



GREENHILL PETROLEUM CORPORATION

12777 JONES ROAD, SUITE 375
HOUSTON, TEXAS 77070
TELEPHONE (713) 955-1146
FAX (713) 955-5105

'90 APR 27 AM 9 51

Incorporated in Delaware, U.S.A.

April 24, 1990

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

ATTN: Mike Stogner

RE: Unorthodox Location and Drilling Permit
Proposed Well No. 46
North Benson Queen Field
Eddy County, New Mexico

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. 46 in the North Benson Queen Field, North Benson Queen Unit, located in Eddy County, New Mexico.

The North Benson Queen 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. 46 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.

Very truly yours,

Michael J. Newport
Michael J. Newport
Landman

MJN:SKG

Enclosure

cc: Mike Williams
P.O. Drawer DD
Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
 Greenhill Petroleum Corporation

3a. Area Code & Phone No.
 713 955-1146

3. ADDRESS OF OPERATOR
 12777 Jones Road, Suite 375, Houston, TX 77070

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 1310' FSL & 2310' FEL
 At proposed prod. zone: Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approximately 7 miles South of Loco Hills

5. LEASE DESIGNATION AND SERIAL NO.
 NM 033775

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 North Benson Queen

8. FARM OR LEASE NAME
 North Benson Queen Unit

9. WELL NO.
 46

10. FIELD AND POOL, OR WILDCAT
 Queen

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA
 Sec 28, T18S-R30E

12. COUNTY OR PARISH | 18. STATE
 Eddy Co. | NM

13. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1310'

16. NO. OF ACRES IN LEASE
 800

17. NO. OF ACRES ASSIGNED TO THIS WELL.
 40

19. PROPOSED DEPTH
 3700'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3455' GR

22. APPROX. DATE WORK WILL START*
 as soon as possible

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	24#	K55	STC	±600'	See below
7 7/8	5 1/2	14#	K55 or J55	STC	3600'	See below

8 5/8" Surface Lead: 200 sx Howco Light CmtPremium Plus + 1/4 PPS Flocele + 2% CaCl₂ @ 12.4 ppg

Tail: 100 sx Premium Plus + 2% CaCl₂ @ 14.8 ppg

5 1/2" Production

Spacer - 10 bbls 2% KCL water
 750 gal Superflush 201
 5 bbls 2% KCL water

Lead - 275 sx Howco Light Premium Plus + 15 PPS Salt + 1/4 PPS Flocele @ 12.4 ppg.

Tail - 275 sx 50/50 Poz mix Premium Plus + 2% Total Gel + 3 PPS Salt + .5% Halad-332 + 10 PPS Microbond @ 14.4 ppg.

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED _____ TITLE _____ DATE _____

(This space for Federal or State office use)

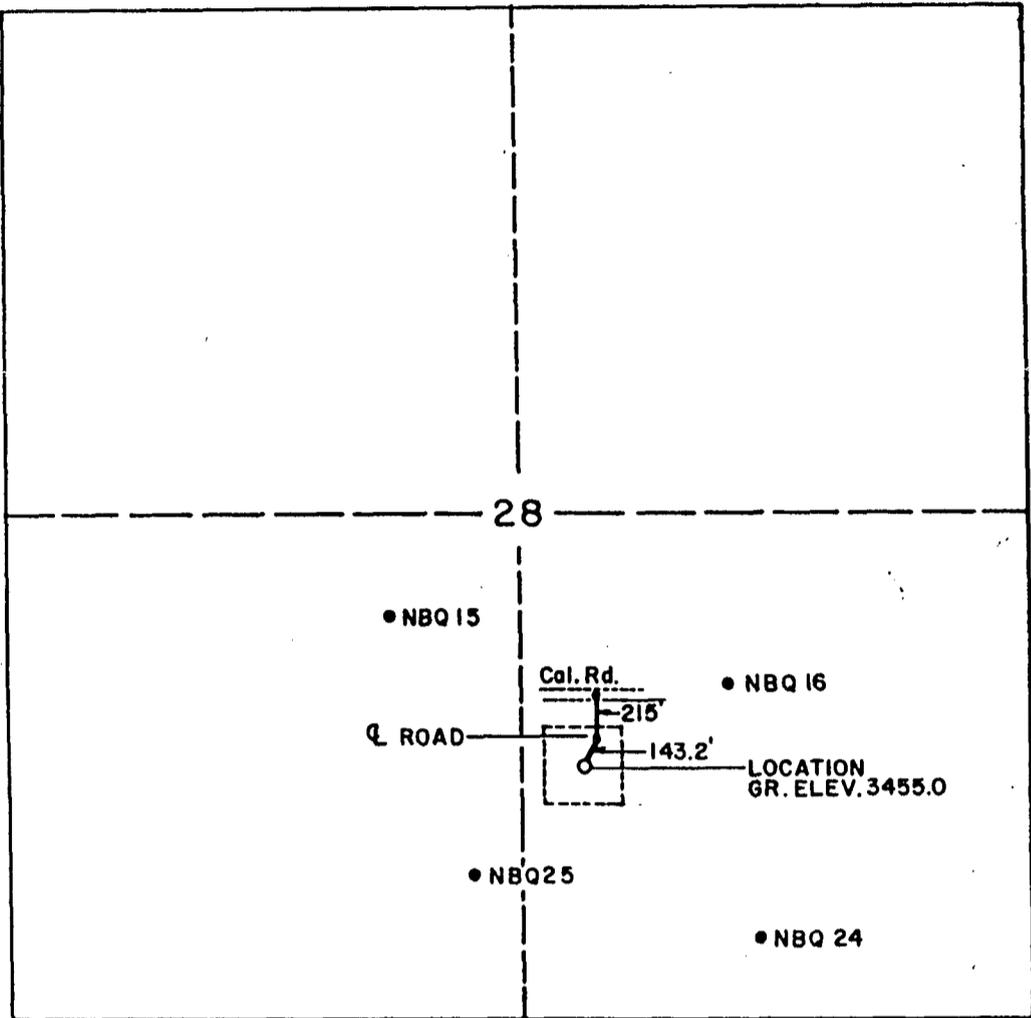
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

