

Shell Western E&P Inc.

A Subsidiary of Shell Oil Company



P.O. Box 576
Houston, TX 77001

June 29, 1984

The State of New Mexico
Energy and Minerals Department
Oil Conservation Division
ATTN: Mr. Joe D. Ramey
P.O. Box 2088
Santa Fe, New Mexico 87501

Case 8262

Gentlemen:

RE: APPLICATION FOR ORDER:

- (1) APPROVING 35 UNORTHODOX WELL LOCATIONS
- (2) APPROVING DIRECTIONAL DRILLING OF 3 WELLS AT UNORTHODOX WELL LOCATIONS, AND
- (3) EFFECTIVE AND EFFICIENT DRAINAGE FINDINGS FOR THE WELLS

IN THE HOBBS GRAYBURG-SAN ANDRES POOL
LEA COUNTY, NEW MEXICO

Shell Western E&P Inc., as operator of the North Hobbs (Grayburg-San Andres) Unit, Lea County, New Mexico, proposes to drill, as infill wells, 38 unit wells, more particularly identified on Exhibits "A" and "B" attached hereto, at the locations described on Exhibits "A" and "B", Hobbs Grayburg-San Andres Pool, Lea County, New Mexico.

Shell Western E&P Inc. ("Shell Western") respectfully applies for an order approving this application as described more particularly below.

I. Unorthodox Well Location

Shell Western applies for an order allowing it to drill each of the wells identified on Exhibit "A" at the unorthodox well location described on Exhibit "A". The unorthodox well locations are necessary to complete on an efficient production and injection pattern within the North Hobbs Grayburg-San Andres Pressure Maintenance Project approved in Oil Conservation Commission Order No. R-6199.

II. Directional Drilling at Unorthodox Well Locations

Shell Western applies for an order allowing it to directionally drill each of the wells identified on Exhibit B and to drill

each well at the unorthodox surface location and unorthodox bottom hole location described in Exhibit "B". The unorthodox locations are necessary to complete an efficient production and injection pattern within the North Hobbs Grayburg-San Andres Pressure Maintenance Project. Directional drilling is necessitated by surface obstructions.

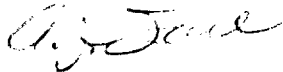
III. Effective and Efficient Finding

Shell Western applies for an order finding that each well listed on Exhibits "A" and "B" is necessary to effectively and efficiently drain a portion of the North Hobbs Grayburg-San Andres Pool covered by the existing proration unit, into which the well will be drilled, which cannot be so drained by any existing well within the proration unit.

Therefore, Shell Western requests that this application be set for hearing before an examiner on the July 11, 1984, docket.

Oral application for the relief sought herein was made 22 days prior to July 11, 1984, in accordance with Rule 1203 of the Division Rules and Regulations. Amoco Production Company (USA), Moranco, and Phillips Petroleum Co. have been notified by certified mail, return receipt requested, of this application.

Respectfully submitted,



A. J. Fore
Supervisor Regulation and Permitting
Mid-Continent Division
Shell Western E&P Inc.
(713) 870-3787

MF/mwt

Enclosures

cc: w/enclosures
Amoco Production Company (USA)
P.O. Box 3092
Houston, Texas 77253

Moranco
P.O. Box 1860
Hobbs, New Mexico 88240

Phillips Petroleum Co.
ATTN: Laws and Regulations
336 H.S. & L. Building
Bartlesville, Oklahoma 74004

