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January 10, 1995

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
Post Office Box 6429
Santa Fe, New Mexico 87505

JAN 10 1995

Case 11188

Re: Texaco Exploration and Production Inc.'s Application for Positive Production Response Certification, Vacuum Glorieta West Unit, Lea County, New Mexico

Dear Mr. LeMay:

Texaco Exploration and Production Inc., hereby makes application for Certification of a Positive Production Response in its Vacuum Glorieta West Unit. Attached hereto is Texaco's report dated November 4, 1994 which complies with all requirements of Rule E2a of the Rules and Procedures for Qualifications of Enhanced Oil Recovery Projects and Certification for the Recovered Oil Tax Rate promulgated by Division Order No. R-9708 on August 27, 1992. As you will note, this report contains the required plats, graphs and supporting data and demonstrates that a positive production response to Texaco Exploration and Production Inc.'s waterflood operations in this unit was achieved by January 1, 1994. Also enclosed are (1) a copy of Division Order No. R-9714 which approved this Enhanced Oil Recovery Project for the Recovered Oil Tax Rate and (2) a draft of a Certification of Positive Production Response.

Texaco Exploration and Production Inc., requests that, pursuant to the provisions of Rule E2(3)c, the Division certify that the Positive Production Response has occurred in this unit and notify the Secretary of the Taxation and Revenue Department of this Certification of a Positive Production Response effective January 1, 1994.