



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:

I have examined the application for the:

Shell Western E & P Inc.

Operator

Lease & Well No. Unit

S-T-R

Argo A # 5-F 22-21-37

Argo A # 9-B 22-21-37

Argo A # 10-C 22-21-37

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

Dear Mr. LeMay:

OIL CONSERVATION DIV.
SANTA FE

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,

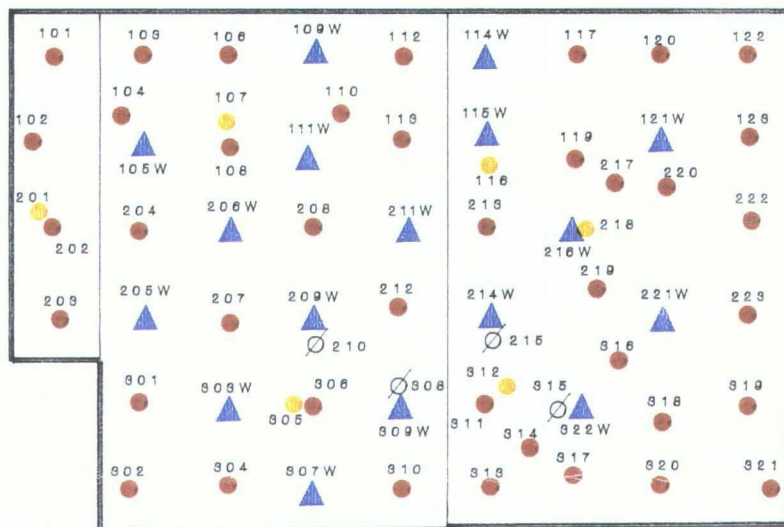
A handwritten signature in cursive script, appearing to read "J. H. Smitherman", followed by a horizontal line.

J. H. Smitherman
Regulatory Supervisor
Production Administration
Western Division

JMW:PEE

Attachment

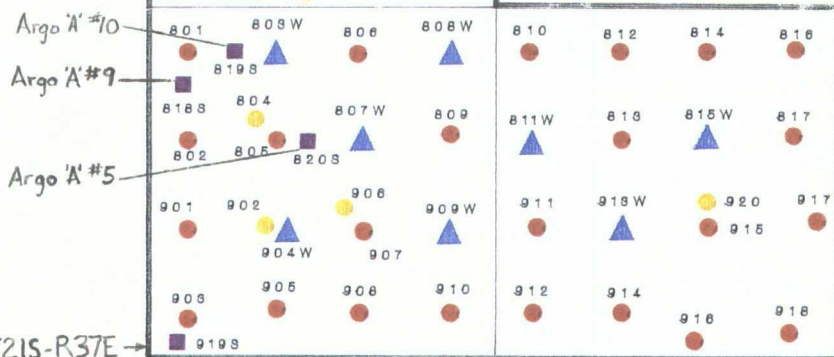
cc: State of New Mexico
Energy, Minerals and Natural
Resources Department
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88241-1980



