



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.

VIA FEDERAL EXPRESS

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

Received
3/17/92
M.S.

Attention: Mr. Mike Stogner

Re: Unorthodox Location and Drilling Permit
Proposed Well Number 141
Lovington Paddock
Lea County, New Mexico

Dear Mr. Stogner:

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 141 in the Lovington Paddock Unit, located in Lea County, New Mexico.

The Lovington Paddock 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 Number 141 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,

Michael J. Newport
Land Manager-Permian Basin

MJN:sjs
Enclosures

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.

B 2359

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

Lovington Paddock Unit

2. Name of Operator

GREENHILL PETROLEUM CORPORATION

8. Well No.

141

3. Address of Operator

11490 Westheimer, Suite 200, Houston, Texas 77077

9. Pool name or Wildcat

4. Well Location

Unit Letter

G

: 2545

Feet From The

North

Line and

1440

Feet From The

East

Line

Section

1

Township

17South

Range

36 East

NMPM

Lea

County

10. Proposed Depth

6450'

11. Formation

Paddock

12. Rotary or C.T.

Rotary

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

3819

14. Kind & Status Plug. Bond

on file

15. Drilling Contractor

TBD

16. Approx. Date Work will start

4-1-92

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	1300	550	surface
7 7/8	5 1/2	15.5	6450	1100	surface

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 Land Manager-Permian Basin DATE 3-16-92

TYPE OR PRINT NAME

Michael J. Newport

TELEPHONE NO. (713)

589-8484

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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 22, Artesia, NM 88210

DISTRICT III

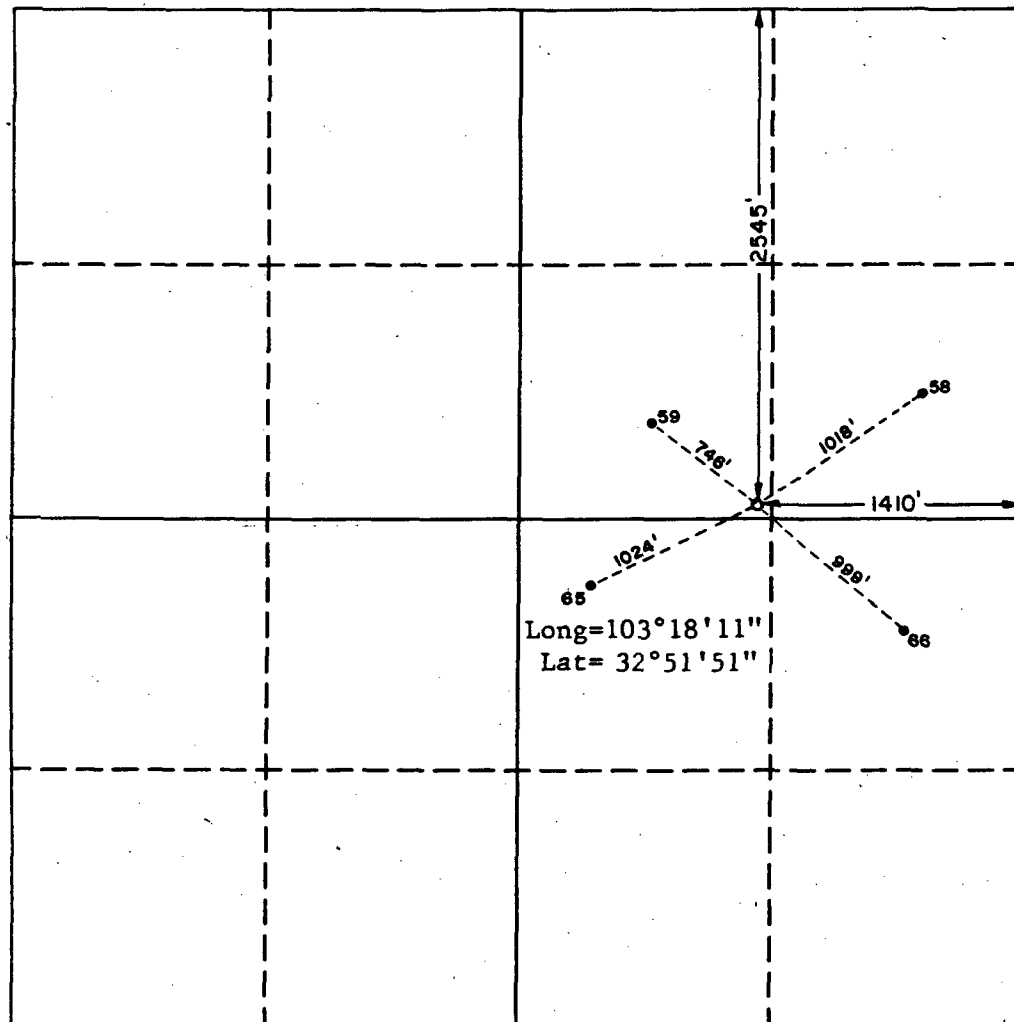
1000 Rio Brazos Rd., Artec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Greenhill Petroleum Corp.			Lease Lovington Paddock Unit		Well No. 141
Unit Letter G	Section 1	Township 17 South	Range 36 East	NMPM	County Lea
Actual Footage Location of Well: 2545 feet from the north line and 1440 feet from the east line					
Ground Level Elev. 3819.3	Producing Formation Lovington Paddock	Pool Lovington Paddock Unit		Dedicated Acreage: 40 Acres	

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 Unitized
- If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)
- No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify 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 Corp

Date

3/16/92

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

February 28, 1992

Signature & Seal of Professional Surveyor

Ronald J. Edson
No. **3292**
Certified by **RONALD J. EDSON** 676
MICHAEL J. EDSON 3238
MARY D. JONES 7977
W.O. 92-11-0190

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



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

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

'92 MAR 23 AM 10 09

BRUCE KING
GOVERNOR

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

3-19-92

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. Lovington Paddock Unit 141-G 1-17-36
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed