



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

September 25, 1990

Greenhill Petroleum Corporation
12777 Jones Road
Suite 375
Houston, TX 77079

Attention: Michael J. Newport

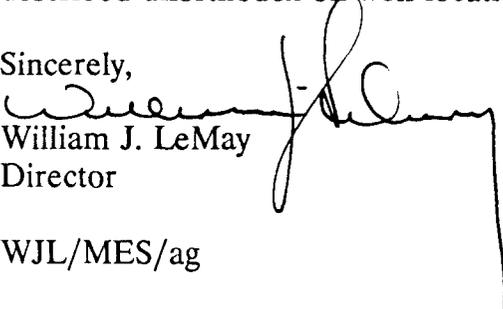
Administrative Order NSL-2870

Dear Mr. Newport:

Reference is made to your application dated August 14, 1990 for a non-standard oil well location to permit the completion of an efficient production/injection pattern within an existing secondary recovery project for your West Lovington Unit Well No. 68 to be located 1335 feet from the North line and 1280 feet from the West line (Unit E) of Section 7, Township 17 South, Range 36 East, NMPM, West Lovington San Andres Pool, West Lovington Waterflood Project Area, Lea County, New Mexico. Said well to be dedicated to the existing 37.39-acre oil spacing and proration unit comprising Lot 2 of said Section 7, which is presently dedicated to the applicant's West Lovington Unit Well No. 50 located 1980 feet from the North line and 660 feet from the West line of said Section 7.

By the authority granted me under the provisions of General Rule 104 F(I) the above-described unorthodox oil well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs