



# GREENHILL PETROLEUM CORPORATION

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Incorporated in Delaware, U.S.A.

November 6, 1990

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

Attn: Mike Stogner

Re: Unorthodox Location and Drilling Permit  
Proposed Well No. 89  
Lovington Paddock  
Lea County, New Mexico

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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 89 in the Lovington Paddock Unit, located in Lea County, New Mexico.

The Lovington Paddock Paddock 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. 89 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 proposed well as soon as possible and would appreciate a response to this request at your earliest convenience.

Sincerely,

GREENHILL PETROLEUM CORPORATION

*Michael J. Newport*  
Michael J. Newport  
Landman

MJN:JB  
Enclosure

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△ SAN ANDRES INJECTOR  
△ PADDOCK INJECTOR  
△ SAN ANDRES CTI  
△ PADDOCK CTI

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