SECTION 28, TOWNSHIP 18 SOUTH, RANGE 30 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.



I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

John W. West
 JOHN W. WEST, N.M. P.E. & L.S. No. 676
 TEXAS R.P.S. No. 1138
 RONALD J. EIDSON, N.M. L.S. No. 3239
 TEXAS R.P.S. No. 1883

GREENHILL PETROLEUM CORP.		
A Proposed Road To North Benson Queen Unit 46, crossing section 28, township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.		
JOHN W. WEST ENGINEERING COMPANY CONSULTING ENGINEERS HOBBS, NEW MEXICO		
Scale: 1" = 1000'	Drawn By: Presley	
Date: 2/10/90	Ck.	Sheet 1 of 1 Sheets

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

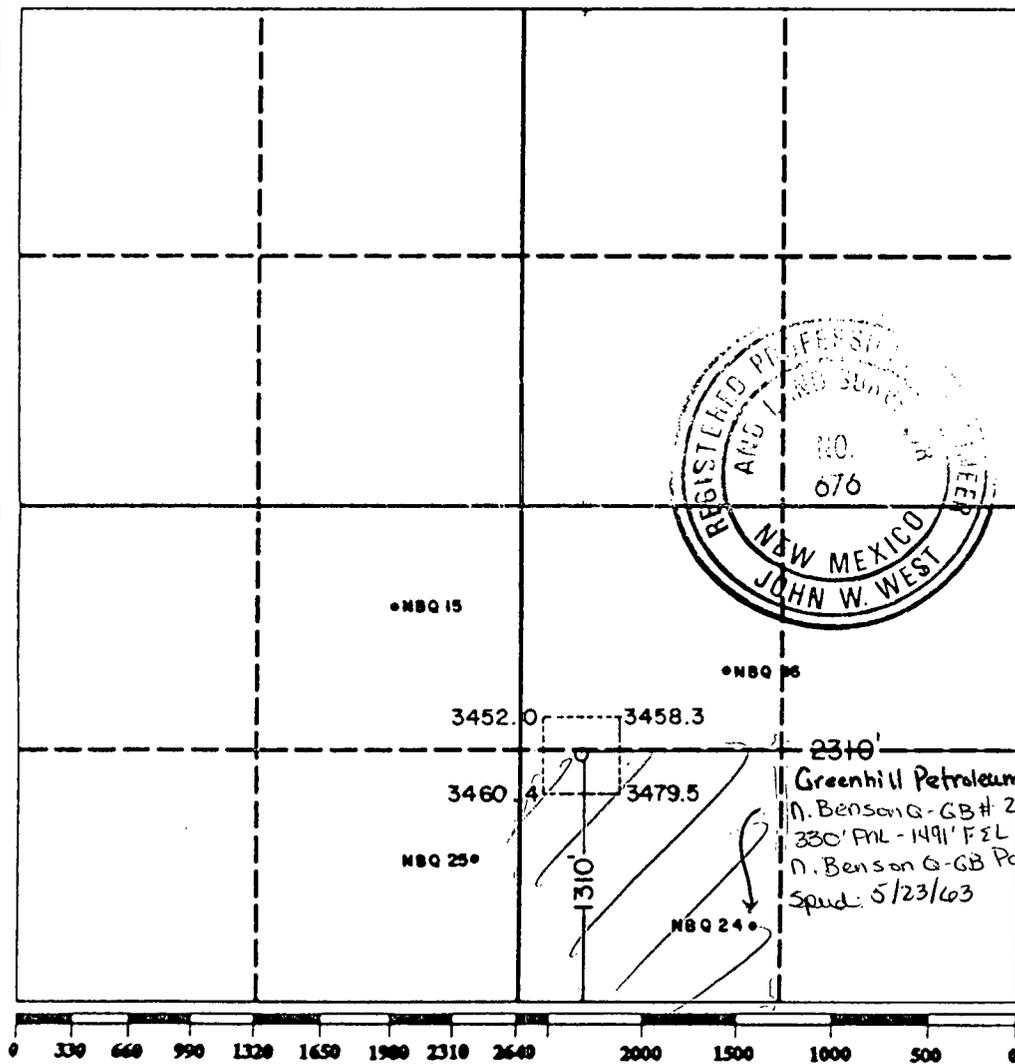
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator GREENHILL PETROLEUM CORP.			Lease NORTH BENSON QUEEN UNIT		Well No. 46
Unit Letter 0	Section 28	Township 18 South	Range 30 East	County Eddy	
Actual Footage Location of Well: 1310 feet from the South line and 2310 feet from the East line					
Ground level Elev. 3455.0	Producing Formation		Pool	Dedicated Acreage: Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hectare 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 _____

Position _____

Company _____

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
February 7, 1990

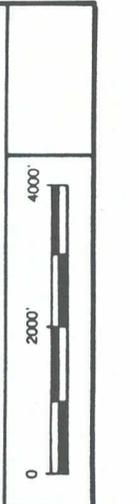
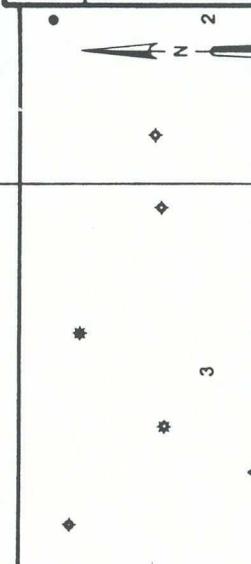
Signature & Seal of Professional Surveyor

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

125630



CYPRESS PETROLEUM CONSULTANTS
RICHARDSON, SANGREE AND SNEIDER
 N. BENSON QUEEN UNIT
 Eddy County, New Mexico



NORTH BENSON-QUEEN POOL
(Texaco Waterflood)
Eddy County, New Mexico

Order No. R-4537, Authorizing Texaco Inc. to Institute a Waterflood Project in the North Benson-Queen Pool, Eddy County, New Mexico, May 17, 1973.

Application of Texaco Inc. for a Waterflood Project, Eddy County, New Mexico.

CASE NO. 4964
Order No. R-4537

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on May 9, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of May, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texaco Inc., seeks authority to institute a waterflood project in the North Benson Queen Unit Area, North Benson-Queen Pool, by the injection of water into the Queen formation through 21 injection wells in Sections 27, 28, 29, 32, 33, and 34, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico.

(3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to institute a waterflood project in the North Benson Queen Unit Area, North Benson-Queen Pool, by the injection of water into the Queen formation through the following-described wells in Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico:

LEASE	WELL NO.	LOCATION
Elliott Federal	3	660' FSL & 660' FEL of Sec. 29
Holt Federal	1	990' FSL & 2310' FWL of Sec. 29
Simms and Reese Federal	2	660' FNL & 1650' FEL of Sec. 33
E. M. Elliott	2	1980' FSL & 1980' FEL of Sec. 29
E. M. Elliott	3	2310' FNL & 1650' FWL of Sec. 29
McClay	5	1650' FNL & 330' FEL of Sec. 33
Jones Federal	1	1980' FEL & 660' FNL of Sec. 34
Simms Federal	2	1650' FNL & 1980' FWL of Sec. 34
Simms Federal	4	660' FNL & 610' FWL of Sec. 34
L. R. Manning "B" Federal (NCT-1)	1	660' FSL & 1980' FWL of Sec. 27
L. R. Manning "B" Federal (NCT-1)	3	330' FSL & 330' FEL of Sec. 28
L. R. Manning "B" Federal (NCT-1)	5	1650' FSL & 1651' FEL of Sec. 28
L. R. Manning Fed- eral (NCT-1)	8	1650' FSL & 660' FWL of Sec. 27
L. R. Manning Federal (NCT-1)	9	1980' FSL & 660' FNL of Sec. 28
L. R. Manning Fed- eral (NCT-1)	10	660' FSL & 2310' FWL of Sec. 28
L. R. Manning Fed- eral (NCT-1)	12	2310' FNL & 660' FEL of Sec. 28
L. R. Manning Fed- eral (NCT-1)	14	1980' FNL & 1980' FWL of Sec. 28
L. R. Manning Fed- eral (NCT-1)	18	2310' FNL & 1750' FWL of Sec. 27
L. R. Manning Fed- eral (NCT-1)	19	990' FNL & 560' FWL of Sec. 27
New Mexico "CY" State (NCT-1)	2	660' FNL & 660' FWL of Sec. 32
New Mexico "CY" State (NCT-1)	3	1980' FNL & 1980' FWL of Sec. 32

(2) That injection into each of the aforesaid wells shall be through 2-3/8-inch plastic-lined tubing and the annulus of each of said wells shall be loaded with an inert liquid and equipped with a pressure gauge at the surface. The appropriate District Office of the Commission shall be notified upon completion of the well for injection purposes prior to the commencement of actual injection.

