



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
 OIL CONSERVATION DIVISION  
 HOBBS DISTRICT OFFICE

GARREY CARRUTHERS  
 GOVERNOR

12-4-90

POST OFFICE BOX 1980  
 HOBBS, NEW MEXICO 88241-1980  
 (505) 393-6161

OIL CONSERVATION DIVISION  
 P. O. BOX 2088  
 SANTA FE, NEW MEXICO 87501

7112-2768

RE: Proposed:

- MC \_\_\_\_\_
- DHC \_\_\_\_\_
- NSL  \_\_\_\_\_
- NSP \_\_\_\_\_
- SWD \_\_\_\_\_
- WFX \_\_\_\_\_
- PMX \_\_\_\_\_

Gentlemen:

I have examined the application for the:

Greenhill Pet. Corp. Lovington Paddock Unit #96-N 31-16-37  
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Yours very truly,

Jerry Sexton  
 Supervisor, District 1

/ed



# GREENHILL PETROLEUM CORPORATION

12777 JONES ROAD, SUITE 375  
HOUSTON, TEXAS 77070  
TELEPHONE (713) 955-1146  
FAX (713) 955-5105

Incorporated in Delaware, U.S.A.

November 28, 1990

Oil Conservation Division  
State of New Mexico  
Energy, Minerals and Natural Resources Dept.  
P.O. Box 2088  
Santa Fe, NM 87504-2088

Attn: Mike Stogner

Re: Unorthodox Location and Drilling Permit  
Proposed Well No. 96  
Lovington Paddock  
Lea County, New Mexico

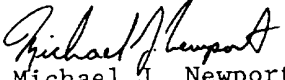
Greenhill Petroleum Corporation respectfully requests the State of New Mexico Oil Conservation Division grant approval of the proposed unorthodox location and the attached permit to drill Well Number 96 in the Lovington Paddock Unit, located in Lea County, New Mexico.

The Lovington Paddock Unit is presently developed and being water-flooded utilizing a 40-acre well density. It is believed that infill development using a 20-acre well density will improve waterflood sweep efficiency and will increase secondary oil recovery. The proposed location for Well No. 96 is located in the interior of the unit and is not competitive with offset wells outside the unit. Information gathered as a result of drilling this infill well will be utilized in evaluating additional infill development potential in the unit and ultimately may be used to evaluate the feasibility of tertiary recovery.

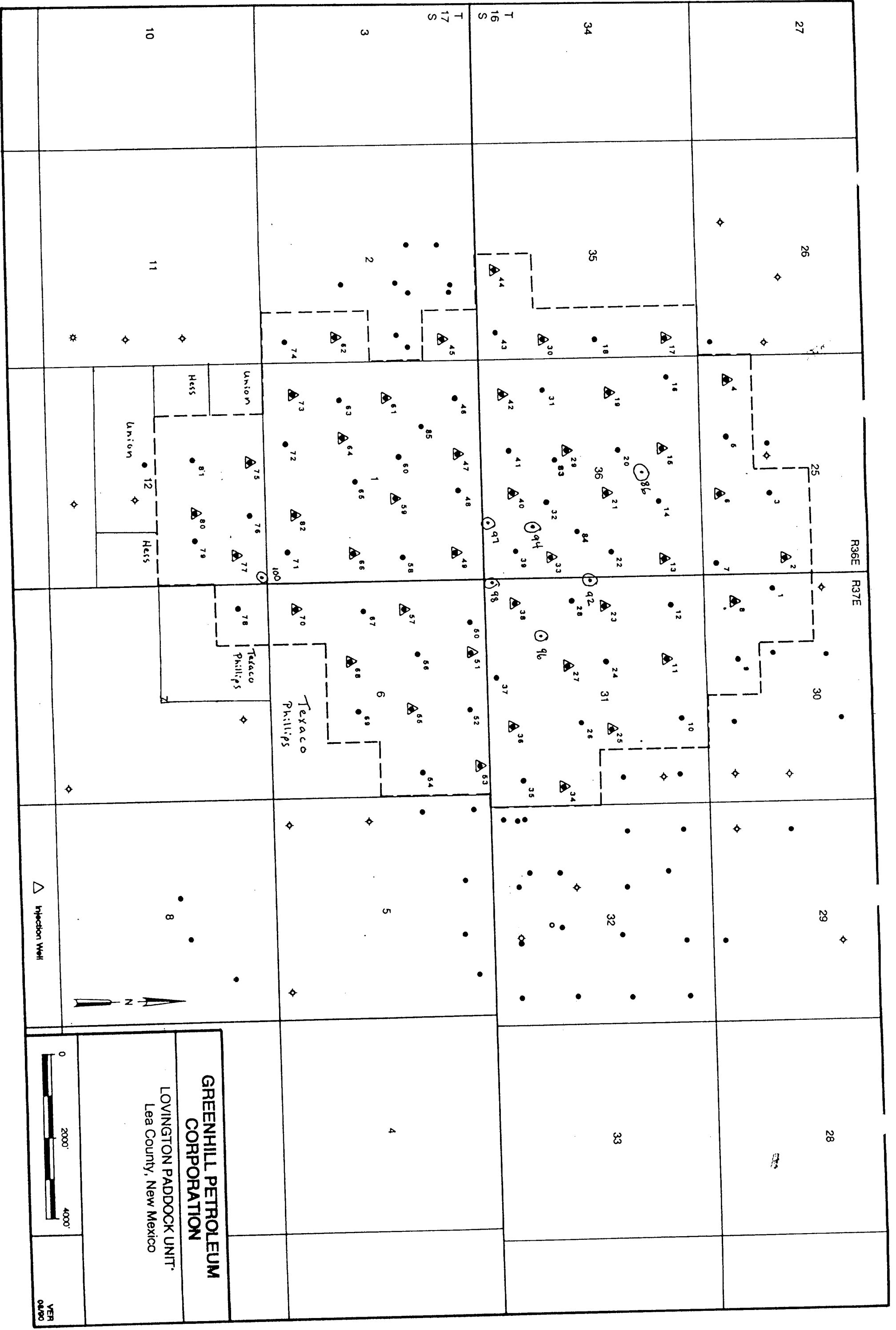
Greenhill Petroleum Corporation wishes to commence drilling operations of the proposed well as soon as possible and would appreciate a response to this request at your earliest convenience.

Respectfully yours,

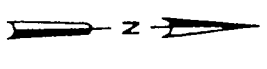
GREENHILL PETROLEUM CORPORATION

  
Michael J. Newport  
Landman

MJN:JB  
Enclosures



**GREENHILL PETROLEUM CORPORATION**  
 LOVINGTON PADDOCK UNIT  
 Lea County, New Mexico



△ Injection Well

VER  
04/90