

You must comply with all other provisions of SWR 13 (Statewide Rule 13) and a representative of the cementing company who performs the cementing job for the protection of usable quality water strata must sign the Form W-15 attesting to the information regarding cementing operations performed; including circulation of cement. (Note: If surface casing is set below the approved depth, this can result in denial of future Statewide Rule 13(b)(1)(H)(i) requests.) A condition of the approved drilling permit requires notification to the Railroad Commission of Texas District Office eight (8) hours prior to the time casing is to be set/cemented in the well. If your exception request was submitted after the subject well has been drilled and completed, the operator may be referred for enforcement action.

This authorization shall expire within five (5) years from the date the Groundwater Protection Determination was issued, or at the expiration of the drilling permit (if the well is not spudded prior to expiration) for the referenced well, whichever occurs first. Furthermore, this authorization supersedes any prior authorizations issued for the referenced well.

This exception is based on information provided when the application was submitted on 01/18/2017 .
If any information has changed, you must contact the appropriate Railroad Commission of Texas District Office, and submit a new application if applicable. If you have questions, please contact the appropriate Oil and Gas District office.

RRC APPROVAL BY: Erik Hanson

DATE: 01/24/2017

D. CRAIG PEARSON

DISTRICT DIRECTOR



**APPLICATION FOR APPROVAL OF SURFACE CASING > 3500 FEET
Statewide Rule 13(b)(1)(A)
RAILROAD COMMISSION OF TEXAS**

Operator's Name and Address: Shell Western E&P
150 N. Dairy Ashford
Houston, Texas 77079

P5 Number: 774719

Area for review: District 8
Lease Name: University 19 PW Unit #1503H
Field Name: Phantom (Wolfcamp) County: Loving
Survey: University Lands Abstract: _____
Drilling Permits: 821060

Note: Attach a map if the request is for more than one pad.

How will the operator maintain well control during drilling operations:

While drilling the surface hole Shell utilizes drilling fluid of sufficient weight to overbalance the formations being penetrated.
In the event that flow is encountered a low-pressure rotating head is rigged-up under the rig floor to divert flow to the reserve pit.

How will the operator ensure cement is circulated to surface and that there is adequate bonding of cement:

A DV tool is placed below the water table (as defined by the GAU), and Shell pumps a minimum of 250% excess cement for the second stage of the surface cement job. Depending on nearby offsets the amount of excess pumped has been as high as 300%. Adequate bonding of cement is achieved by utilizing the centralizer program as outlined in RRC Rule 3.13 (b) (1) (G). A second stage of cement is only included in this request plan as a contingency measure to achieve cement returns to surface, in which case the DV tool would be opened.

How will the operator prevent the migration of formation fluids thru the annular space:

All cement slurries pumped by Shell comply with RRC Rule 3.13 (b) (1) (D) and Rule 3.13 (b) (1) (E). These slurries have been effective in preventing migration of formation fluids after the cement has been placed in the 100+ wells Shell has drilled in the Permian.

Signature: *George Mullen* Name: George Mullen Date: 01/18/2017 Phone: 832-337-0549

RRC District Office Action:	
<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Approved as Modified
<input type="checkbox"/> Denied	By: <u><i>Erik Hanson</i></u> Date: <u>1-24-17</u>
Remarks/Modifications:	

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