CAMPBELL & BLACK, P.A.

JACK M. CAMPBELL BRUCE D. BLACK MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN WILLIAM P. SLATTERY JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

October 23, 1990

HAND-DELIVERED

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

CL CLAT Electron L

10154

Re: In the Matter of the Application of Greenhill Petroleum Corporation for Waterflood Expansion, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Greenhill Petroleum Corporation in the abovereferenced case. Greenhill Petroleum Corporation respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on November 14, 1990.

Verty truly yours,

ulianty

WILLIAM F. CARR

WFC:mlh Enclosures cc w/enc.: R. L. Stamets

> Mr. Mike Newport Greenhill Petroleum Corporation 12777 Jones Road, Suite 375 Houston, Texas 77070

### BEFORE THE

OIL COLS

## OIL CONSERVATION DIVISION

## NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF GREENHILL PETROLEUM CORPORATION FOR WATERFLOOD EXPANSION, LEA COUNTY, NEW MEXICO.

CASE NO. 10154

#### **APPLICATION**

GREENHILL PETROLEUM CORPORATION, by and through its undersigned attorneys, hereby makes application to the New Mexico Oil Conservation Division for authority to expand its Lovington San Andres waterflood project located in Lea County, New Mexico and in support thereof states:

1. Greenhill Petroleum Corporation operates the Lovington San Andres Unit waterflood project which is originally approved by the Division in 1962 by Order No. R-2278.

2. Greenhill Petroleum Corporation seeks authority to expand this waterflood project by converting to injection the wells identified on Exhibit 1 to this application.

3. A completed Oil Conservation Division Form C-108 with attachments has been filed with the Division and mailed to all operators offsetting this unit and all operators within one-half mile of an injection well.

4. Approval of this application will permit the interest owners in this unit to recover hydrocarbons that otherwise would not be produced, will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Greenhill Petroleum Corporation requests that this mater be set for hearing before a duly appointed Examiner of the Oil Conservation Division on November 14, 1990, and that after notice and hearing as required by law, the Division enter its order approving this application.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: WILLIAM F. CARR

Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

ATTORNEYS FOR GREENHILL PETROLEUM CORPORATION

## **EXHIBIT** 1

Greenhill Petroleum Corporation	Lovington San Andres Unit#3Sec. 36TI6SR36E	660' FNL & 1980' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit#5Sec. 36TI6SR36E	660' FNL & 600' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit#10Sec. 36TI6SR36E	1980' FNL & 1980' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit#12Sec. 36TI6SR36E	1980' FSL & 1980' FWL
Greenhill Petroleum Corporation	Lovington San Andres Unit#13Sec. 36TI6SR36E	1760' FSL & 440' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit#25Sec. 36TI6SR36E	660' FSL & 1980' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit#57Sec. 36TI6SR36E	660' FSL & 660' FWL
Greenhill Petroleum Corporation	Lovington San Andres Unit#7Sec. 31TI6SR37E	1980' FNL & 1980' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit#15Sec. 31TI6SR37E	1650° FSL & 1650° FWL
Greenhill Petroleum Corporation	Lovington San Andres Unit#17Sec. 31TI6SR37E	1980' FSL & 990' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit#58Sec. 31TI6SR37E	2310' FNL & 990' FWL
Greenhill Petroleum Corporation	Lovington San Andres Unit#31Sec. 1TI7SR36E	660' FNL & 1980' FWL
Greenhill Petroleum Corporation	Lovington San Andres Unit#43Sec. 1TI7SR36E	1980' FNL & 660' FWL
Greenhill Petroleum Corporation	Lovington San Andres Unit#40Sec. 1TI7SR36E	1980' FNL & 660' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit#45Sec. 2TI7SR36E	1980' FNL & 1980' FEL
Greenhill Petroleum Corporation	Lovington San Andres Unit #35 Sec. 2 TI7S R36E	339' FNL & 1890' FWL

# EXHIBIT 1 (continued)

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Greenhill Petroleum Corporation		an Andres Un TI7S	uit #37 R37E	330' FNL & 990' FEL
Greenhill Petroleum Corporation	Lovington S Sec. 6	an Andres Un TI7S	it #39 R37E	1985' FNL & 616' FWL

THE ALL FULLE	N DIVISION STATE OF NEW MEXICO BY AND MINERALS DEPARTMEN 9 20 CONSERVATION DIVISION HOBBS DISTRICT OFFICE 9-4-90 CASE JUC-101	POST OFFICE BOX 1980
OIL CONSERVATION DIVISIO	DN Lovington De	and rea lit #3-C 36-16-36
P. O. BOX 2088 SANTA FE, NEW MEXICO 875	V	#5-A 36-1636
-		# 7- 2 31-16 37
RE: Proposed: MC		# 10-2 36.16 36
DHC		# 12-K "
NSL NSP		# 13-2 "
SWD		# 15-K 31-6-37
WFX X		#17-931-1637
FMA		#25-0-36-16-36
Gentlemen:		# 3/-C /-17-36
I have examined the app	lication for the.	# 35-C 6-17-39 # 87-A 6-17-39
Greenhill fetroleur Operator	A	#39-E 6-17-37
Dreenhill Petroleu	Lease & Well No. Unit S-T-R	
00010101	Lease a werr no. Onre 3-1-k	# 40-H 1-17-36 # 43-E 1-17-36
and my recommendations	are as follows:	# 43-2 7-17-36 # 45-& 2-17-36
Dia MATCHEC	K CLOSELY AS PEA	#45-4 211 -36 #57-7 36-16-36
•	,	# 58-E 31-16-37
WELLS WERE A	LOT ATTACHED	

Yours very truly vr (Jerry Sexton Supervisor, District 1

/ed