

Copy to No. 12461



Shell California Production Inc.
A Subsidiary of Shell Oil Company

P.O. Box 4578
Houston, Texas 77210

April 19, 1983

NOTED - DUNAWAY



United States Department of the Interior
Minerals Management Service
Pacific OCS Region
ATTN Mr. H. T. Cypher
Regional Supervisor
Offshore Field Operations
1340 West Sixth Street
Los Angeles, CA 90017

Dear Sir:

SUBJECT: AMENDMENT TO THE BETA PLAN OF DEVELOPMENT

Shell Oil Company, as the initial Operator for the proposed Beta Unit, submitted a plan of development dated October, 1977 to the Department of the Interior. Shell was directed to expeditiously develop and produce reservoirs underlying leases OCS P 0300 and P 0301 by the Assistant Secretary - Energy and Minerals, by letter dated December 10, 1979.

Shell California Production Inc., a subsidiary of Shell Oil Company as of June 1, 1982, has proceeded with this development. At the present time, 52 wells have been drilled from platform Ellen, 39 of which are completed and producing over 10,000 barrels of oil per day (see Figure 1). This production is from the Delmontian interval from 2400 to 5000 feet subsea. To date, none of the wells drilled from platform Ellen have penetrated the Mohnian age section of the field in the area located east of the Palos Verdes and Beta Faults (see Figure 2). The purpose of this letter is to request your approval to amend the original plan of development to allow for future drilling and evaluation of this Mohnian age section, and subsequent production testing and eventual production, if warranted.

Three of the Shell predevelopment exploratory wells and one water source well have been drilled to the basement schist which underlies the Mohnian age section. These are Shell et al OCS-P-0301 Nos. 1, 2 and 3, Shell et al OCS-P-0300 No. A-16. The Mohnian age section they have encountered consists predominately of an assemblage of chert, shale and limestone. Minor occurrences of dolomite and sandstone are also present. All of the wells encountered heavy or tarry oil shows on fractured surfaces in this Mohnian section. OCS-P-0301 No. 1 had the best light oil shows. None of the three exploratory wells drilled on OCS-P-0301 were production tested

in the Mohnian section. OCS-P-0300 No. A-16 was drilled west of the Palos Verdes Fault and was completed in the Delmontian sands as a water source well. Chevron et al OCS-P-0296 No. 1 recovered 346 barrels of muddy salt water from the Mohnian section in open hole below the 7 5/8 inch liner in the interval from 9425 to 10,671 feet subsea. However, we interpret this as being in the Palos Verdes Fault Zone.

We propose to drill an exploratory well to basement to test the Mohnian age section east of the Palos Verdes and Beta Faults. The well would be a straight hole drilled directly beneath platform Ellen (see Figure 1). It would penetrate the Mohnian age section in a favorable updip structural position east of the Palos Verdes and Beta Faults. We anticipate the proposed well would penetrate the Mohnian section at approximately 8000 feet subsea and would encounter basement near the projected TD of 10,200 feet subsea. The lowest hydrocarbon bearing interval in the Delmontian section should occur at approximately 4100 feet subsea. As a precautionary measure, the surface and subsurface equipment will be H₂S rated, the drilling crews will be H₂S trained, and the necessary H₂S detection and safety equipment will be utilized. This will be reflected in our request for permitting which will also outline our casing program.

In the event that the information gained from the open hole evaluation of the well is sufficiently encouraging to warrant subsequent production testing, casing would be set through this deep section and production testing would commence at a later date, after the necessary permits had been obtained. Eventual production from the well, and ultimately further development of the Mohnian section, would be dependant on this testing. Given success, we would submit a development plan outlining proposed development of these deeper horizons. In the event the well is not put on production, it would be plugged and abandoned in the deep section, and converted uphole to a waste disposal well.

We would like to proceed with drilling this exploratory well in the near future. Currently, the proposed well has a projected spud date of mid/late June, 1983. We request your early consideration and approval to proceed with development according to the amended plan outlined above.

