



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

6-14-91

BRUCE KING
GOVERNOR

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

711-3021

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

RE: Proposed:

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

Gentlemen:

I have examined the application for the:

Greenhill Pet Corp Lovington Paddock Unit #113-J 31-16-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed



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.

June 6, 1991

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. 113
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 113 in the Lovington Paddock Unit, located in Lea County, New Mexico.

The Lovington 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. 113 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.

Respectfully yours,

GREENHILL PETROLEUM CORPORATION

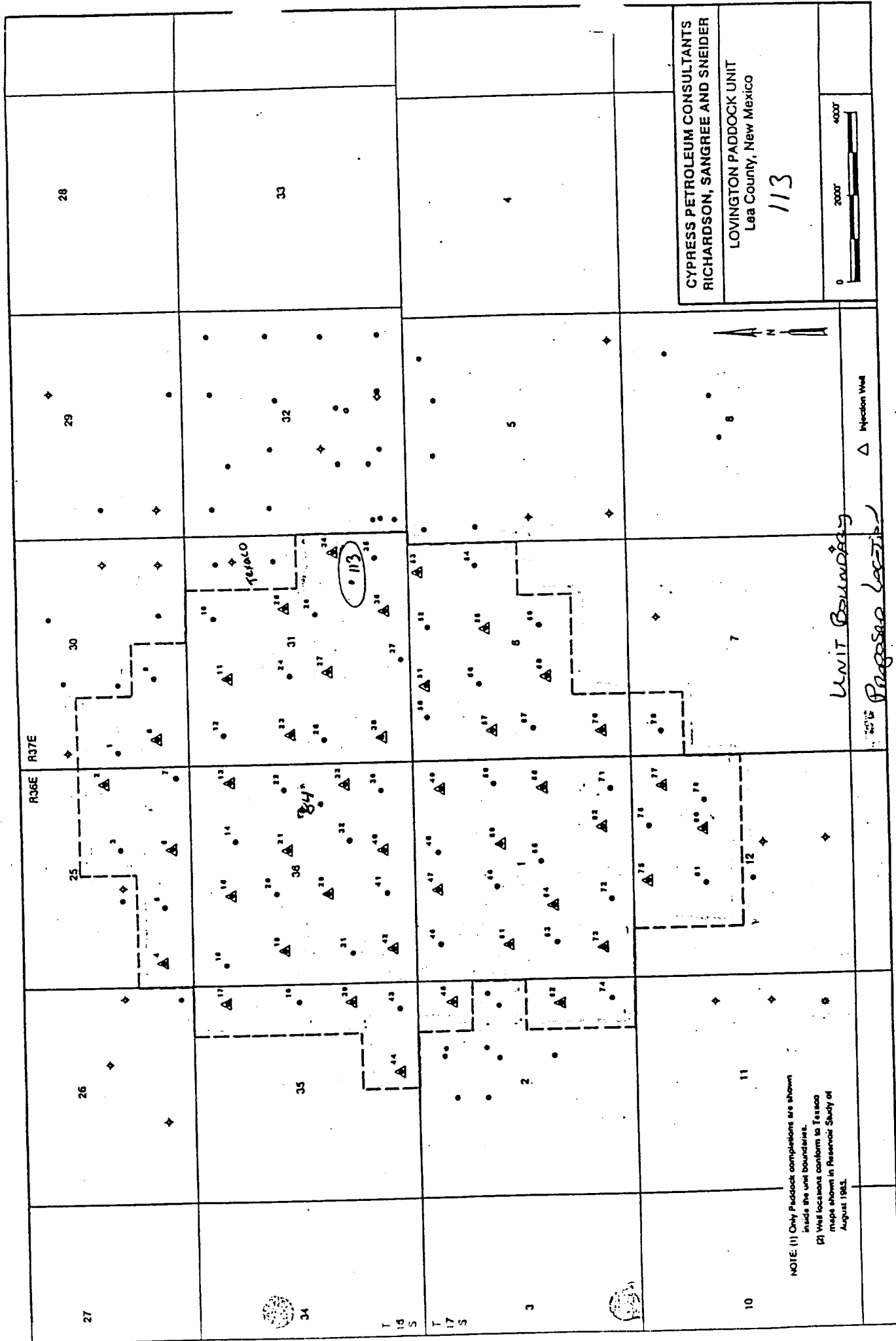
Michael J. Newport
Landman

MJN:JB
Enclosures

RECEIVED

JUN 18 1991

02
MOBBS L. S. 17



NOTE: (1) Only Paddock completions are shown inside the unit boundaries.
 (2) Well locations conform to Test map shown in Reservoir Study of August 1983.

CYPRESS PETROLEUM CONSULTANTS
 RICHARDSON, SANGREE AND SNEIDER

LOVINGTON PADDOCK UNIT
 Lea County, New Mexico

113

0 2000' 4000'

Injection Well

UNIT BOUNDARY
 Paddock location

RECEIVED

MUN 13 1991

HOBBS OFFICE



GREENHILL PETROLEUM CORPORATION

Incorporated in Delaware, U.S.A.

CERTIFIED MAIL

June 7, 1991

Texaco USA
P.O. Box 3109
Midland, TX 79702

Attn: Keith Williams

Re: Lovington Paddock
Well No. 113
Lea County, NM

This letter is to hereby notify you that Greenhill Petroleum will be drilling Well No. 113 to a depth of 6420' to test the Paddock Formation, 1417 FSL and 1508 FEL in Section 31, T16S-R37E, Lea County, NM. We are obligated by the New Mexico Oil Commission to notify all offset operators that we are applying for an unorthodox location within our West Lovington Unit.

Please sign and return to the above address in the event you do not object to our proposed well.

Sincerely,

Michael J. Newport
Land Manager-Permian Basin

MJN:jb

Agreed to and accepted this ____ day of _____, 1991.

Texaco USA

By: _____

Enclosures

P 375 330 421
RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

U.S.G.P.O. 1989-234-555 PS Form 3800, June 1985	Sent to	TEXACO USA
	Street and No.	PO BOX 3109
	P.O. State and ZIP Code	Midland TX 79702
	Postage	\$
	Certified Fee	
	Special Delivery Fee	
	Restricted Delivery Fee	
	Return Receipt showing to whom and Date Delivered	
	Return Receipt showing to whom, Date, and Address of Delivery	
	TOTAL Postage and Fees	\$
Postmark or Date 6/10/91		