



GREENHILL PETROLEUM CORPORATION

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

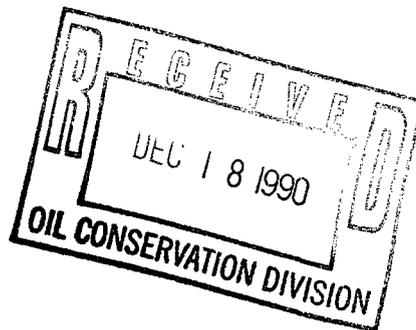
Incorporated in Delaware, U.S.A.

December 3, 1990

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

Attn: Mike Stogner

Re: Unorthodox Location and Drilling Permit
Proposed Well No. 99
Lovington Paddock
Lea 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 Number 99 in the Lovington Paddock Unit, located in Lea County, New Mexico.

The Lovington Paddock Unit is presently developed and being water-flooded 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. 99 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 of the proposed well as soon as possible and would appreciate a response to this request at your earliest convenience.

Respectfully yours,

GREENHILL PETROLEUM CORPORATION

Michael J. Newport
Landman

MJN:JB
Enclosures



GREENHILL PETROLEUM CORPORATION

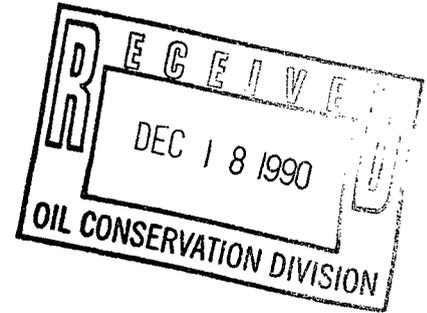
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December 13, 1990

Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88240

Re: Lovington Paddock
Well # 99
Lea County, NM



Enclosed please find six copies of Form C-101, four copies of Form C-102, BOP program, a copy of the letter to Mike Stogner requesting an unorthodox location an a plat for well No. 99 in the Lovington Paddock Unit.

Sincerely,

Michael J. Newport
Landman

MJN:jb
Enclosure

cc: Mike Stogner/Santa Fe

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-302
 Revised 1-1-85

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

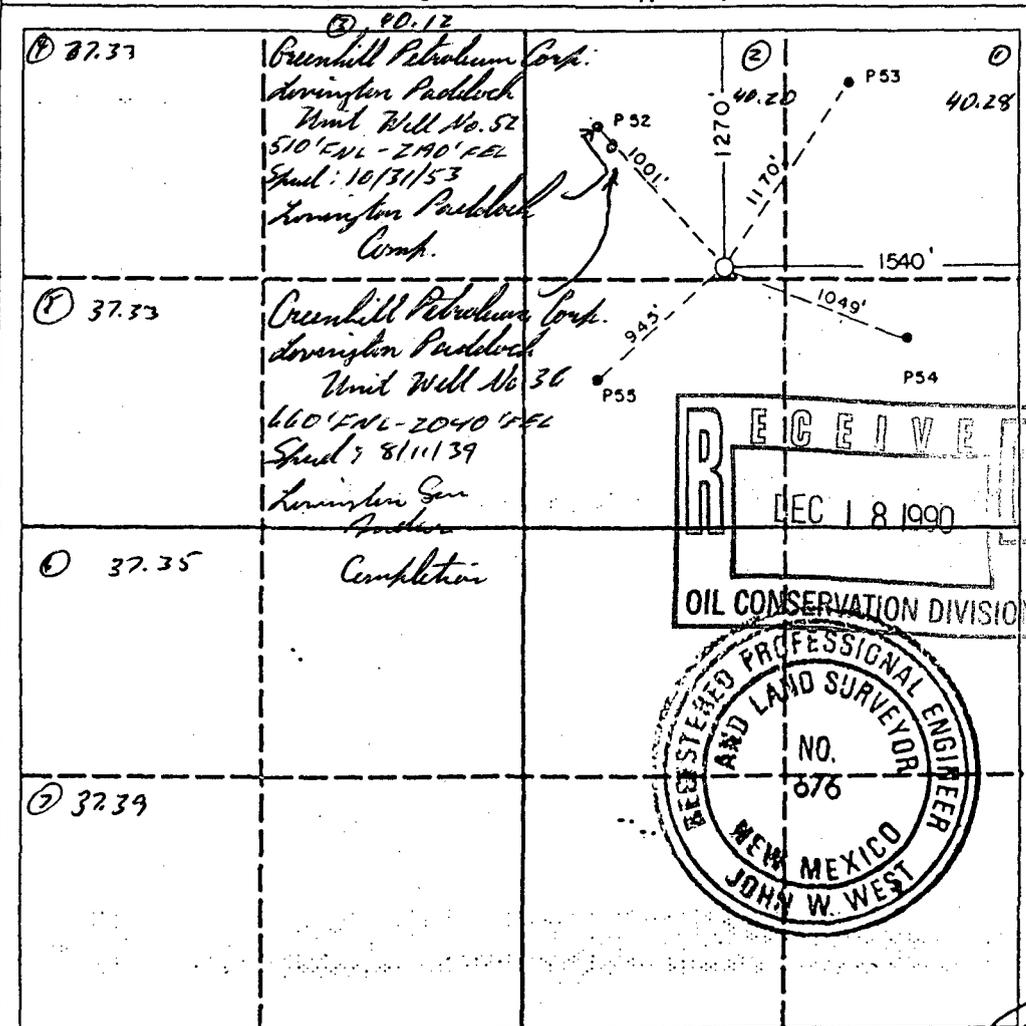
Operator GREENHILL PETROLEUM CORP.			Lease LOVINGTON PADDOCK UNIT		Well No. 99
Unit Letter B	Section 6	Township 17 SOUTH	Range 37 EAST	County LEA	
Actual Footage Location of Well: 1540 feet from the EAST line and 1270 feet from the NORTH line					
Ground level Elev. 3807.2	Producing Formation Lovington Paddock		Pool Lovington Paddock	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.



