



GREENHILL PETROLEUM CORPORATION

Incorporated in Delaware, U.S.A.

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

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November 1, 1990

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

Attn: Mike Stogner

Re: Unorthodox Location and Drilling Permit
Proposed Well No. 41
Eunice Monument
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 41 in the Eunice Monument Unit, located in Lea County, New Mexico.

The Eunice Monument Unit is presently developed and being waterflooded 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. 41 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 on 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
BOP PROGRAM FOR
EUNICE MONUMENT UNIT # 41

<u>Casing Program</u>				<u>BOP Program</u>	
Size	Depth	Wt	Grade	Configuration	Test Pressure
8 5/8"	1400'	24	H40, STC	RA	200 psi
5 1/2"	4070'	15.5	K55, STC	RR	250/1500 psi

* RR - Ram Ram

RA - Ram Annular

Diverter - Hydrill may be substituted for a diverter.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
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 Eunice Monument Unit		Well No. 41
Unit Letter M	Section 19	Township 20 South	Range 37 East	County Lea
NMPM				

Actual Footage Location of Well:

1275 feet from the South line and 1000 feet from the West line

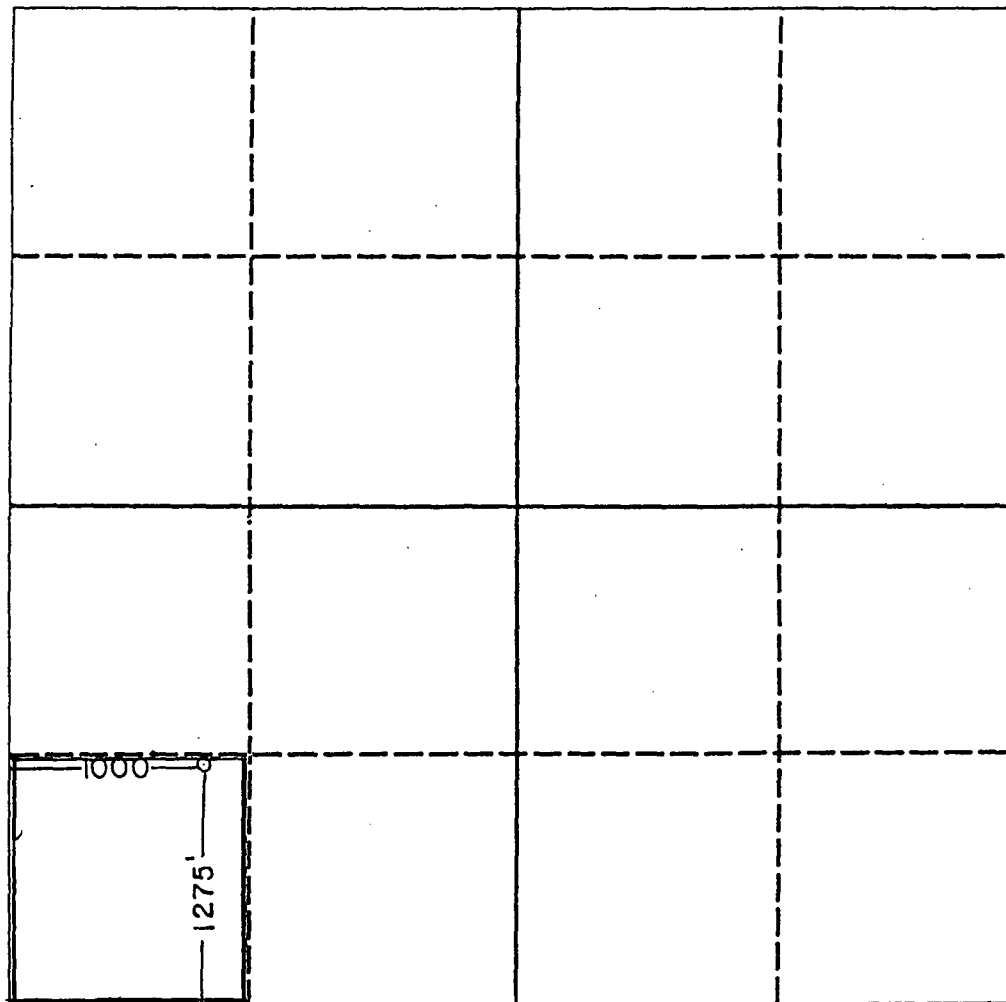
Ground level Elev. 3534.8	Producing Formation Grayburg San Andres	Pool Eunice Monument Grayburg San Andres	Dedicated Acreage: 40 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. 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

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

10-31-90

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.

Date Surveyed

October 3, 1990

Signature & Seal of
Professional Surveyor

John W. West
Certificate No. 676 JOHN W. WEST 676
RONALD EIDSON 3239
NEW MEXICO
JOHN W. WEST

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

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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)

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

B160

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL

WELL ☒

GAS

WELL ☐

OTHER ☐

SINGLE

ZONE ☐

MULTIPLE

ZONE ☐

7. Lease Name or Unit Agreement Name

Eunice Monument Unit

2. Name of Operator

Greenhill Petroleum Corp.

8. Well No.

41

3. Address of Operator

16010 Barkers Point, Ste., 325, Houston, TX 77079

9. Pool name or Wildcat

Eunice Monument Grayburg San

4. Well Location

Unit Letter M : 1275 Feet From The South Line and 1000 Feet From The West Line

Section 19

Township

20 South Range 37 East

NMPM

Lea

County

10. Proposed Depth

4070'

11. Formation

Grayburg

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

3534 GR

14. Kind & Status Plug. Bond

Blanket on File

15. Drilling Contractor

TBD

16. Approx. Date Work will start

12/1/90

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	1400'	800	Surf.
7 7/8	5 1/2	15.5	4070'	400	Surf.

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

10-31-90

TYPE OR PRINT NAME

Michael J. Newport

TELEPHONE NO. 955-1146

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:



OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

RE: ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

11-13-90

GARREY CARRUTHERS
GOVERNOR

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

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

RE: Proposed:

MC _____
DHC _____
NSL X _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Greenhill Petroleum Corp., Eunice Monument Unit #41-M
Operator Lease & Well No. Unit S-T-R 19-20-37

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed