

Shell's Journey: From Basin Entry to Wolfcamp Development in the Delaware Basin

Melanie Crisp¹, Brice Peterson², Marcel De Jong³, and Jannie Rehnmark⁴

¹Shell Exploration & Production Co. - Permian Commercial Lead

²Shell Exploration & Production Co. - Technical Manager Permian

³Shell Exploration & Production Co. - US Onshore Regional Studies Manager

⁴Shell Exploration & Production Co. - Regional Geology and New Ventures Geologist

ABSTRACT

Shell's long interest in the Permian Basin began in 1924 and re-established with the re-entry in 2012 to the current Wolfcamp development. Identification of stacked targets, value mapping, and a strong balance sheet equipped Shell for the strategic acquisition of Chesapeake Energy's Texas Delaware Basin assets. While the early Bone Spring play had limited extent and future running room, Shell believed in the upside case and future potential of the Wolfcamp. Today, the Basin is a key focus area for the E&P industry and is proving to be resilient in the face of the lower commodity price environment. Development and operational excellence have increased efficiency, lowered costs, and increased production resulting in greater capital returns.