(3) That the subject waterflood project is hereby designated the Texaco North Benson Queen Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(4) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

(ROBINSON-JACKSON UNIT - Cont'd.)

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by the Director of the United States Geological Survey; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

NORTH BENSON QUEEN UNIT
Eddy County, New Mexico

Order No. R-4535, Approving the North Benson Queen Unit Agreement, Eddy County, New Mexico, May 17, 1973.

Application of Texaco Inc. for Approval of the North Benson Queen Unit Agreement, Eddy County, New Mexico.

CASE NO. 4963
Order No. R-4535

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on May 9, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of May, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texaco Inc., seeks approval of the North Benson Queen Unit Agreement covering 1800 acres, more or less, of State and Federal lands described as follows:

EDDY COUNTY, NEW MEXICO
TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 27: W/2, SW/4 NE/4 and SW/4 SE/4
Section 28: S/2, S/2 NE/4 and E/2 NW/4
Section 29: SE/4, E/2 SW/4 and SE/4 NW/4
Section 31: NE/4 NE/4
Section 32: NW/4 and NE/4 SW/4
Section 33: N/2 NE/4, SE/4 NE/4 and NE/4 SE/4
Section 34: NW/4 and W/2 NE/4

(3) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

(1) That the North Benson Queen Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

NORTH BENSON QUEEN

No. 14-08-001-12410

APPROVED: September 14, 1973

EFFECTIVE: October 1, 1973

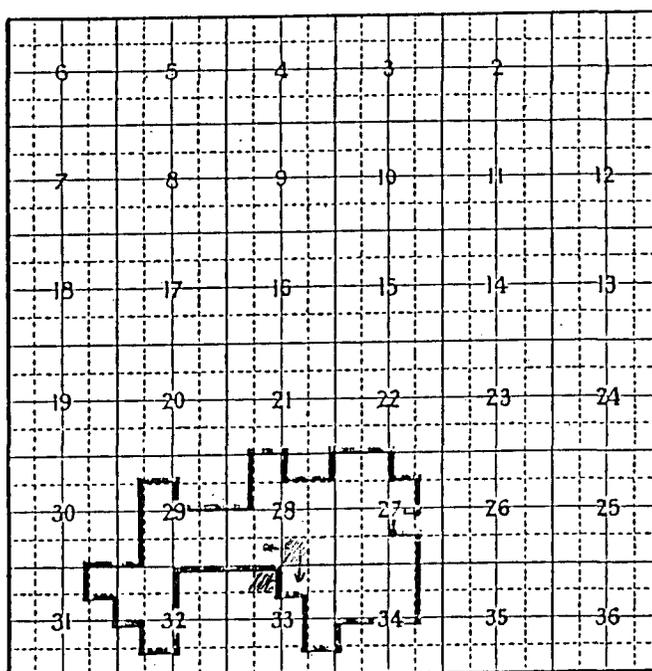
WATERFLOOD

Queen Formation

Eddy County, New Mexico

Texaco, Inc., Operator

 **gulram, inc.**
petroleum engineering and government regulation consultants



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18
S

R 30 E

Federal Lands	1600.00 acres
State Lands	<u>200.00</u> acres
Total	1800.00 acres



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

Bureau of Land Management
Carlsbad Resources Office
P.O. Box 1778
Carlsbad, NM 88220

Attention: Barry Hunt

*RE: Greenhill Petroleum Corporation, North Benson
Queen Unit Well No. 46, 1310' FSL - 2310' FEL,
O-28-T18S-R30E, Eddy County, New Mexico.*

Dear Mr. Hunt:

Enclosed please find a copy of an unorthodox gas well location request that the NMOCD received on April 27, 1990. This information is being provided to you for your records since the well is within your jurisdiction. Should you have any comments or suggestions, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Artesia
Greenhill Petroleum Corporation - Houston



GREENHILL PETROLEUM CORPORATION

12777 JONES ROAD, SUITE 375
HOUSTON, TEXAS 77070
TELEPHONE (713) 955-1146
FAX (713) 955-5105

Incorporated in Delaware, U.S.A.

30 APR 27 AM 9 51

April 24, 1990

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

ATTN: Mike Stogner

RE: Unorthodox Location and Drilling Permit
Proposed Well No. 46
North Benson Queen Field
Eddy County, New Mexico

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. 46 in the North Benson Queen Field, North Benson Queen Unit, located in Eddy County, New Mexico.

