



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.

June 29, 1992

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

Attention: Mr. Mike Stogner

RE: Unorthodox Location and Drilling Permit
Proposed Well Number 134
Lovington Paddock Unit
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 134 in the Lovington Paddock Unit, located in Lea County, New Mexico.

The Lovington Paddock Unit is presently developed and being waterflooded utilizing a forty (40) acre well density. It is believed that infill development using a twenty (20) acre well density will improve waterflood sweep efficiency and will increase secondary oil recovery. The proposed location for Well Number 134 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

92.454

Enclosures

xc: Ms. Evelyn Downs, Oil Conservation Division, Hobbs, New Mexico

Rec 6/30/92

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

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

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

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.

134

3. Address of Operator

11490 Westheimer, Suite 200, Houston, Texas 77077

9. Pool name or Wildcat

Lovington Paddock

4. Well Location

Unit Letter M : 377 Feet From The South Line and 1111 Feet From The West Line

Section 31 Township 16 South Range 37 East NMMPM Lea County

10. Proposed Depth
6450'

11. Formation
Paddock

12. Rotary or C.T.
Rotary

13. Elevations (Show whether DF, RT, GR, etc.)
3807 GR

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#	1800'	600	surface
7 7/8"	5 1/2"	15.5#	6450'	1200	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

6-29-92

TYPE OR PRINT NAME

Michael J. Newport

(713)

TELEPHONE NO. 589-8484

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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

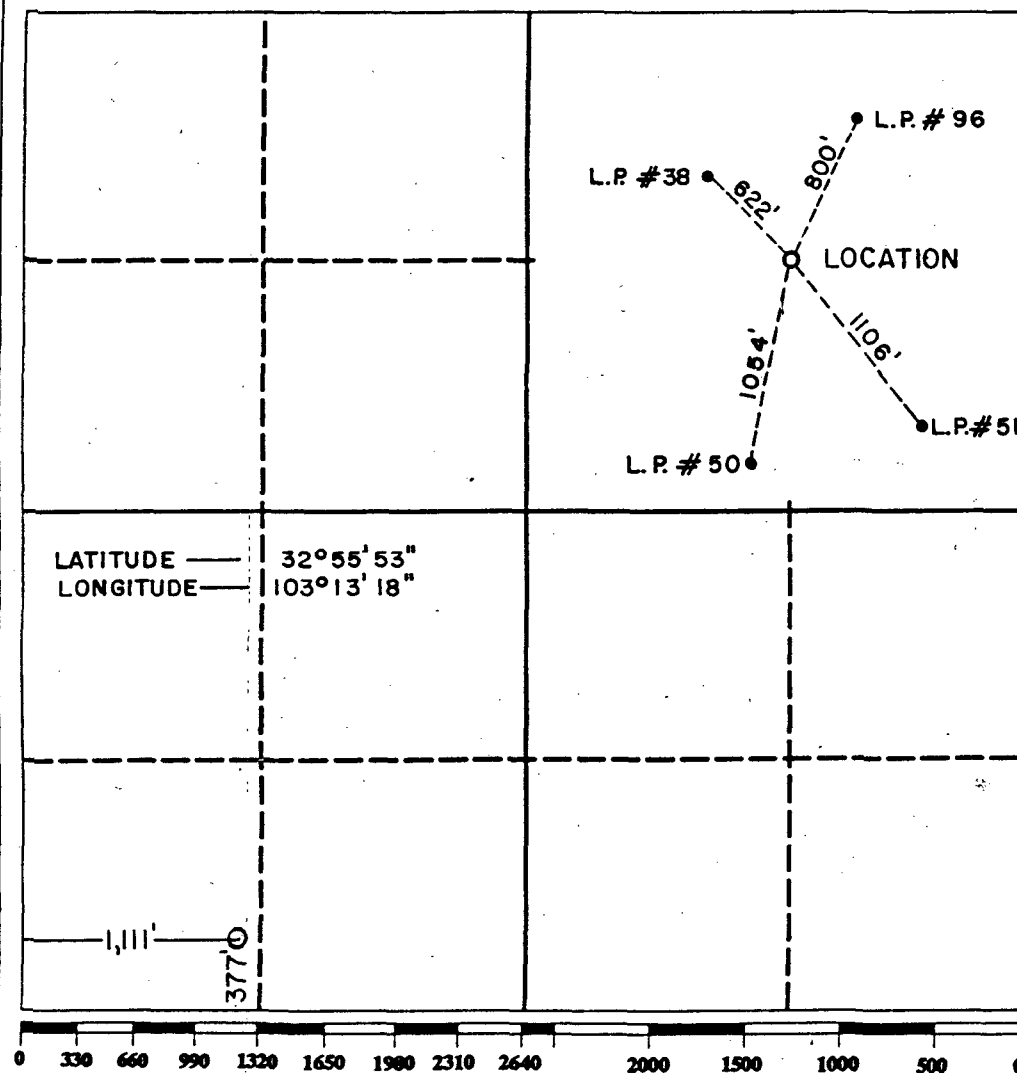
All Distances must be from the outer boundaries of the section

