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

June 14, 1991

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

Attention: Michael J. Newport

Administrative Order NSL-3012

Dear Mr. Newport:

Reference is made to your applications dated May 16, 1991 for two non-standard oil well locations to permit the completion of an efficient production/injection pattern within the West Lovington Waterflood Project, Lea County, New Mexico, established by Division Order No. R-2071, dated October 9, 1961. Both wells are to be located in Township 17 South, Range 36 East, NMPM, West Lovington San Andres Pool, West Lovington Unit, Lea County, New Mexico.

By the authority granted me under the provisions of General Rule 104 F(I), both of the following described unorthodox oil well locations are hereby approved.

West Lovington Unit Well No. 81 105' FNL - 1305' FWL (Unit D) of Section 9. Said well to be dedicated to the existing 40-acre oil spacing and proration unit comprising the NW/4 NW/4 of said Section 9.

Administrative Order NSL-3012 Greenhill Petroleum Corporation June 14, 1991 Page 2

West Lovington Unit Well No. 82 2390' FN & EL (Unit G) of Section 7. Said well to be dedicated to the existing 40-acre oil spacing and proration unit comprising the SW/4 NE/4 of said Section 7.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs NM State Land Office - Santa Fe