EXHIBIT A

NORTH HOBBS (GRAYBURG-SAN ANDRES) UNIT HOBBS GRAYBURG-SAN ANDRES POOL LEA COUNTY, NEW MEXICO

<u>Well No.</u>	<u>Location</u>	<u>Sec.</u>	<u>TWP</u>	<u>RNG</u>
13-342	1200' FSL, 2500' FEL	13	18S	37E
13-442	1200' FSL, 220' FEL	13	18S	37E
24-312	10' FNL, 2630' FEL	24	18S	37E
24-414	10' FNL, 1280' FEL	24	18S	37E
19-212	1460' FWL, 160' FNL	19	18S	38E
24-432	1280' FEL, 2480' FSL	24	18S	37E
19-232	1390' FWL, 2795' FNL	19	18S	38E
20-132	180' FWL, 2490' FSL	20	18S	38E
24-442	200' FEL, 1260' FSL	24	18S	37E
19-332	2535' FEL, 1430' FSL	19	18S	38E
24-212	2620' FWL, 1280' FNL	24	18S	37E
29-442	170' FEL, 1230' FSL	29	18S	38E
30-242	1400' FWL, 200' FSL	30	18S	38E
30-444	215' FSL, 1255' FEL	30	18S	38E
32-312	1400' FEL, 210' FNL	32	18S	38E
32-422	110' FEL, 1385' FNL	32	18S	38E
33-212	1420' FWL, 205' FNL	33	18S	38E
31-422	2259' FNL, 600' FEL	31	18S	38E

<u>Well No.</u>	<u>Location</u>	<u>Sec.</u>	<u>TWP</u>	<u>RNG</u>
32-223	1410' FWL, 2630' FNL	32	18S	38E
32-423	1280' FEL, 2540' FNL	32	18S	38E
33-323	1420' FEL, 2495' FNL	33	18S	38E
32-143	300' FWL, 1185' FSL	32	18S	38E
32-332	2350' FEL, 1550' FSL	32	18S	38E
33-242	2530' FWL, 1280' FSL	33	18S	38E
19-442	380' FEL, 1100' FSL	19	18S	38E
24-342	145' FSL, 1435' FEL	24	18S	37E
30-112	200' FNL, 1310' FWL	30	18S	38E
30-113	1310' FNL, 195' FWL	30	18S	38E
29-322	2350' FEL, 1430' FNL	29	18S	38E
28-122	200' FWL, 1592' FNL	28	18S	38E
30-233	1480' FWL, 2455' FSL	30	18S	38E
30-332	1600' FEL, 2470' FSL	30	18S	38E
30-432	180' FEL, 2260' FSL	30	18S	38E
29-323	2500' FEL, 2540' FNL	29	18S	38E
29-122	180' FWL, 1600' FNL	29	18S	38E

EXHIBIT B

NORTH HOBBS (GRAYBURG-SAN ANDRES) UNIT HOBBS GRAYBURG-SAN ANDRES POOL LEA COUNTY, NEW MEXICO

<u>Well No.</u>	<u>Location</u>	<u>Sec.</u>	<u>TWP</u>	<u>RNG</u>
28-242	Suf 2014' FWL, 1163' FSL Bhl 2400' FWL, 1100' FSL	28	18S	38E
33-312	Suf 1702' FEL, 136' FNL Bhl 1330' FEL, 10' FNL	33	18S	38E
30-312	Suf 500' FNL, 1448' FEL Bhl 20' FNL, 1268' FEL	30	18S	38E

Shell Western E&P Inc.

A Subsidiary of Shell Oil Company

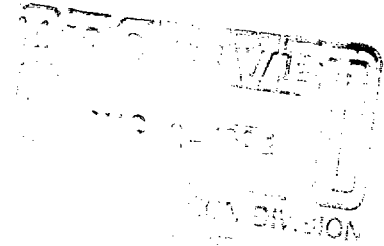


August 1, 1984

P.O. Box 991
Houston, TX 77001

City of Hobbs
ATTN Russ Doss, City Engineer
300 North Turner
Hobbs, NM 88240

*CASE #8263
M.S.*



Dear Sir:

SUBJECT: PROPOSED INFILL PRODUCERS
SHELL - NORTH HOBBS (G/SA) UNIT
HOBBS (G/SA) FIELD
LEA COUNTY, NEW MEXICO

This is to advise you that Shell Western E&P Inc. (SWEPI) proposes to drill 43 infill wells within the SWEPI operated North Hobbs (G/SA) Unit in the Hobbs Field. The well numbers and their locations are shown on the attached page. Seventeen of the proposed wells, indicated with an asterisk, will be located within the City of Hobbs. In addition, one existing well within the city limits will be converted to water injection.

