



# GREENHILL PETROLEUM CORPORATION

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Incorporated in Delaware, U.S.A.

September 6, 1991

New Mexico Oil Conservation Division  
P.O. Box 1980  
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Re: Re-entry and replug attempt of the Mobil State "R" # 3 by  
Greenhill Petroleum Corporation. Order # R - 9431

Dear Sir,

As per the referenced State Order Greenhill Petroleum has re-entered the subject wellbore in an attempt to replug it as directed. We currently find ourselves at a point in the re-entry where insignificant progress is being made and GPC would like to discuss an alternate plan.

To date we have been on the well for nine day at a cost of \$ 36,500. We have successfully drilled out the cement plug in the 13" surface casing and have reached a total depth inside the 8-5/8" cutoff of 1950 feet, 41 feet short of the recorded setting depth for the 8-5/8" intermediate casing string. We are washing and milling on junk thrown in the wellbore when it was plugged. In the last five days we have made a total of six feet of progress. We have recovered pieces of 2-3/8" tbg, indistinguishable chunks of iron and other assorted bits of wood, wire etc.. In addition the exposed redbeds are sloughing continually, creating a potentially hazardous situation for continuous operations.

Review of the wellbore indicates that replugging the well from this point will protect the fresh water in the area. If you agree we would like to discuss the appropriate plugging method with you prior to commencing operations to do so. We believe that delaying replugging at this point may lead to a large additional expense due to the problem with the redbeds sloughing.

Your time and consideration of this matter is greatly appreciated. If you have any questions or require more information, I will be in contact by phone shortly and will be happy to furnish other data. Thank you.

Sincerely

*David M. Tilley*  
David M. Tilley  
Production Engineer

Operator: Mobill Oil Corporation

Lease: State R Well No. 3 Field: Lovington SA

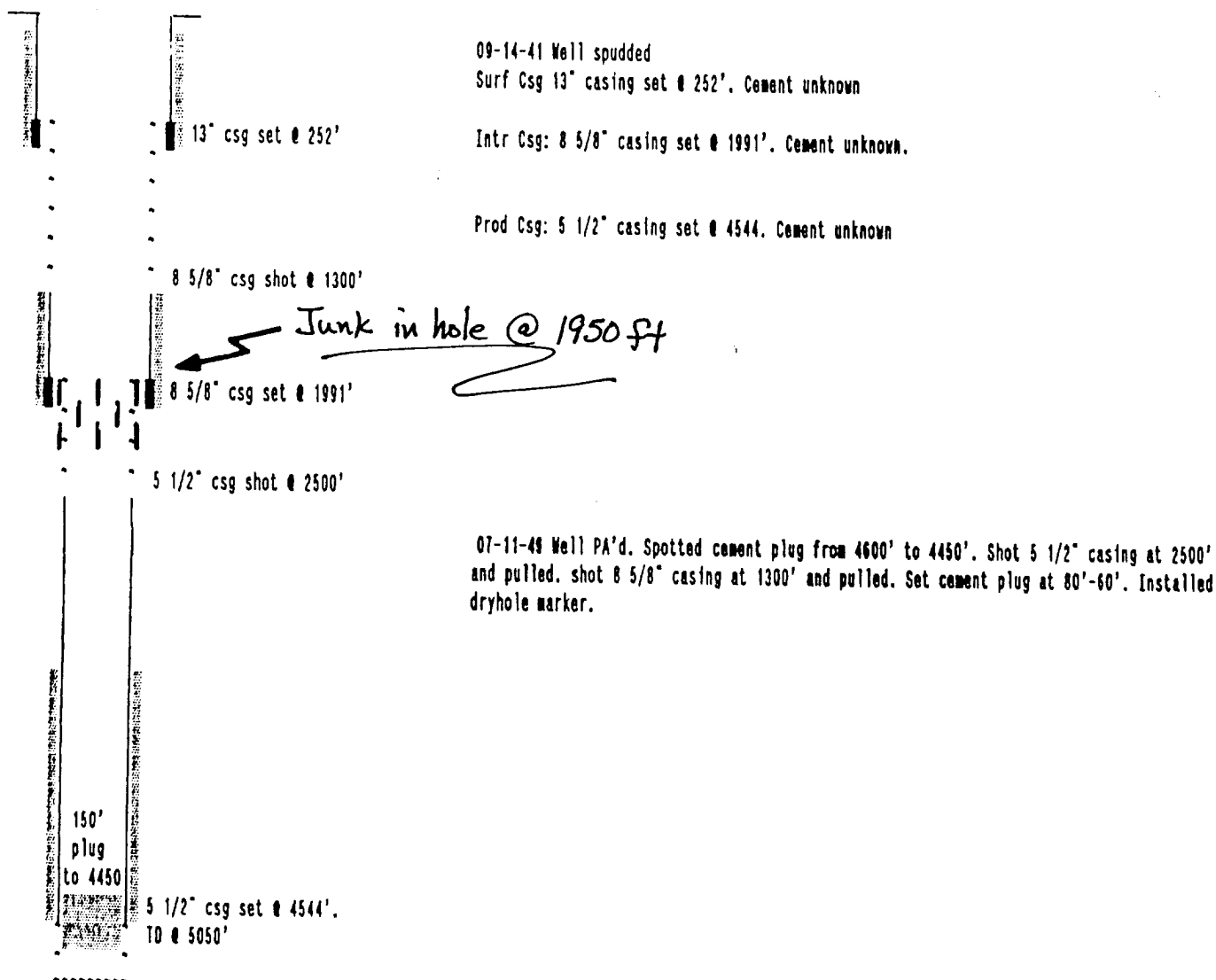
Location: 660' FN & 660' FEL Sec 2 T17S R36E

County: Lea State: New Mexico

Elevations: KB N/A GL 3840' TD 5050' PBD P&A

## SKEMATIC

## WELL DATA



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