Sincerely,



N. G. McKim
Division Production Manager
West Coast Production Division

TLA:SAVS

Attachments

BETA FIELD DEVELOPMENT

STRUCTURAL CONTOUR MAP ON THE "D" SAND

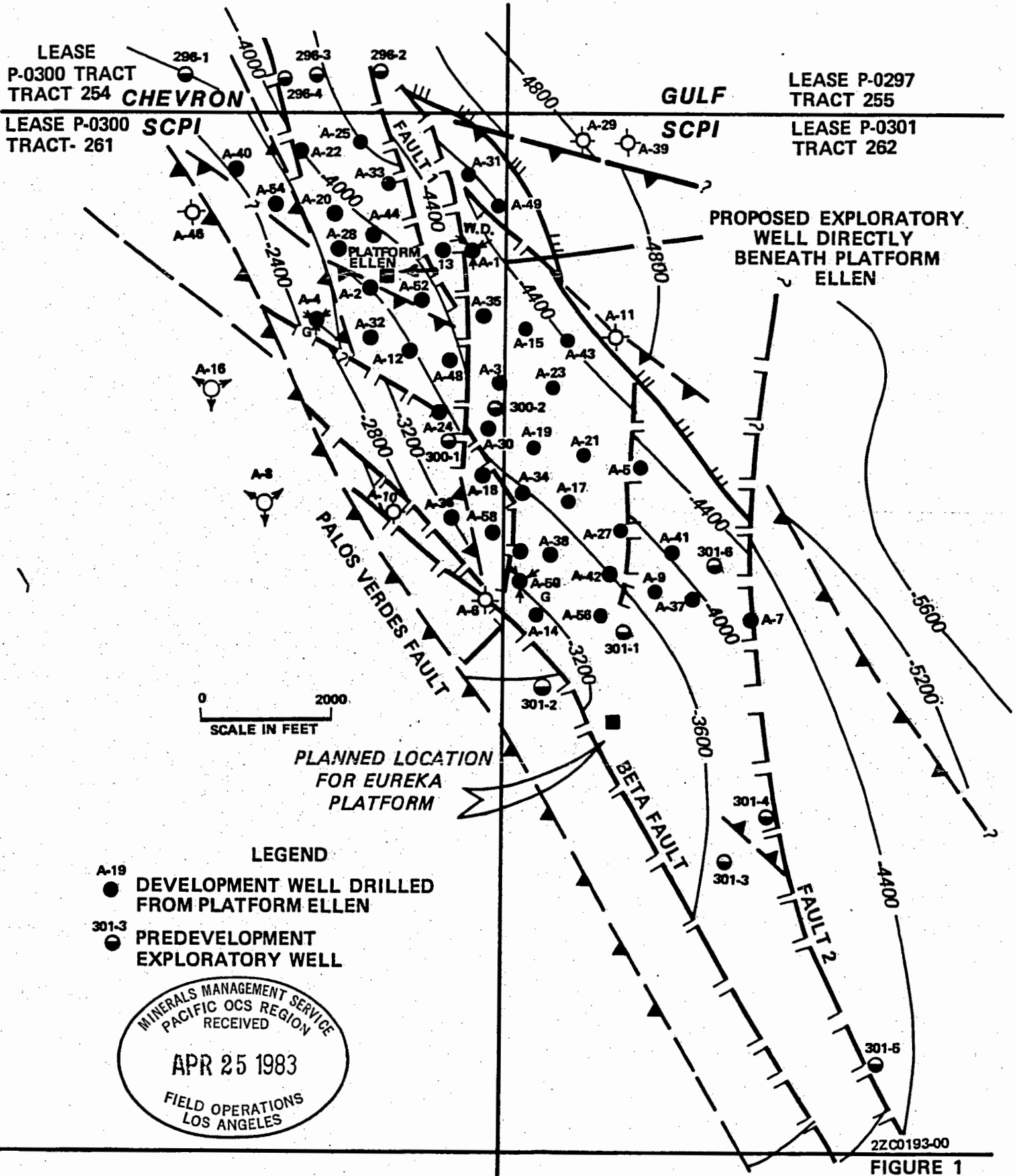
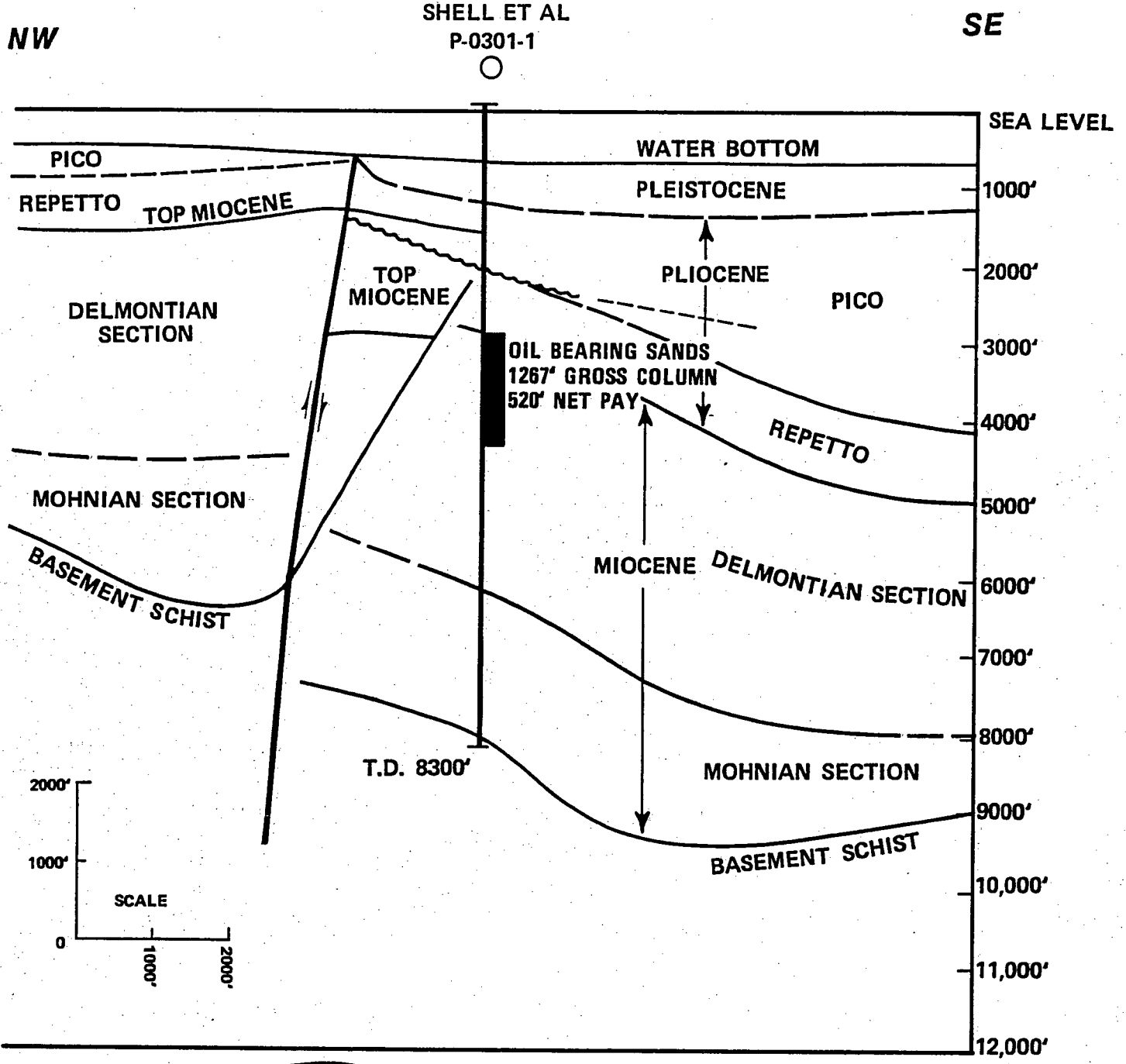


FIGURE 1

P-0301-1 PENETRATION SECTION



MINERALS MANAGEMENT SERVICE
PACIFIC OCS REGION
RECEIVED

APR 25 1983

FIELD OPERATIONS
LOS ANGELES

FIGURE 2

2ZC0223-00