



# GREENHILL PETROLEUM CORPORATION

16010 BARKER'S POINT LANE, SUITE 325  
HOUSTON, TEXAS 77079  
TELEPHONE (713) 870-0606  
FAX. (713) 870-1831

Incorporated in Delaware, U.S.A.

January 2, 1990

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

Re: Unorthodox Location and Drilling Permit  
Proposed Well No. 84  
Lovington Paddock Field  
Lovington Paddock Unit  
Lea County, New Mexico

Gentlemen:

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 No. 84 in the Lovington Paddock Field, 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 No. 84 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 two proposed wells as soon as possible and would appreciate a response to this request at your earliest convenience.

Sincerely,

GREENHILL PETROLEUM CORPORATION

Gene Linton  
Production Coordinator

GL/tlc

Enclosures

OIL CONSERVATION DIVISION  
RECEIVED  
'90 JAN 11 AM 10 31

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.  
 B-7845

**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 Corp.

8. Well No.  
 84

3. Address of Operator  
 16010 Barker's Point Ln, #325, Houston, TX 77079

9. Pool name or Wildcat  
 Lovington Paddock

4. Well Location  
 Unit Letter I : 1100 Feet From The East Line and 2285 Feet From The South Line  
 Section 36 Township 16S Range 36E NMPM Lea County

10. Proposed Depth  
 6500'  
 11. Formation  
 San Andres  
 12. Rotary or C.T.  
 Rotary

13. Elevations (Show whether DF, RT, GR, etc.)  
 3832' GL  
 14. Kind & Status Plug. Bond  
 Blanket  
 15. Drilling Contractor  
 T.B.D.  
 16. Approx. Date Work will start  
 2-1-90

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48#	350'	450	surface
11"	8-5/8"	24 & 28#	3000'	1000	surface
7-7/8"	5-1/2"	15.5#	6500'	850	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  TITLE Production Coordinator DATE 1/2/89

TYPE OR PRINT NAME Gene Linton (713) 870-0606 TELEPHONE NO.

(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

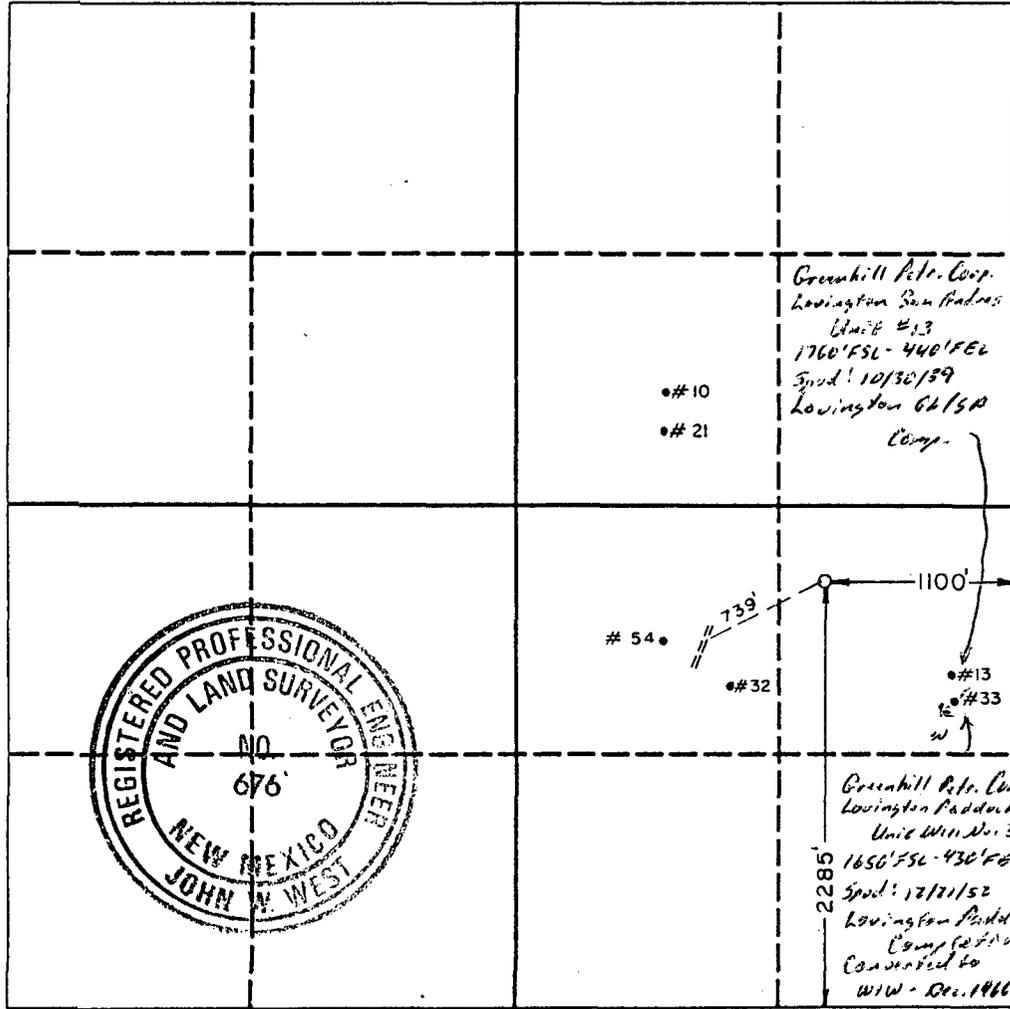
Operator Greenhill Petroleum Corp.			Lease Lovington Paddock Unit			Well No. 84		
Unit Letter I	Section 36	Township 16 South	Range 36 East		County NMPM Lea			
Actual Footage Location of Well: 1100 feet from the East line and 2285 feet from the South line								
Ground level Elev. 3832.0		Producing Formation San Andres			Pool Lovington Paddock		Dedicated Acreage: 20 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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

Printed Name  
 Gene Linton

Position  
 Production Coordinator

Company  
 Greenhill Petroleum Corp.

