



HOBBS OFFICE O. C. C.
SHELL OIL COMPANY
WESTERN DIVISION
P. O. BOX 1509
MIDLAND, TEXAS 79704

March 2, 1966

Subject: Antelope Ridge Unit
Lea County, New Mexico

Oil Conservation Commission
State of New Mexico
P. O. Drawer 1980
Hobbs, New Mexico

Attention Mr. Joe D. Ramey

Gentlemen:

In checking our records we have discovered that we do not have approved copies of State Forms C-102 and C-104 for the Shell-operated Antelope Ridge Unit No. 4, located 990' FNL & 2310' FEL, Section 4, T-24-S, R-34-E, Lea County, New Mexico. To the best of our knowledge, these forms were submitted to the Hobbs District Office on or about February 15, 1965.

We wish to advise you further that Antelope Ridge Unit No. 4, a Pennsylvanian gas well, was turned into the Antelope Ridge Gasoline Plant on or about June 8, 1965 after a four-month shut-in period since completion on February 4, 1965. Apparently we experienced a break down in communications, and the well was inadvertently turned into the plant stream during June, 1965 in conjunction with improved sales arrangements. Once the initial oversight occurred the well continued to be produced until we discovered the irregularity. The well was immediately shut in on March 1 and will remain shut in until we are certified to produce. During the eight-month producing period, the well has accumulated some 3,042,000 MCF gas and 69,500 barrels of condensate.

We have applied for a hearing before the Commission to resolve certain impediments which appear to stand in the way of approval to sell natural gas and condensate from Well No. 4. Meanwhile, please feel free to call upon us if you need any additional information concerning this matter.

Yours very truly,

J. E. R. Sheeler
Division Production Manager