



SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

April 7, 1965

New Mexico Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Attached you will find a schematic diagram showing the mechanical installation actually used in completing the Shell Antelope Ridge Unit No. 2 as a Devonian-Morrow Pennsylvanian gas-gas dual. The dual completion of this well was approved by N.M.O.C.C. Order No. R-2787 after hearing Case No. 3125. Also enclosed is the packer leakage test for the well.

You will notice from the schematic diagram that the final mechanical installation differs from the installation submitted at the hearing in that the upper packer is set at 11,465' rather than at 12,780'. This difference occurred as a result of having to drill out heavy mud and lost circulation material in the 5 1/2-inch liner casing off the Devonian formation in order to complete in that zone, which in turn necessitated drilling out the production packers originally in place in the well. While setting replacement packers for the dual completion, the upper packer became stuck at 11,465' and had to be set at that point. Since drilling out the packers again would have incurred excessive costs, and would quite possibly have endangered the well from the standpoint of wearing "windows" in the production casing, we felt it prudent to proceed with the dual completion with the packers located as shown on the attached schematic diagram.

It is realized that the final mechanical installation shown on the attached diagram is not in accord with Statewide Rule 107(d)3. of the N.M.O.C.C. Rules and Regulations; however, in view of the circumstances and in accordance with Statewide Rule 107(d)4., we request an Administrative exception to the rule in this case. The gas produced from the upper zone is noncorrosive and will not endanger the exposed casing in any way. We feel that the final mechanical installation is consistent with good conservation practices and that no waste will be caused.

If additional information is desired, please contact this office.

Yours very truly,



T. H. Dwyer

Division Production Manager

Attachments

cc - New Mexico Oil Conservation Commission
P. O. Box 1980, Hobbs, New Mexico