Martin, Ed, EMNRD

To:

Brian.Perry@shell.com

Subject:

RE: Latigo Ranch 3-5 P&A plan

Sounds fine to me. I have been talking with Jim and Mike regularly and am aware of the situation. This change is hereby approved for the Latigo 3-5.

Ed Martin New Mexico Oil Conservation Division District IV Supervisor 1220 S. St. Francis Santa Fe, NM 87505

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From: Brian.Perry@shell.com [mailto:Brian.Perry@shell.com]

Sent: Tuesday, December 13, 2011 8:57 AM

To: Martin, Ed, EMNRD

Subject: RE: Latigo Ranch 3-5 P&A plan

Ed,

We will be moving to the Latigo Ranch 3-5 well next. We're about to finish up on the LR 2-34 this week.

With your approval, one change we'd like to propose from the original LR 3-5 plan.

At the intermediate shoes we have been attempting to perforate and circulate cement up into the 4 %" X 7 5/8" annulus.

In the LR 3-5, the primary cement job on the $4 \frac{1}{2}$ " casing brought cement up inside the 7 5/8" intermediate shoe to 5,900' (per the Cement Bond Log) so 357' of cement up inside the $4 \frac{1}{2}$ " X 7 5/8".

We would like to propose spotting a minimum 100' cement plug 50' below the intermediate shoe and 50' above the shoe inside the $4 \frac{1}{2}$ ".

In preparing the initial proposal, I did not realize we had a cement top inside the intermediate string.

That is the only change. Revised wellbore diagram attached.

Thanks, Brian

Brian Perry Shell Oil Denver CO 80237 303-305-7572 Office 303-885-0883 Cell