We are requesting your permission to conduct our drilling program within the city limits. With your approval, operations are expected to begin September 15, 1984 and should be completed by June 1, 1984.

SWEPI, of course, will make the necessary arrangements to notify residents in the immediate area prior to starting operations. For your information, we have attached a recent areal photograph with an overlay showing the proposed locations of the wells.

Should you require further information, please advise.

Yours very truly,

A. J. Fore
Supervisor Regulatory and Permitting
Mid-Continent Division

TJV:AD

Attachments

cc: ✓ State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

BNBH8420903

bc: Mid-Continent Division
Division Production Administration Manager
Division Production Superintendent - Central
Manager Production Engineering
Team Leader-North Hobbs (G/SA) Team
Production Foreman-New Mexico Production Unit
Drilling Superintendent - A. D. Miller
Land, Houston - Rick Goenner
Land, Midland - Bill Kouns

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SHELL WESTERN E&P INC. ET AL NORTH HOBBS (G/SA) UNIT
PROPOSED LOCATIONS
NEWLY DRILLED WELLS
LEA COUNTY, NEW MEXICO

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM

<u>SECTION</u>	<u>UNIT WELL NO.</u>	<u>UNIT LETTER</u>	<u>PROPOSED LOCATION</u>
13	342	O	1200' FSL, 2500' FEL
13	442	P	1200' FSL, 220' FEL
24	312	B	10' FNL, 2630' FEL
24	414	A	10' FNL, 1280' FEL
24	432	I	1280' FEL, 2480' FSL
24	442	P	200' FEL, 1260' FSL
24	212	C	2620' FWL, 1280' FNL
24	342	O	145' FSL, 1435' FEL

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM

19	212	C	1460' FWL, 160' FNL
19	232	K	1390' FWL, 2501' FSL
20	132	L	180' FWL, 2490' FSL
19	332	J	2535' FEL, 1430' FSL
*29	442	P	170' FEL, 1230' FSL
30	242	N	1400' FWL, 200' FSL
30	444	P	215' FSL, 1255' FEL
*32	312	B	1400' FEL, 210' FNL

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TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM

<u>SECTION</u>	<u>UNIT WELL NO.</u>	<u>UNIT LETTER</u>	<u>PROPOSED LOCATION</u>
*32	422	H	110' FEL, 1385' FNL
*33	213	C	2455' FWL, 1300' FNL
31	422	H	2259' FNL, 600' FEL
32	223	F	1410' FWL, 2630' FNL
*32	423	H	1280' FEL, 2540' FNL
*33	232	G	1453' FEL, 2525' FNL
*32	143	M	300' FWL, 1185' FSL
*32	332	J	2350' FEL, 1550' FSL
*33	242	N	2530' FWL, 1280' FSL
19	442	P	380' FEL, 1100' FSL
30	112	D	200' FNL, 1310' FWL
30	113	D	1310' FNL, 195' FWL
*29	322	G	2350' FEL, 1430' FNL
*28	122	E	211' FWL, 1579' FNL
30	233	K	1480' FWL, 2455' FSL
30	332	J	1600' FEL, 2470' FSL
30	432	I	180' FEL, 2260' FSL
*29	323	G	2500' FEL, 2540' FNL
29	122	E	180' FWL, 1600' FNL
*28	242	N	Surf 2014' FWL, 1163' FSL BHL 2400' FWL, 1100' FSL
*33	312	B	Surf 1702' FEL, 136' FNL BHL 1330' FEL, 10' FNL

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<u>SECTION</u>	<u>UNIT WELL NO.</u>	<u>UNIT LETTER</u>	<u>PROPOSED LOCATION</u>
30	312	B	Surf 500' FNL, 1448' FEL BHL 10' FNL, 1330' FEL
*28	232W	K	2300' FSL, 1350' FWL
*29	342W	O	1230' FSL, 2500' FEL
30	333W	J	1400' FSL, 2430' FEL
30	443W	P	1300' FSL, 160' FEL
*33	212W	C	205' FNL, 1420' FWL

Existing Well - Convert to Injection

*33	221	F	2310' FNL, 1320' FWL
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