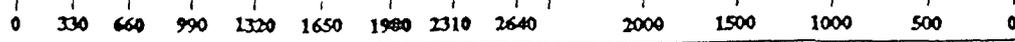
OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Michael J. Newport*
 Printed Name: Michael J. Newport
 Position: Landman
 Company: Greenhill Petroleum
 Date: 12/13/90

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: 11-27-90
 Signature & Seal of Professional Surveyor: *John W. West*
 Certificate No. JOHN W. WEST 676
 RONALD J. EIDSON, 3239

125830



Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
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

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
DRILL RE-ENTER DEEPEN PLUG BACK

b. Type of Well:
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. Name of Operator
Greenhill Petroleum

3. Address of Operator
16010 Barkers Point, Ste., 325, Houston, TX 77079

4. Well Location
Unit Letter B : 1540 Feet From The East Line and 1270 Feet From The North Line
Section 6 Township 17 South Range 36 East NMPM Lea County

7. Lease Name or Unit Agreement Name
Lovington Paddock Unit

8. Well No.
99

9. Pool name or Wildcat
Lovington Paddock

10. Proposed Depth
6350

11. Formation
Lovington Paddock

12. Rotary or C.T.
Rotary

13. Elevations (Show whether DF, RT, GR, etc.)
3807.2 GR

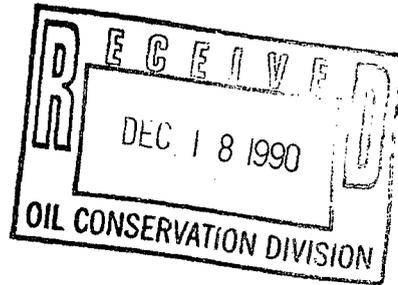
14. Kind & Status Plug. Bond
Blanket

15. Drilling Contractor
TBD

16. Approx. Date Work will start
12-15-90

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	8 5/8	24#	2050	800	Surface
7 7/8	5 1/2	15.5#	6350	500	3000



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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Michael J. Newport TITLE Landman DATE 12-3-90

TYPE OR PRINT NAME Michael J. Newport TELEPHONE NO. 955-1141

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

GREENHILL PETROLEUM CORPORATION
BOP PROGRAM FOR
LOVINGTON PADDOCK WELL # 99

Casing Program

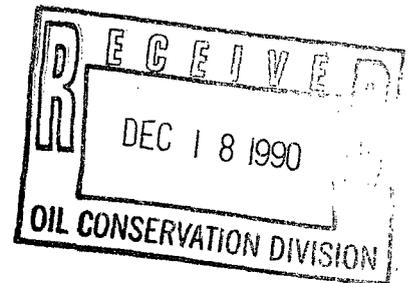
BOP Program

Size	Depth	Wt	Grade	Configuration	Test Pressure
8 5/8"	2050'	24	H40, STC	RA	200 psi
5 1/2"	6350'	15.5	K55, STC	RR	250/1500 psi

* RR - Ram Ram

RA - Ram Annular

Diverter - Hydrill may be substituted for a diverter





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
HOBBBS DISTRICT OFFICE

90 DEC 27 AM 11 03

12-17-90

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

Greenhill Pet. Corp. Lovington Paddock Unit #99-B
 Operator Lease & Well No. Unit S-T-R *6-17-37*

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
 Jerry Sexton
 Supervisor, District 1

/ed