



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

4-6-92

BRUCE KING  
GOVERNOR

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

78L-3109

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

RE: Proposed:

MC \_\_\_\_\_  
DHC \_\_\_\_\_  
NSL X \_\_\_\_\_  
NSP \_\_\_\_\_  
SWD \_\_\_\_\_  
WFX \_\_\_\_\_  
PMX \_\_\_\_\_

#125-P 25-16-36  
★ #127-C 31-16-37  
#129-L 36-16-36  
★ #130-J 31-16-37  
#131-M 36-16-36  
#133-M 36-16-36  
#135-B 6-17-37  
★ #136-E 1-17-36  
#139-F 1-17-36

Gentlemen:

I have examined the application for the:

Greenhill Petroleum Corp. Lovington Paddock Unit  
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

#142-F 6-17-37  
★ #143-G 6-17-37  
★ #148-L 6-17-37

Yours very truly,

Jerry Sexton  
Jerry Sexton  
Supervisor, District 1

/ed

★ Indicates need for notification of offset operators



# GREENHILL PETROLEUM CORPORATION

490 WESTHEIMER ROAD, SUITE  
HOUSTON, TEXAS 77077-6841  
TELEPHONE (713) 589-8484  
FAX (713) 589-7892

Incorporated in Delaware, U.S.A.

March 24, 1992

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

Attention: Mr. Mike Stogner

RE: Unorthodox Location and Drilling Permit  
Proposed Well Number 127  
Lovington Paddock Unit  
Lea County, New Mexico

Dear Mr. Stogner:

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

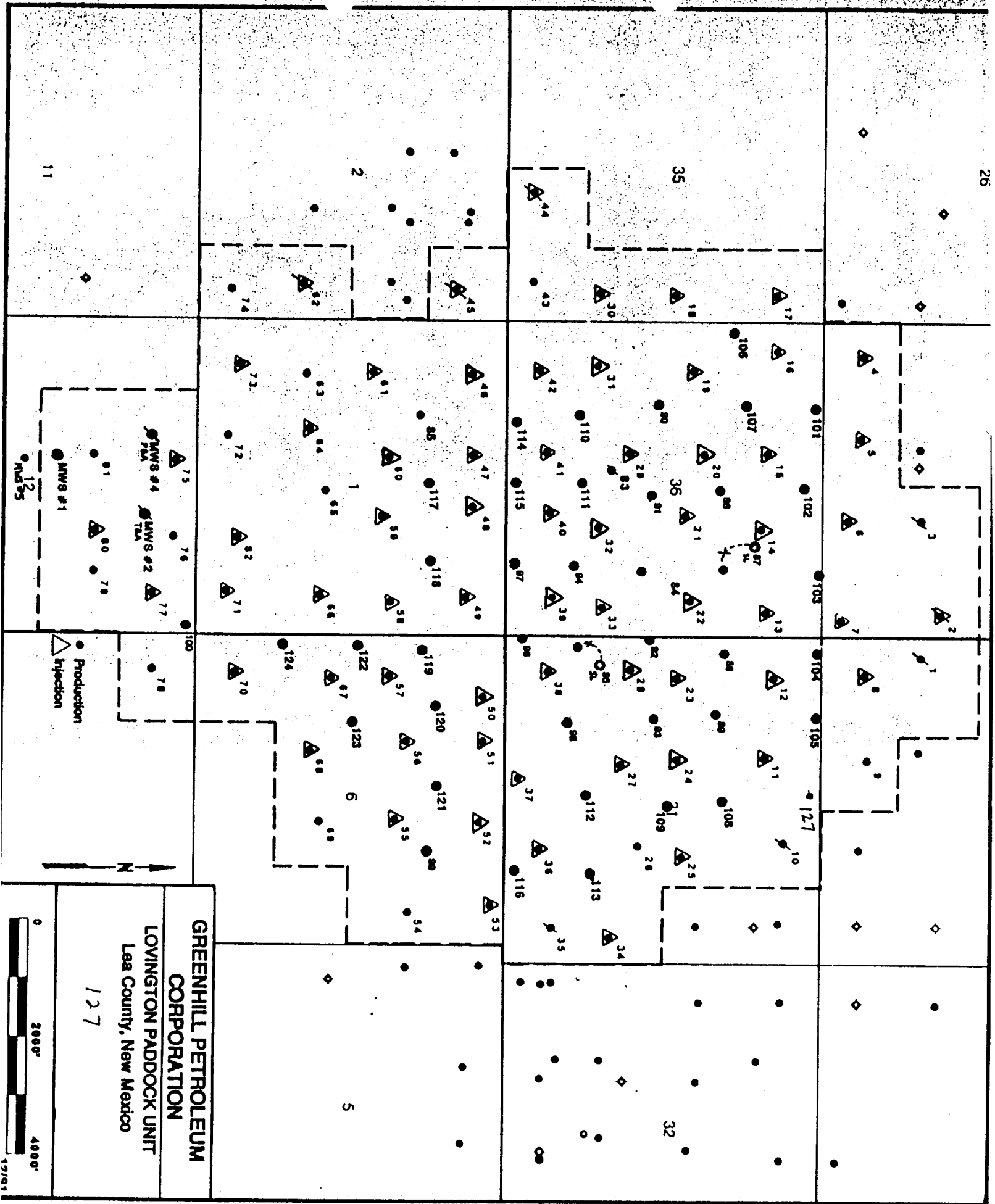
The Lovington Paddock Unit is presently developed and being waterflooded utilizing a forty (40) acre well density. It is believed that infill development using a twenty (20) acre well density will improve waterflood sweep efficiency and will increase secondary oil recovery. The proposed location for Well Number 127 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,

Michael J. Newport  
Land Manager - Permian Basin

MJN:sjs  
92.204  
Enclosures



GREENHILL PETROLEUM CORPORATION

LOVINGTON PADDOCK UNIT

Lea County, New Mexico

127