



SHELL OIL COMPANY

THIS LETTER IS FROM OUR
FIELD OFFICE

AT Box 1957
Hobbs, New Mexico

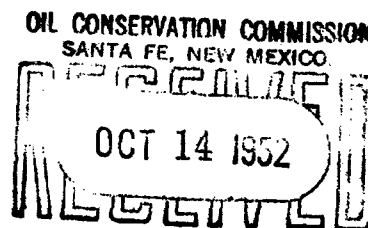
October 7, 1952

Case 431

Subject: Application to Dually Complete
Shell State A-2, Eunice Field
Lea County, New Mexico as a
Yates-Seven Rivers (Gas)-Queen-Grayburg
(Oil) Well

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:



By means of this application the Shell Oil Company wishes to state the following:

(a) That Shell State A-2, located in the NE/4 of the NE/4 of Section 12, T-21-S, R-35-E, was completed in December, 1936 at a total depth of 3891 feet. The appended Exhibit A shows the location of this and all other wells on the Shell State A lease together with the locations of all offset wells.

(b) That the said well was completed as an oil well producing from the interval 3741-3891 feet in the Queen-Grayburg formation after having been drilled through the Yates-Seven Rivers gas productive interval extending from approximately 3100 feet to 3650 feet. The appended Exhibit B is a type log of the Eunice-Monument area. It is planned to run a radio-active survey of Shell State A-2 during the dual completion operation and a copy of the log will be filed with the Commission.

(c) That the applicant proposes to (1) perforate the 7-inch casing opposite the Yates-Seven Rivers gas-productive horizons and (2) set a Baker retainer production packer at approximately 3720 feet in the 7-inch casing. The exact interval(s) to be perforated will be selected after the above-mentioned radio-active survey has been completed.

(d) That the applicant proposes to dually complete the said well to produce oil from the Queen-Grayburg formation through the tubing and gas from the Yates-Seven Rivers formation through the 7-inch casing. The manner and method of the proposed dual completion are shown on Exhibit C.

(e) That the granting of this application for permission to produce dually oil from the Queen-Grayburg formation and gas from the Yates-Seven Rivers formation is in the interests of conservation and the protection of correlative rights.

October 7, 1952

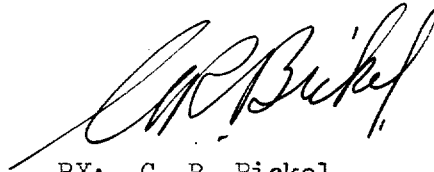
(f) That the applicant will do such things as may be required of it by the New Mexico Oil Conservation Commission in the maintenance of separation of production from said two horizons.

(g) That the manner and method of the proposed dual completion is mechanically feasible and practical.

Therefore, the Shell Oil Company requests that the Oil Conservation Commission set a certain day upon which this application may be heard and after said hearing to grant permission in order that the applicant may dually complete Shell State A-2 so that oil from the Queen-Grayburg formation may be produced through the tubing and gas from the Yates-Seven Rivers formation through the casing.

Respectfully submitted,

SHELL OIL COMPANY

A handwritten signature in cursive script, appearing to read 'C. R. Bickel', is written over a horizontal line.

BY: C. R. Bickel