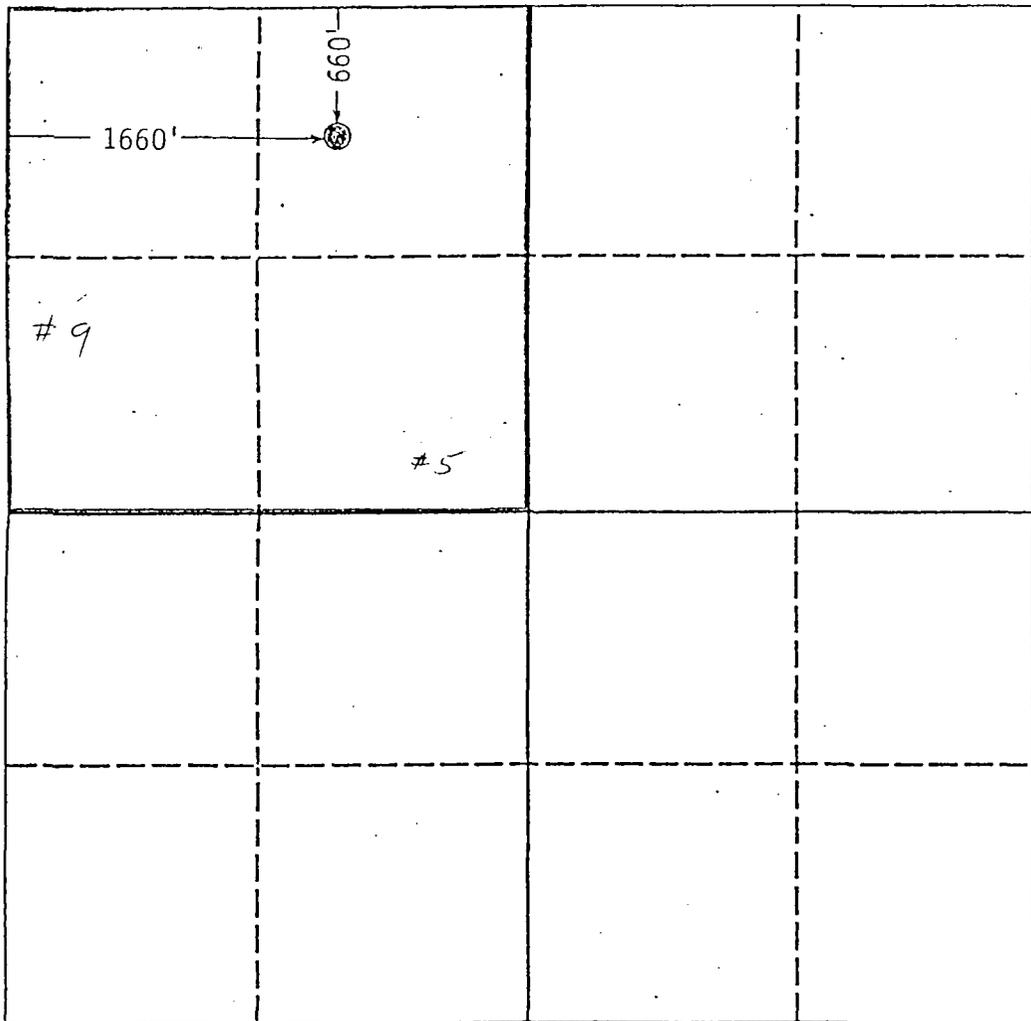
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Unit Letter C	Section 22	Township 21S	Range 37E	County NMPM
Actual Footage Location of Well: 660 feet from the NORTH line and 1660 feet from the WEST line				
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Signature: *[Handwritten Signature]*
 Printed Name: **W. F. N. KELLDORF**
 Position: **STAFF PRODUCTION ENGINEER**
 Company: **SHELL WESTERN E&P INC.**
 Date: **3-30-89**

SURVEYOR CERTIFICATION
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Date Surveyed: _____
 Signature & Seal of Professional Surveyor: _____
 Certificate No.: _____