The North Benson Queen 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. 46 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.

Very truly yours,

Michael J. Newport
Michael J. Newport
Landman

MJN:SKG

Enclosure

cc: Mike Williams
P.O. Drawer DD
Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Greenhill Petroleum Corporation
3a. Area Code & Phone No.
713 955-1146

3. ADDRESS OF OPERATOR
12777 Jones Road, Suite 375, Houston, TX 77070

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 1310' FSL & 2310' FEL
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 7 miles South of Loco Hills

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 1310'
16. NO. OF ACRES IN LEASE 800

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.
19. PROPOSED DEPTH 3700'
20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3455' GR
22. APPROX. DATE WORK WILL START* as soon as possible

5. LEASE DESIGNATION AND SERIAL NO.

NM 033775

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

North Benson Queen

8. FARM OR LEASE NAME

North Benson Queen Unit

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Queen

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Sec 28, T18S-R30E

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Eddy Co. NM

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HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
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24. SIGNED _____ TITLE _____ DATE _____

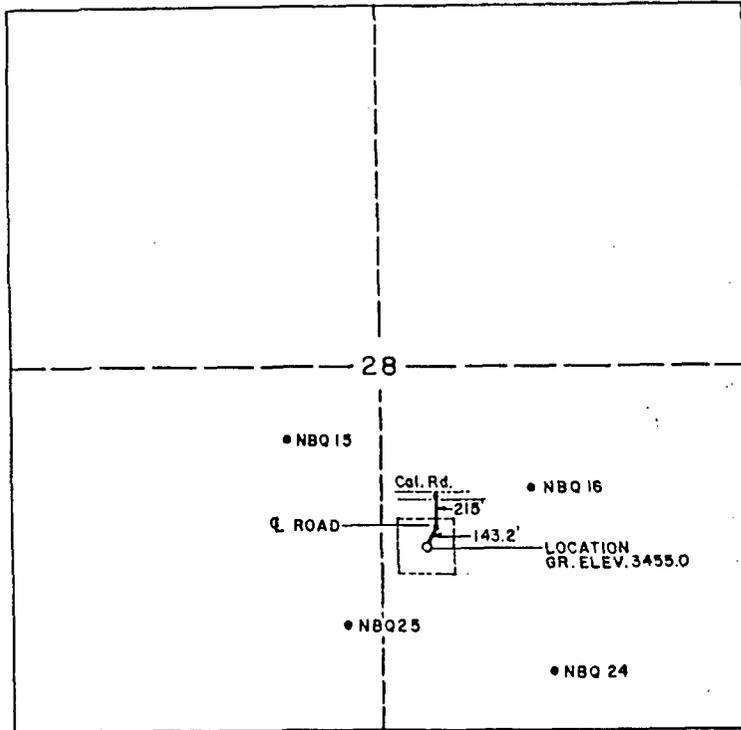
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

SECTION 28, TOWNSHIP 18 SOUTH, RANGE 30 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



I HEREBY CERTIFY THAT THIS PLAN WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

John W. West
 JOHN W. WEST, N.M. P.E. & L.S. No. 676
 TEXAS R.P.S. No. 1138
 RONALD J. EIDSON, N.M. L.S. No. 3239
 TEXAS R.P.S. No. 1883

GREENHILL PETROLEUM CORP.	
A Proposed Road To North Benson Queen Unit 46, crossing section 28, township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.	
JOHN W. WEST ENGINEERING COMPANY CONSULTING ENGINEERS HOBBS, NEW MEXICO	
Scale: 1" = 1000'	Drawn By: Presley
Date: 2/10/90	Sheet 1 of 1 Sheets

