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 19, 1991

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

Attention: Michael J. Newport

Administrative Order NSL-3020

Dear Mr. Newport:

Reference is made to your applications dated June 6, 1991 for certain unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within your Lovington Paddock Waterflood Project, established by Division Order No. R-3124, dated September 30, 1966. The following described wells are to be located in either Section 36, Township 16 South, Range 36 East; Section 31, Township 16 South, Range 37 East; Section 1, Township 17 South, Range 36 East, or Section 6, Township 17 South, Range 37 East, NMPM, Lovington Paddock Pool, Lovington Paddock Unit Area, Lea County, New Mexico as shown on Exhibit "A" attached hereto and made a part hereof.

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
NM State Land Office - Santa Fe

DIVISION ADMINISTRATIVE ORDER NSL-3020 GREENHILL PETROLEUM CORPORATION EXHIBIT "A"

Well No.	Footage Location	Unit	Section	Dedicated Quarter- Quarter Section or Lot No.	Acreage
104	75' FNL - 240' FWL	D	31	1	49.80
105	69' FNL - 1324' FWL	D	31	1	49.80
106	1470' FNL - 150' FWL	E	36	SW/4 NW/4	40
108	1615' FNL - 2715' FWL	Ŧ	31	SE/4 NW/4	40
109	2540' FNL - 2855' FWL	Ŧ	31	SE/4 NW/4	40
110	1220' FSL - 1530' FWL	Z	36	SE/4 SW/4	40
111	1260' FSL - 2585' FEL	0	36	SW/4 SE/4	40
112	1370' FSL - 2720' FWL	K	31	NE/4 SW/4	40
114	150' FSL - 1650' FWL	Z	36	SE/4 SW/4	40
115	145' FSL - 2560' FEL	0	36	SW/4 SE/4	40
116	155' FSL - 1550' FEL	0	31	SW/4 SE/4	40
118	1210' FNL - 1280' FEL	Α	1	1	39.95
120	1190' FNL - 1140' FWL	D	9	4	37.33
121	1100' FNL - 2500' FWL	Э	9	3	40.12
122	2440' FNL - 117' FWL	E	9	5	37.33
123	2525' FNL - 1420' FWL	Ħ	9	SE/4 NW/4	40