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

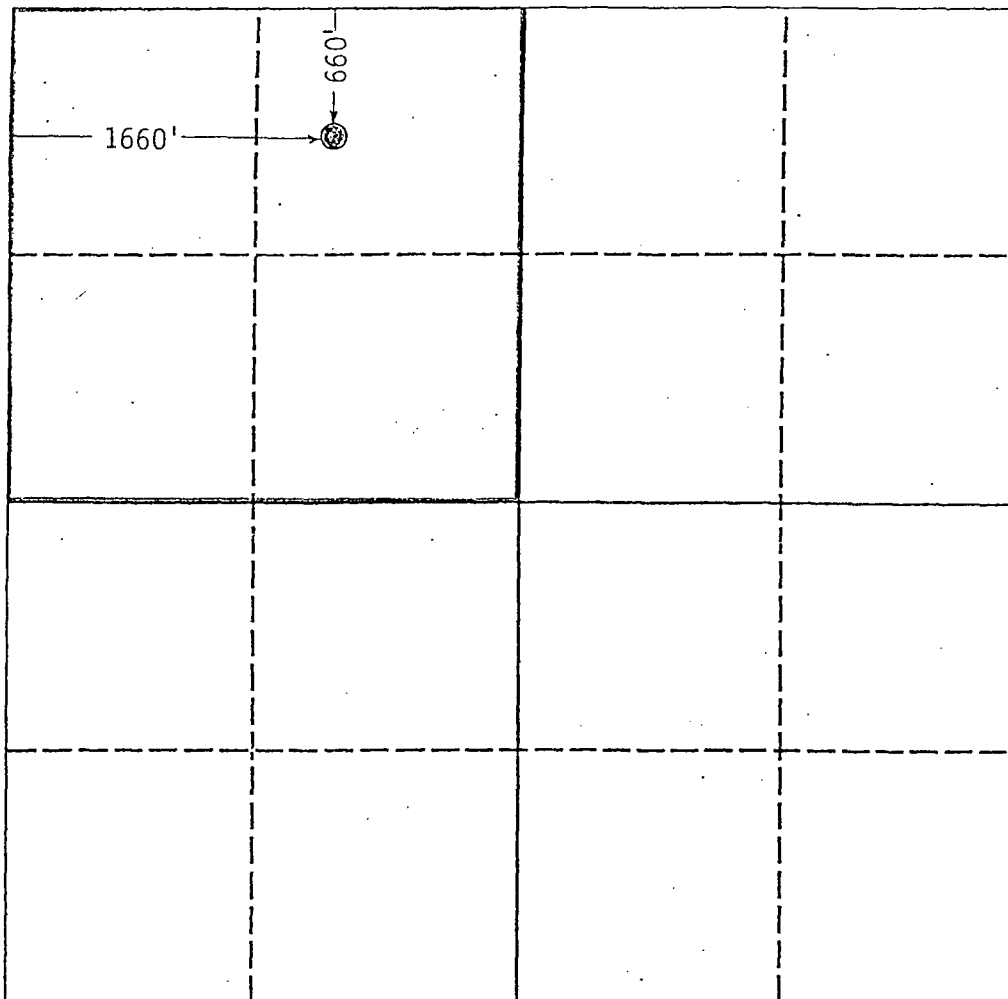
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

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 | |

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 _____
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.



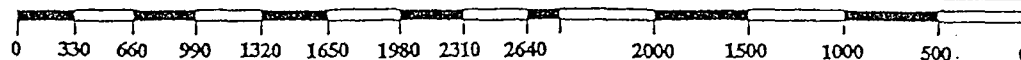
OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
W. F. N. Kelldorf
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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6-19-89

'89 NOV 20 AM 10 36

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GARREY CARRUTHERS
GOVERNOR

OIL CONSERVATION DIVISION
P. O. BOX 2088
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P.O. Box 576
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June 14, 1989

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

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WATER SOURCE WELLS
ARGO 'A' LEASE
WELL NOS. 5, 9 AND 10
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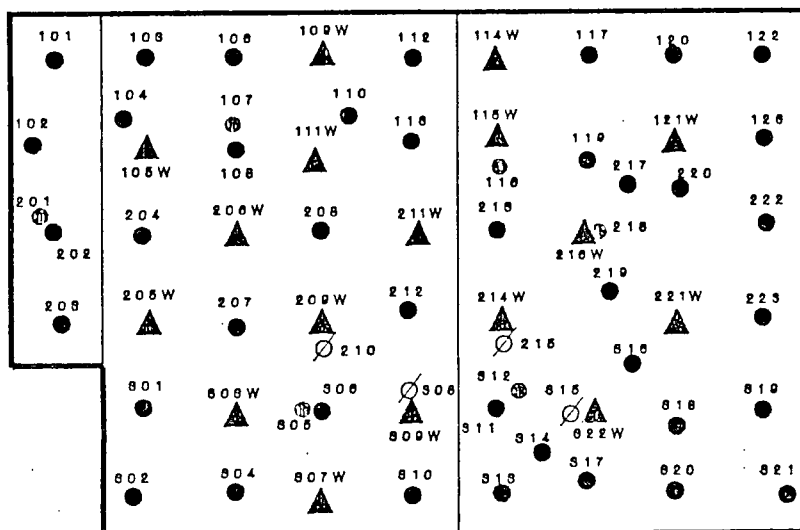


J. H. Smitherman
Regulatory Supervisor
Production Administration
Western Division

JMW:PEE

Attachment

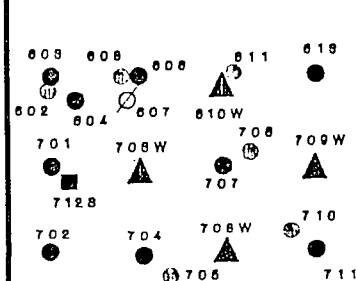
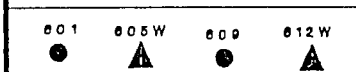
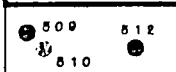
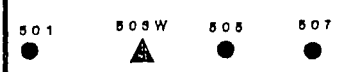
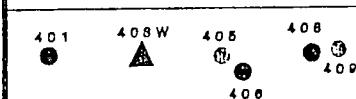
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Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88241-1980



Northeast Drinkard Unit Lea County, New Mexico

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- ▲ : 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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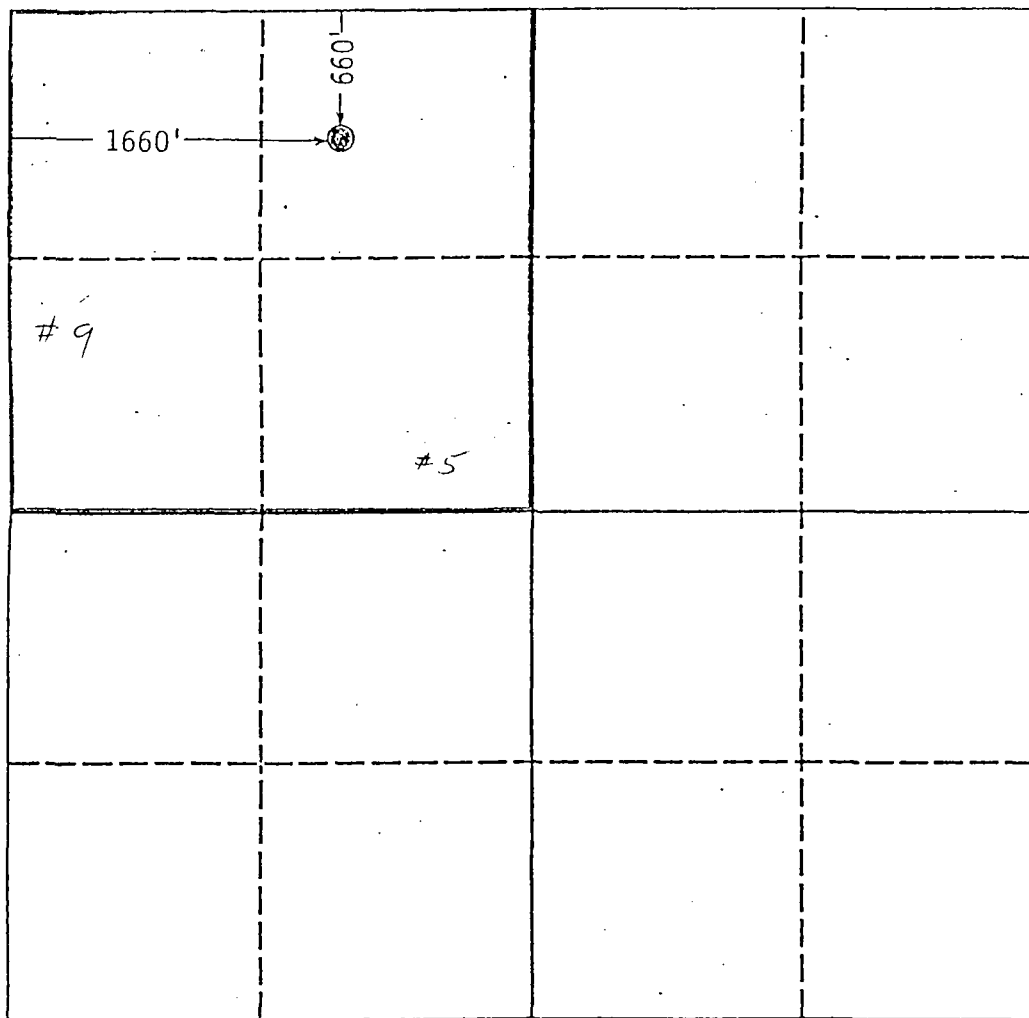
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OPERATOR CERTIFICATION

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

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.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0