



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

June 4, 1990

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

Attention: Michael J. Newport

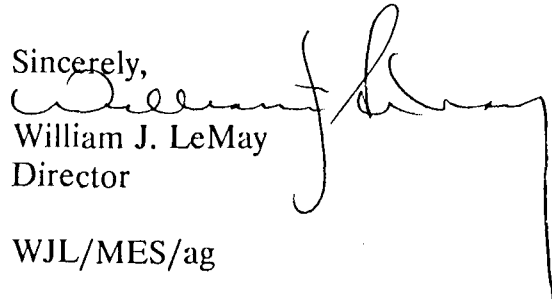
Administrative Order NSL-2808

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. 46 to be located 1310 feet from the South line and 2310 feet from the East line (Unit O) of Section 28, 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 SE/4 of said Section 28, which is presently dedicated to the applicant's North Benson Queen Unit Well No. 24 located 330 feet from the South line and 1491 feet from the East line of said Section 28.

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 - Artesia
US Bureau of Land Management - Carlsbad