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Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
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1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
October 13, 2009

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-019-20135
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator SWEPI LP		6. State Oil & Gas Lease No. NA
3. Address of Operator P.O. Box 576 Houston, TX		7. Lease Name or Unit Agreement Name Hage and Webb Land and Cattle, Inc.
4. Well Location Unit Letter K 1654 +/- feet from the South line and 1646 +/- feet from the West line Section 23 Township 11 N Range 23 E NMPM County Guadalupe		8. Well Number Webb 3-23
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4553.6 +/- graded		9. OGRID Number 250036
		10. Pool name or Wildcat Wildcat

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: PRODUCTION ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See attached Preliminary Production Data.

Spud Date:

June 26, 2008

Rig Release Date:

September 16, 2008

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

SIGNATURE: Michael L. Bergstrom TITLE: Regulatory Coordinator DATE: April 15, 2010

Type or print name: Michael L. Bergstrom E-mail address: michael.bergstrom@shell.com PHONE: (303) 222-6347

For State Use Only

APPROVED BY: Ed Martin TITLE: **DISTRICT SUPERVISOR** DATE: 4/19/10
Conditions of Approval (if any):

Preliminary Production Data (full well flow)

Date of Test	Hours Tested	Choke Size (in.)	Cuml Oil (bbls)	Cuml Gas (mcf)	Cuml Water (bbls)
10/4/08 - 10/17/08	297	14/64 - 20/64	0	7497	527
10/19/08 - 10/20/08	10	20/64	0	588	22
10/28/08 - 10/31/08	51	14/64 - 24/64	0	2699	1285
11/7/08 - 11/13/08	123	18/64 - 24/64	0	9552	475
11/22/08 - 11/27/08	74	14/64 - 24/64	0	3413	2320
12/4/08 - 12/4/08	7	?	0	0	221
12/6/08 - 12/26/08	466	28/64	0	21988	4222
SUM - 2008	1028		0	45737	9072
8/13/09 - 8/14/09	10	12/64	0	976	0
8/25/09 - 9/4/09	250	12/64	0	9344	842
12/15/09 - 12/29/09	88	14/64	0	1500	3113
1/6/10 - 1/8/10	40	12/64 - 32/64	0	1090	497
1/15/10 - 3/23/10	1595	14/64 - 22/64	0	39890	1230
SUM - 2009 & 2010	1983		0	52800	5682
SUM - 2008 - 2010	3011		0	98537	14754

Average Flow Tbg. P (psi)	Average Csg. P (psi)	Calculated 24hr Oil Rate (bbl)	Calculated 24hr Gas rate (mcf)	Calculated 24hr water rate (bbl)
600	1095	0	785	118



Shell Exploration & Production

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2010 APR 19 P 1:33

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division-District 4
1220 South St. Francis Drive
Sante Fe, New Mexico 87505
Attn.: Ed Martin, District Supervisor

Shell Exploration & Production Co.

Regulatory Affairs-EP Americas
4582 S. Ulster Street Parkway
Suite 1400
Denver, Colorado 80237

April 15, 2010

Subject: Subsequent Report of Production
Shell Exploration & Production Co., Webb 3-23 (API No. 30-019-20135)
Guadalupe County, New Mexico

Dear Mr. Martin:

Shell Exploration & Production Company (Shell), as service provider to SWEPI LP in New Mexico, is submitting our Subsequent Report (Form C-103) to provide preliminary production data for the subject well to New Mexico Oil Conservation Division-District 4 (OCD) for your review and approval. Shell has performed the completions work and flow testing for this well, as specified in the approved APD, and is currently preparing the Well Completion or Recompletion Report and Log (Form C-105). Shell anticipates submitting the Well Completion or Recompletion Report and Log for this well, on or before April 30, 2010.

If you have any questions or require any additional information regarding these reports, please contact me at (303) 222-6347, or David Janney at Kleinfelder in Albuquerque at (505) 344-7373.

Regards,

Michael L. Bergstrom
Senior Regulatory Advisor
Shell Exploration & Production Company

Attachments: Form C-103