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

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
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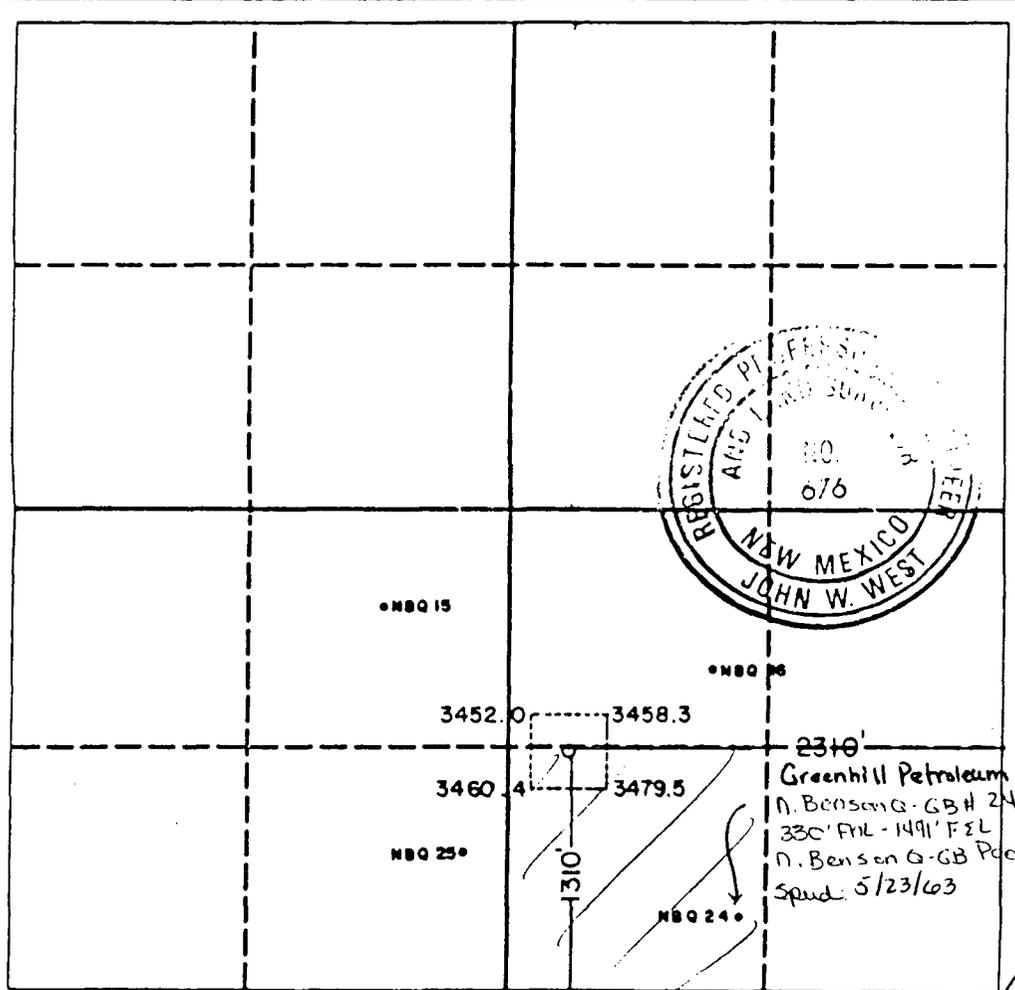
Operator GREENHILL PETROLEUM CORP.			Lease NORTH BENSON QUEEN UNIT		Well No. 46
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Yes No If answer is "yes" type of consolidation _____

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 _____

Position _____

Company _____

Date _____

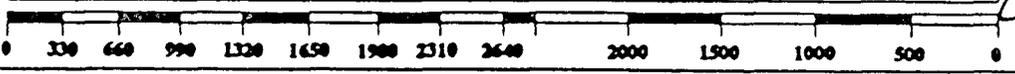
SURVEYOR CERTIFICATION

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.

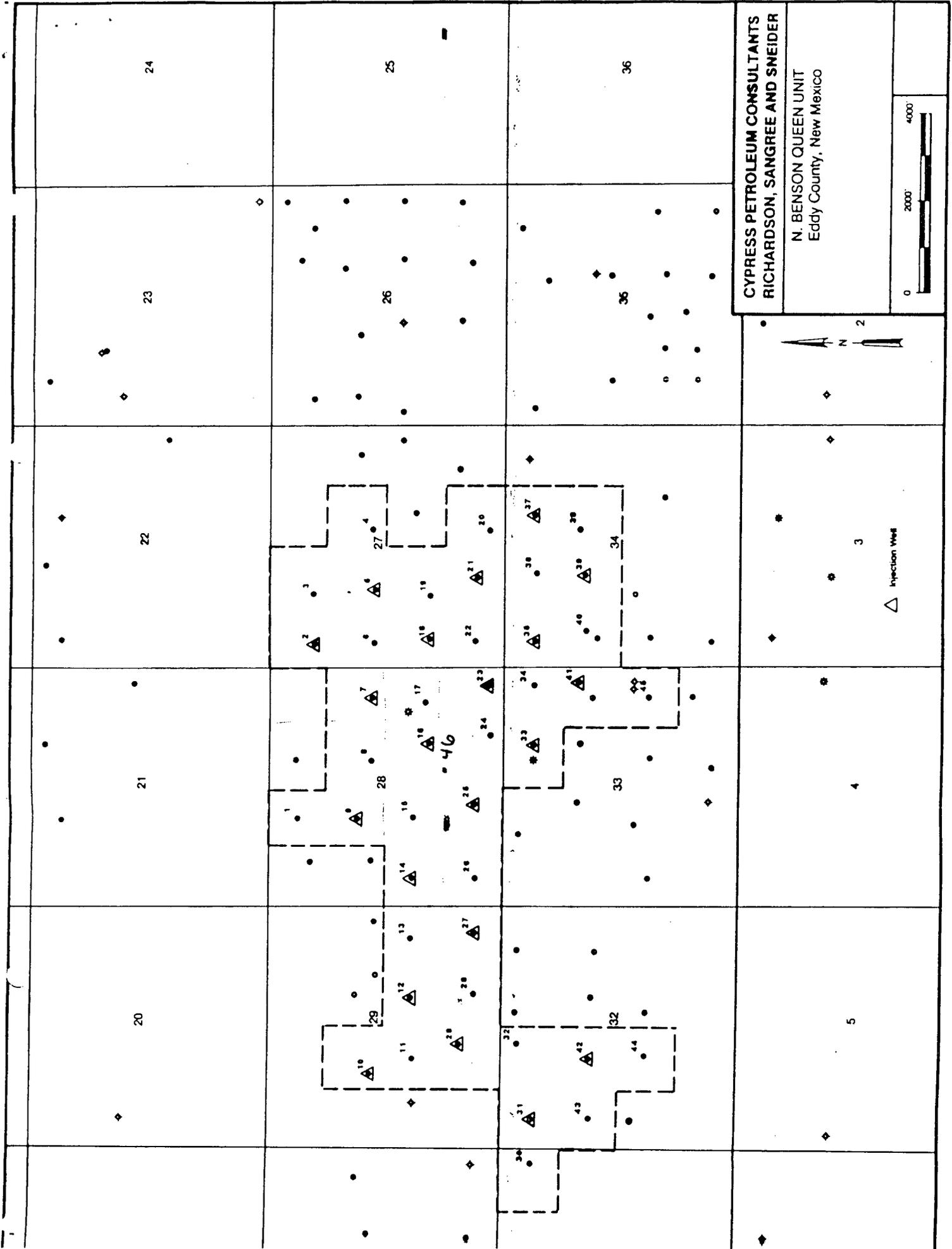
Date Surveyed
February 7, 1990

Signature & Seal of Professional Surveyor

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

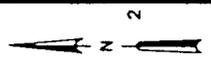


125830



CYPRESS PETROLEUM CONSULTANTS
 RICHARDSON, SANGREE AND SNEIDER

N. BENSON QUEEN UNIT
 Eddy County, New Mexico



△ Injection Well

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GREENHILL PETROLEUM CORPORATION

12777 JONES ROAD, SUITE 375
HOUSTON, TEXAS 77070
TELEPHONE (713) 955-1146
FAX (713) 955-5105

RECEIVED

'90 JUN 4 AM 9 24

Incorporated in Delaware, U.S.A.

May 31, 1990

Energy, Minerals and Natural Resources Department
P.O. Box 2088
State Land Office Building
Sante Fe, NM 87504

ATTN: Michael Stogner

RE: North Benson Queen
Well No. 46
Eddy County, New Mexico

Enclosed please find a plat showing the ownership of the offsetting leasehold in the NE/4 NW/4 of Section 33, T18S-R30E. Also enclosed is a copy of the certified letter in which I sent to H & S Oil Company which is the offset Operator.

Very truly yours,

Michael J. Newport
Landman

MJN:SKG

Enclosure



GREENHILL PETROLEUM CORPORATION

12777 JONES ROAD, SUITE 375
HOUSTON, TEXAS 77070
TELEPHONE (713) 955-1146
FAX (713) 955-5105

Incorporated in Delaware, U.S.A.

CERTIFIED MAIL

May 31, 1990

H & S Oil Company
First National Bank Bldg.
Artesia, NM 88210

RE: North Benson Queen
Well No. 46
Eddy County, New Mexico

This letter hereby notifies you of the unorthodox location for Well No. 46. The well location is 1310 feet from the South line and 2310 feet from the East line in Section 28, T18S-R30E and is proposed to a depth of 3700'.

Very truly yours,

Michael J. Newport
Landman

MJN:SKG

cc: Energy, Minerals and Natural Resources Department
P.O. Box 2088
State Land Office Building
Sante Fe, NM 87504
ATTN: Michael Stogner



GREENHILL PETROLEUM CORPORATION

Incorporated in Delaware, U.S.A.

12777 JONES ROAD, SUITE 375
HOUSTON, TEXAS 77070
TELEPHONE (713) 955-1146
FAX (713) 955-5105

OIL & GAS DIVISION
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NSL-2808

June 4, 1990

Energy Minerals and Natural Resources Dept.
P.O. Box 2088
State Land Office Bldg.
Sante Fe, NM 87504

ATTN: Michael Stogner

RE: North Benson Queen
Well No. 46
Eddy County, New Mexico

This letter is to confirm that I had a telephone conversation with H & S Oil Company on Wednesday, May 30, 1990 and informed them of our location for Well Number 46 in the North Benson Queen Unit Area. H & S Oil Company informed me they do not have any problem with our proposed location. Please advise if I can provide you with additional information.

