STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

May 15, 1990

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

Attention: Michael J. Newport

Administrative Order NSL-2788

Dear Mr. Newport:

Reference is made to your application dated April 24, 1990 for a non-standard oil well location to permit the completion of an efficient production/injection pattern within an existing secondary recovery project for your North Benson Queen Unit Well No. 47 to be located 10 feet from the South line and 1250 feet from the West line (Unit M) of Section 27, Township 18 South, Range 30 East, NMPM, North Benson Queen Grayburg Pool, (Texaco) North Benson Queen Unit Waterflood Project Area, Eddy County, New Mexico. Said well to be dedicated to the existing standard 40-acre oil spacing and proration unit comprising the SW/4 SW/4 of said Section 27, which is presently dedicated to the applicant's North Benson Queen Unit Well No. 22 located 660 feet from the South line and 560 feet from the West line of said Section 27.

By the authority granted me under the provisions of General Rule 104 F(I) the abovedescribed unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay by David Catamb

Director

WJL/MES/ag

cc:

Oil Conservation Division - Artesia

US Bureau of Land Management - Carlsbad