

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

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

April 13, 1992

Greenhill Petroleum Corporation  
11490 Westheimer Road  
Suite 200  
Houston, Texas 77077-6841

Attn: Mike Newport

RE: Applications for Waterflood Expansion

Dear Mike,

We have received an objection to your proposed expansion of the Lovington Paddock Unit. I have also received a copy of a letter to you from Ronald J. Nelson, Oil & Gas Investments, dated April 2, 1992 stating such objection. However, the letter is not specific as to which wells Mr. Nelson has an objection to. I wondered if perhaps, you have been able to ascertain actual well numbers or other information in regards to the objection.

Additionally, in reviewing your applications for the Paddock and the Lovington San Andres Expansions, we will require some other documentation. Specifically, I will need a copy of the Legal Notice publication or a notarized statement from the newspaper's editor that the notice has indeed been published. Secondly, I will need copies of the certified mail receipts when you sent copies of the application to offset operators and/or land owners.

Both applications are lacking these two pieces of documentation. Please forward this information to my attention so I may expedite the completion of the reviewal process and the subsequent approval of your proposed expansions.

Please feel free to call me on the above mentioned objection to the Paddock, or, if I may be of help in any other way.

Your attention is appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ben Stone".

Ben Stone  
Engineering Tech II

LPU # 9610  
THESE 2 ARE OBJECTED TO  
ALL OTHERS CAN BE APPROVED



RONALD J. NELSON  
*Oil & Gas Investments*

Post Office Box 2432 - Hobbs, New Mexico 88241

(505) 397-6419

OIL CONSERVATION DIVISION  
RECEIVED

'92 APR 15 AM 8 55

April 2, 1992

Greenhill Petroleum Corporation  
11490 Westheimer Road  
Suite 200  
Houston, Texas 77077-6841

Attn: Michael J. Newport

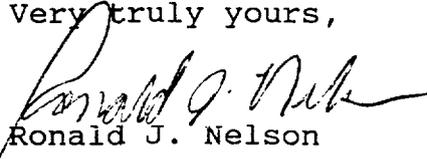
Dear Sir:

I am in receipt of your letter dated March 23, 1992 regarding the Lovington Paddock Unit. It is my opinion that the conversion of some of these producers to injection wells could adversely affect the production from my State "Q" Lease located in Section 30, T16S-R37E.

This lease is produced from the Paddock and is an offset to your proposed injection. I feel it is possible this would cause a significant increase in water production on my lease causing it to become uneconomical to operate.

Therefore I object to your proposal.

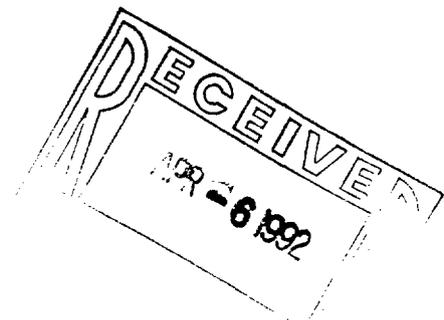
Very truly yours,

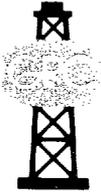
  
Ronald J. Nelson

RJN/cw

cc: N.M. Oil Conservation Commission  
P.O. Box 1980  
Hobbs, NM 88241

N.M. Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, N.M. 87504





# GREENHILL PETROLEUM CORPORATION

11490 WESTHEIMER ROAD, SUITE 200  
HOUSTON, TEXAS 77077-6841  
TELEPHONE (713) 589-8484  
FAX: (713) 589-7892

Incorporated in Delaware, U.S.A.

March 16, 1992

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

Re: Lovington Paddock Unit  
Lea County, New Mexico

Attention: Mr. David Catanach

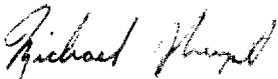
Dear Mr. Catanach:

Enclosed please find the C-108's and attachments whereby Greenhill Petroleum proposes to convert the following wells from producers to injection wells in the Lovington Paddock Unit. These wells are as follows:

Lovington Paddock Unit Numbers 9, 10, 26, 35, 43, 63, 65, & 69

Please contact me in the event you need additional information.

Very truly yours,

  
Michael J. Newport  
Land Manager-Permian Basin

MJN:sjs  
92.205

Enclosures