



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

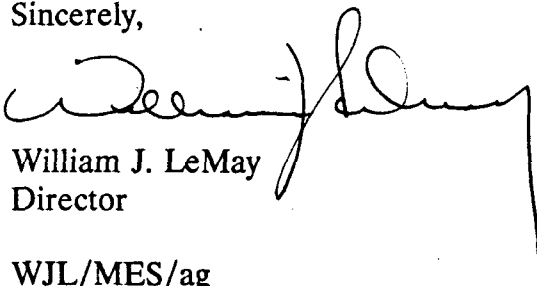
Administrative Order NSL-2982

Dear Mr. Newport:

Reference is made to your application dated December 3, 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. 99 to be located 1270 feet from the North line and 1540 feet from the East line (Unit B) of Section 6, Township 17 South, Range 37 East, NMPM, Lovington Paddock Pool, Lovington Paddock Waterflood Project Area, Lea County, New Mexico. Said well to be dedicated to the existing standard 40.20-acre oil spacing and proration unit comprising Lot 2 (NW/4 NE/4 equivalent) of said Section 6, which is presently dedicated to the Lovington Paddock Unit Well No. 52 located at a standard oil well location 510 feet from the North line and 2190 feet from the East line of said Section 6.

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