Operator Greenhill Petroleum Corp.			Lease Lovington Paddock Unit		Well No. 134
Unit Letter M	Section 31	Township 16 South	Range 37 East	County Lea	
Actual Footage Location of Well: 377 feet from the South line and 1111 feet from the West line					
Ground level Elev. 3811.8	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 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

Landman

Position

GREENHILL PETROLEUM CORPORATION

Company

6-29-92

Date

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

June 24, 1992

Signature & Seal of LAND SURVEYOR
Professional Surveyor

No. 3239

Certificate No. 676

RONALD E. JOHNSON, 3239

92-11-0905

GREENHILL PETROLEUM CORPORATION
BOP PROGRAM FOR
LOVINGTON PADDOCK UNIT #134

Casing Program

BOP Program

Size	Depth	Wt.	Grade	Configuration	Test Pressure
8-5/8"	1800'	24	H40, STC	RA*	200 psi
5-1/2"	6450'	15.5	K55, STC	RR*	250/1500 psi

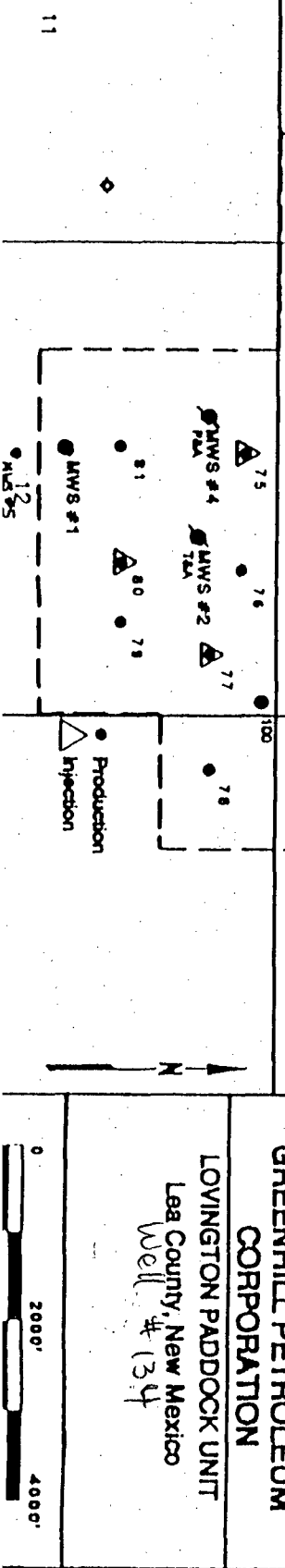
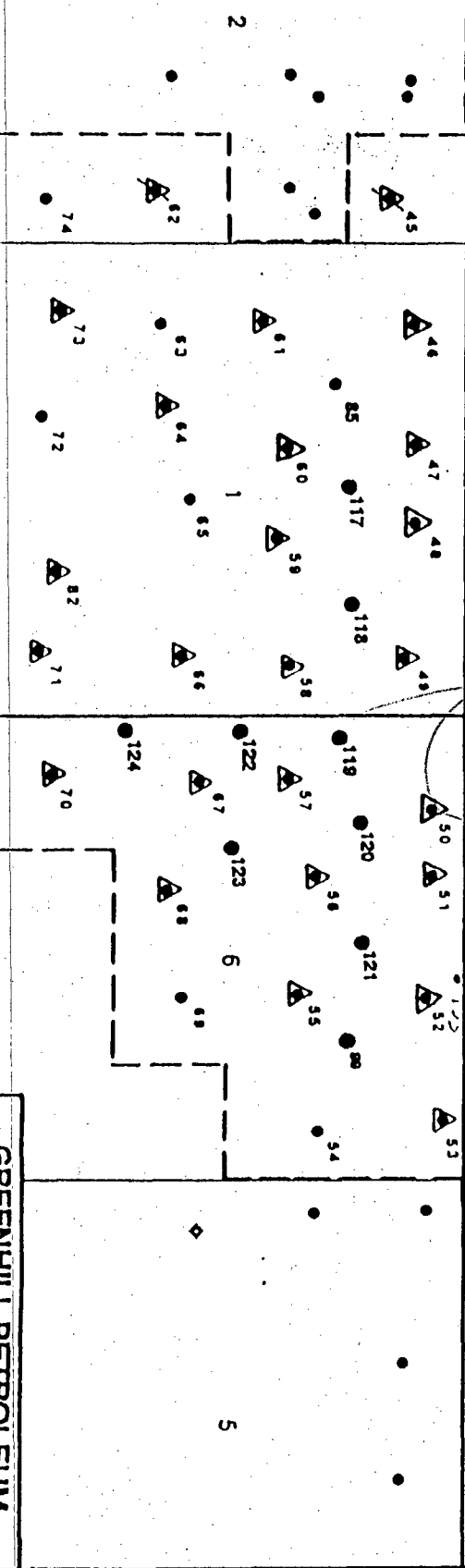
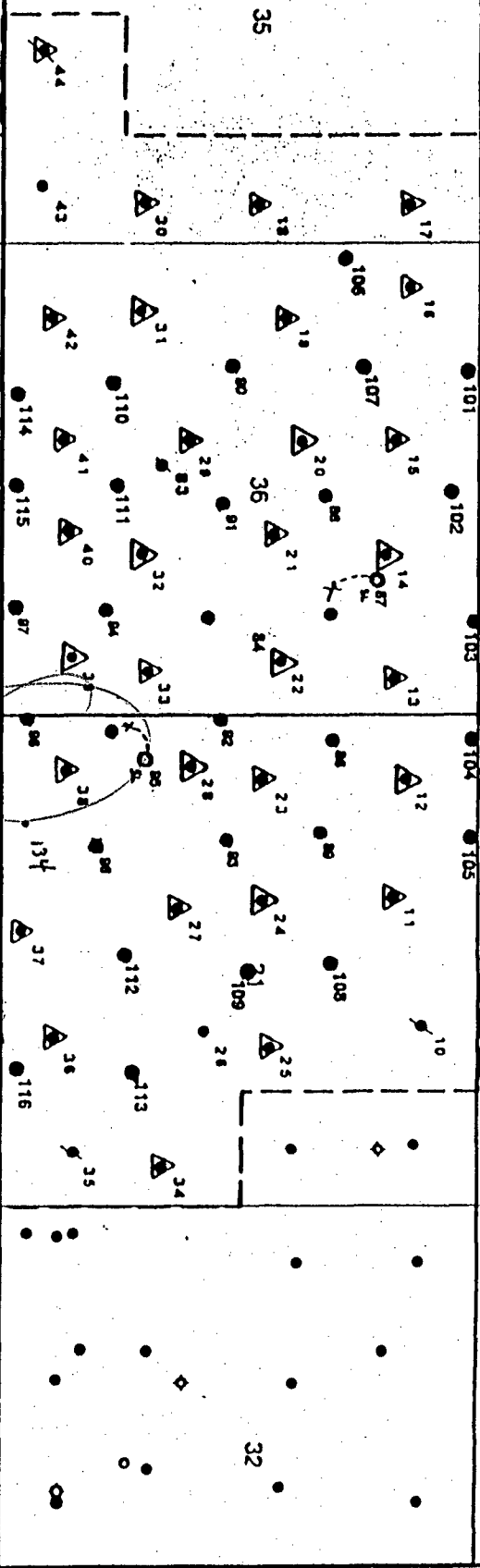
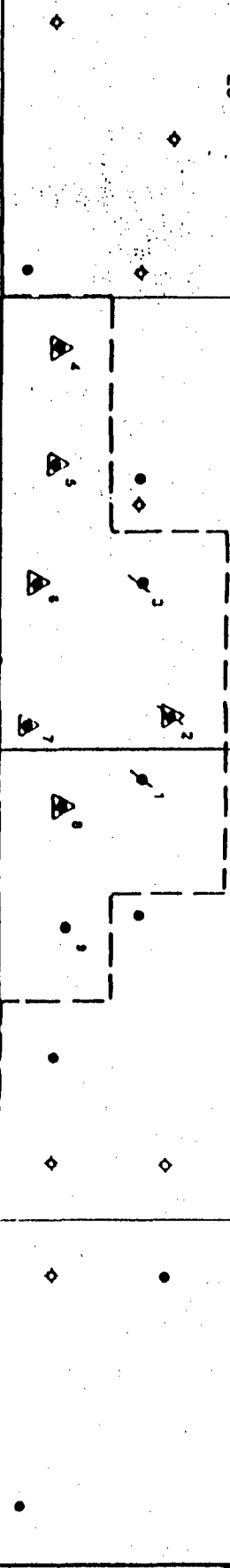
* = RR-Ram Ram
* = RA-Ram Annular

Diverter-Hydrill may be substituted for a diverter.

sjs:s
92.215

06/29/92

26



GREENHILL PETROLEUM CORPORATION

LOVINGTON PADDOCK UNIT

Lea County, New Mexico
Well # 134

● Production
▲ Injection





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

HOBBS DISTRICT OFFICE 7 AM 9 45

6-30-92

BRUCE KING
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 ☒ _____
NSP _____
SWD _____
WFX _____
PMX _____

NSL-3126

Gentlemen:

I have examined the application for the:

Greenhill Petroleum Corp. Lovington Padlock Unit #134-7m 31-16-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed