



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

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

January 18, 1991

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

Attention: Michael J. Newport

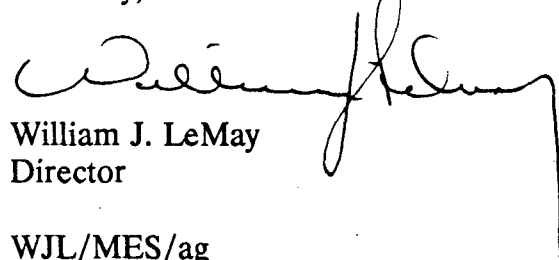
Administrative Order NSL-2981

Dear Mr. Newport:

Reference is made to your application dated November 28, 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 Lovington Paddock Unit Well No. 100 to be located 165 feet from the North line and 113 feet from the East line (Unit A) of Section 12, Township 17 South, Range 36 East, NMPM, Lovington Paddock Pool, Lovington Paddock Waterflood Project Area, Lea County, New Mexico. The NE/4 NE/4 of said Section 12 to be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

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 - Hobbs
NM State Land Office - Santa Fe