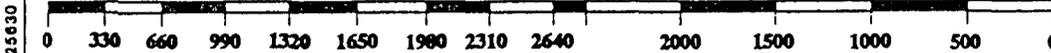
Date  
 January 2, 1990

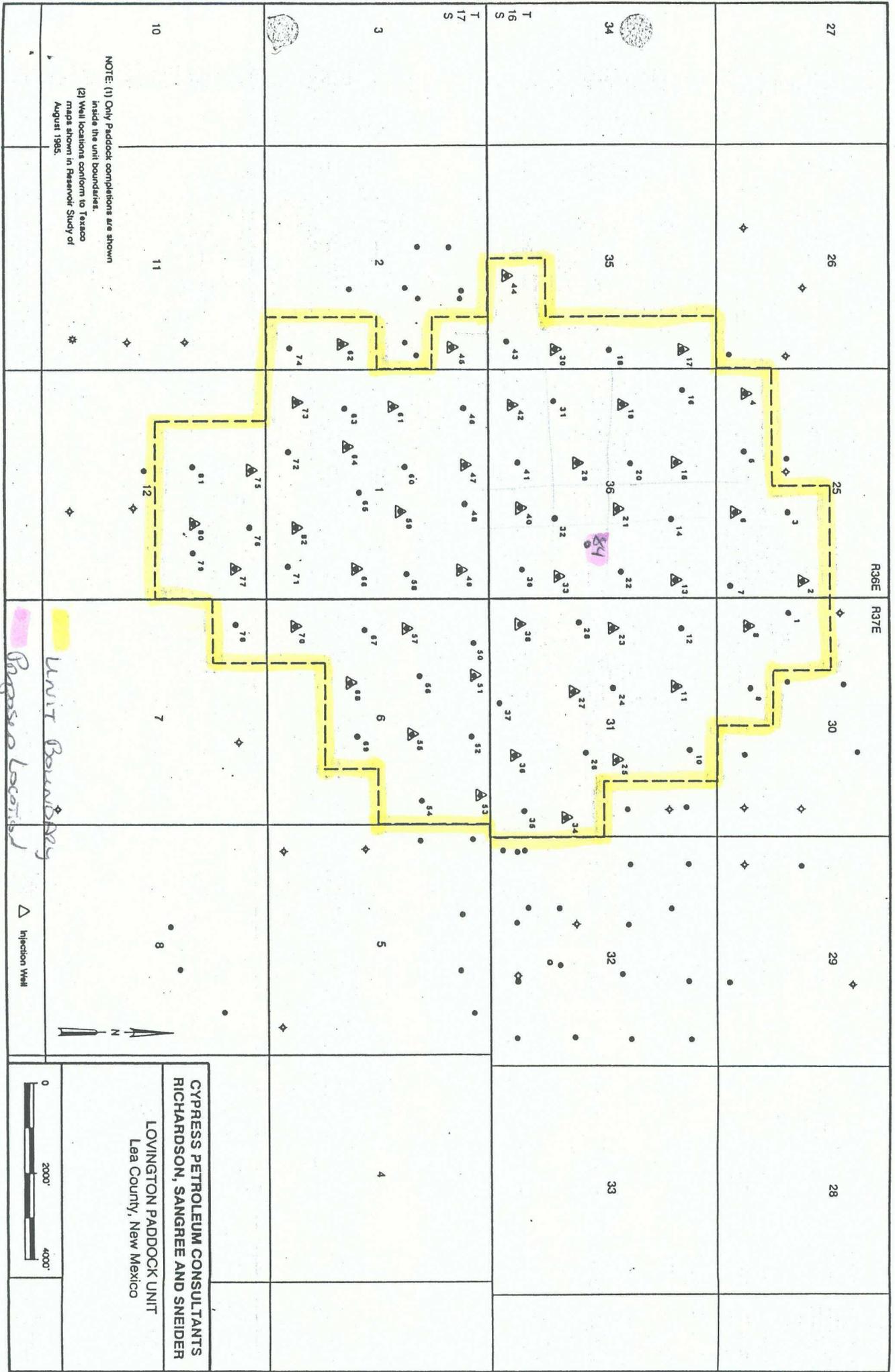
**SURVEYOR CERTIFICATION**  
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
 December 2, 1989

Signature & Seal of Professional Surveyor

Certificate No. JOHN W. WEST, 676  
 RONALD J. EIDSON, 3239

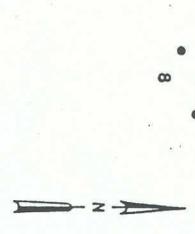




NOTE: (1) Only Paddock completions are shown inside the unit boundaries.  
 (2) Well locations conform to Texas maps shown in Reservoir Study of August 1985.

*Unit Boundary*

*Paddock Locations*



**CYPRESS PETROLEUM CONSULTANTS  
 RICHARDSSON, SANGREE AND SNEIDER**  
 LOVINGTON PADDOCK UNIT  
 Lea County, New Mexico