Very truly yours,

Michael J. Newport
Landman

MJN:SKG



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

RE: *Application for non-standard location: North Benson Queen Unit Well No. 46; 1310' FSL - 2310' FEL (Unit O) 28-T18S-R30E, Eddy County, New Mexico.*

Dear Mr. Newport:

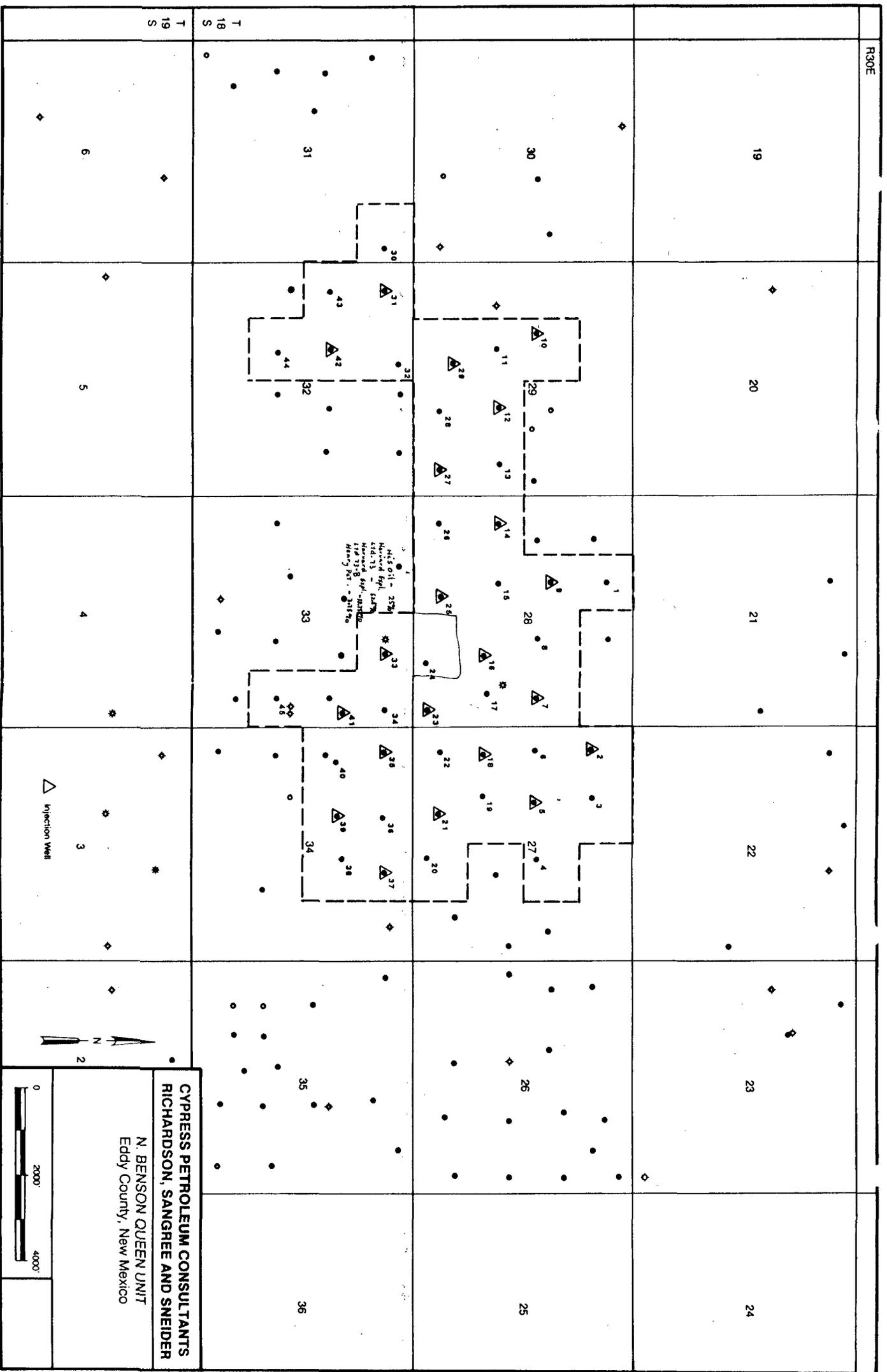
We may not process the subject application for a non-standard location until the required information or plat(s) checked below are submitted.

- A plat must be submitted clearly showing the ownership of the offsetting leases.
- A statement must be submitted that offset operators have been notified of the application by certified mail, pursuant to General Rule 104 F.III.
- A plat must be submitted fully identifying the topography necessitating the non-standard location.
- Other: _____

Sincerely,

Michael E. Stogner

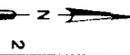
R30E



MSO11 - 258
 Mined Epl.
 41d. 73 - 247
 Mined Epl. - 247
 Agency 257 - 24790

CYPRESS PETROLEUM CONSULTANTS
RICHARDSON, SANGREE AND SNEIDER
 N. BENSON QUEEN UNIT
 Eddy County, New Mexico

△ Injection Well



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