



Shell Exploration & Production

RECEIVED OCD

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

2010 APR 22 P 1: 22

Shell Exploration & Production Co.
Regulatory Affairs-EP Americas
4582 S. Ulster Street Parkway
Suite 1400
Denver, Colorado 80237

April 20, 2010

Subject: Notice of Intention to Perform an Acid Stimulation
Shell Exploration & Production Co., Latigo Ranch 3-3 (API No. 30-019-20138)
Guadalupe County, New Mexico

Dear Mr. Martin:

Shell Exploration & Production Company (Shell), as service provider to SWEPI LP in New Mexico, is submitting our Notice of Intention (Form C-103) to perform an acid stimulation on the subject well, to New Mexico Oil Conservation Division-District 4 (OCD) for your review and approval. Shell has performed completions work and flow testing for this well, as specified in the approved APD, and proposes to remediate suspected scaling in the production casing with an acid stimulation. Shell anticipates beginning the acid stimulation in the week of April 26-April 30, 2010. OCD will be notified of the anticipated start date after the work is scheduled.

Shell requests that OCD hold any information regarding this well activity confidential for the period designated under NMOCD rules. All documents submitted are clearly marked as "confidential".

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

Submit 1 Copy to Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
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

Form C-103
October 13, 2009

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

WELL API NO.

30-019-20138

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

NA

7. Lease Name or Unit Agreement Name

Singleton Properties LLC

8. Well Number **Latigo Ranch 3-3**

9. OGRID Number **250036**

10. Pool name or Wildcat **Wildcat**

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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator

SWEPI LP

3. Address of Operator

P.O. Box 576, Houston, TX 77001

4. Well Location

Unit Letter **N** **1177+/-** feet from the **South** line and **1666+/-** feet from the **West** line
Section **3** Township **10 N** Range **23 E** NMPM County **Guadalupe**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

4640.8' graded

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: **ACID STIMULATION**

☒

SUBSEQUENT REPORT OF:

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

OTHER:

☐

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Shell Exploration & Production Company (Shell) proposes to perform an acid stimulation to remediate suspected scaling in the 4.5 inch production casing, including acid treatment of selected producing intervals, flowback of producing intervals and production testing. Work will be performed in accordance with prior approved plans, and the procedures listed below:

- 1) A coiled tubing unit will be mobilized and will use a 7.5% Hydrochloric acid solution to clean and stimulate Stages 3 (bottom perforation @ 13,588 feet) through Stage 10 (top perforation @ 11,655 feet).**
- 2) Upon completion of the acid treatment, the well will be flowed back for ~10 days to the open completions pit on the well location.**
- 3) After the stimulation and flowback periods, and when the flow from the well has stabilized, a production log (PLT) will be run.**
- 4) The well will be shut in.**

Spud Date:

April 9, 2009

Rig Release Date:

June 16, 2009

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

SIGNATURE

Michael L. Bergstrom

TITLE

Senior Regulatory Advisor

DATE **April 20, 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

5/19/10

Conditions of Approval (if any):