

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-101
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)
30-025-31086

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
 87896

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			7. Lease Name or Unit Agreement Name Lovington Paddock Unit		
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			8. Well No. 98		
SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			9. Pool name or Wildcat Lovington Paddock		
2. Name of Operator Greenhill Petroleum Corp					
3. Address of Operator 16010 Barkers Point, Ste., 325, Houston, TX 77079					
4. Well Location Unit Letter M : 268 Feet From The South Line and 35 Feet From The West Line Section 31 Township 16 South Range 37 East NMPM Lea County					
10. Proposed Depth 6350		11. Formation Lovington Paddock		12. Rotary or C.T. Rotary	
13. Elevations (Show whether DF, RT, GR, etc.) 3818.7 GR		14. Kind & Status Plug. Bond Blanket		15. Drilling Contractor TBD	
16. Approx. Date Work will start 12-15-90					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	8 5/8	24#	2050	800	Surface
7 7/8	5 1/2	15.5#	6350	500	3000

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Michael J. Newport TITLE Landman DATE 11-28-90
 TYPE OR PRINT NAME Michael J. Newport TELEPHONE NO. 955-1146

(This space for State Use)
 ORIGINAL WORK BY DISTRICT I
 DISTRICT I MANAGER

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

Approved for drilling only--well cannot be produced until unorthodox location has been approved.

Permit Expires 5 Months From Approval Date Unless Drilling Underway.

DEC 17 1990

GREENHILL PETROLEUM CORPORATION
BOP PROGRAM FOR
LOVINGTON PADDOCK WELL # 98

Casing Program

BOP Program

Size	Depth	Wt	Grade	Configuration	Test Pressure
8 5/8"	2050'	24	H40, STC	RA	200 psi
5 1/2"	6350'	15.5	K55, STC	RR	250/1500 psi

* RR - Ram Ram

RA - Ram Annular

Diverter - Hydrill may be substituted for a diverter

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 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

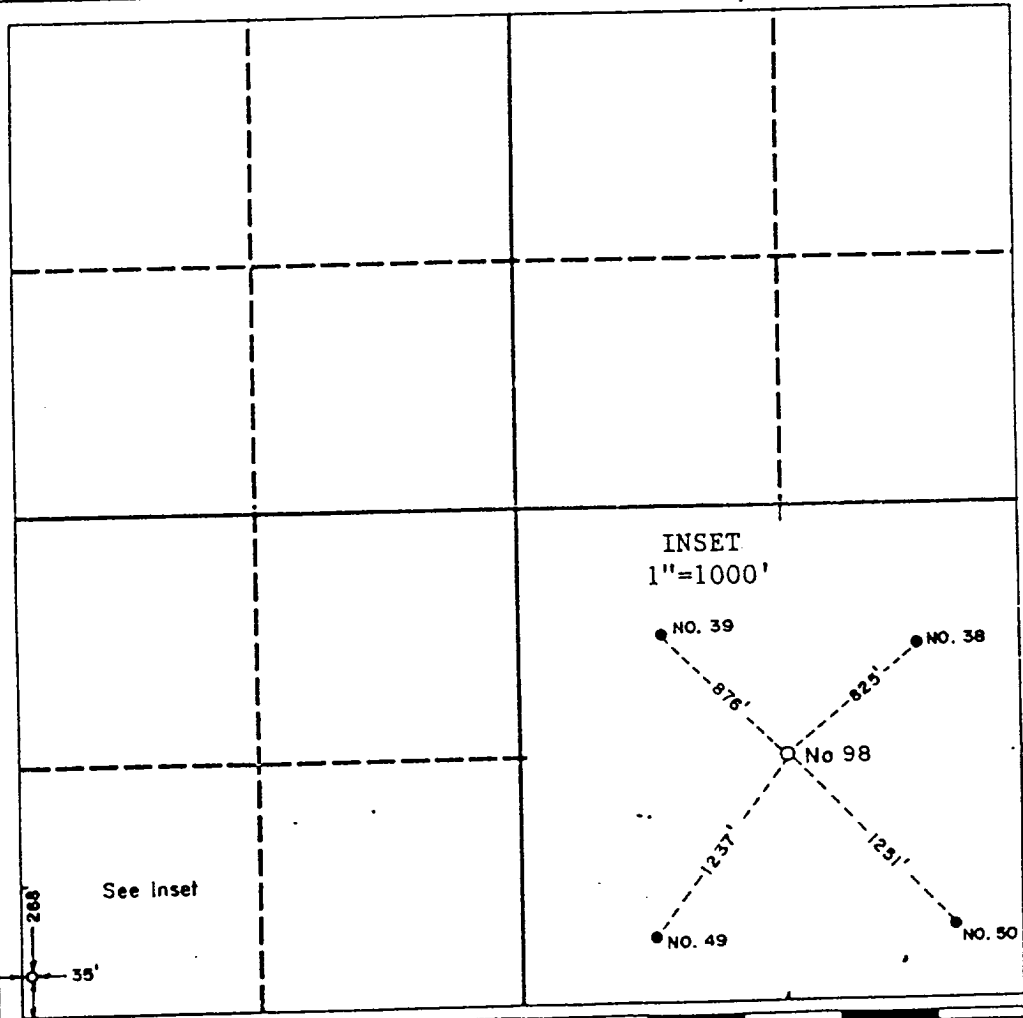
DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
 All Distances must be from the outer boundaries of the section

Operator Greenhill Petroleum Corp.		Lease Lovington Paddock Unit		Well No. 98
Unit Letter M	Section 31	Township 16 South	Range 37 East	County Lea
Actual Footage Location of Well: 268 feet from the South line and 35 feet from the West line				
Ground level Elev. 3818.7'	Producing Formation Lovington Paddock	Pool Lovington Paddock	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 - Yes No If answer is "yes" type of consolidation Unitized
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Michael J. Newport*
 Printed Name: Michael J. Newport
 Position: Landman
 Company: Greenhill Petroleum
 Date: 11-28-90

SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Restaked 11-15-1990

Date Surveyed: October 30, 1990
 Signature & Seal of Professional Surveyor: *Ronald J. Eidson*
 Certificate No. JOHN W. WEST, 676
 RONALD J. EIDSON, 3239

125630