



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

January 24, 1994

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ARCO Oil and Gas Company
600 N. Marienfeld
Midland, TX 79701

Attention: Traci Scarbrough

**CERTIFICATION OF ENHANCED OIL RECOVERY PROJECT
FOR RECOVERED OIL TAX RATE**

The New Mexico Oil Conservation Division hereby certifies that the following Enhanced Oil Recovery Project has been approved by the Division as a secondary project, pursuant to the provisions of the *New Mexico Enhanced Oil Recovery Act* (Laws of 1992, Chapter 38). In order to qualify for the *Recovered Oil Tax Rate*, you must apply for certification of positive production response within five years from the date of this certification. Only production from that portion of the project area identified herein which is actually developed for enhanced recovery will qualify for the reduced tax rate.

If operation of this project is terminated for any reason, the operator of the project must notify this Division and the Secretary of the Taxation and Revenue Department not later than the thirtieth day after termination.

NAME OF PROJECT: South Justis Unit - *Phase IIA*

OCD ORDER NO. R-9747

OPERATOR: : ARCO Oil and Gas Company
ADDRESS: 600 N. Marienfeld
Midland, TX 79701
Attention: Traci Scarbrough

CERTIFICATION DATE: January 5, 1994

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 12153 Exhibit No. 2

Submitted by: ARCO Permian

Hearing Date: April 15, 1999

PROJECT AREA:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM

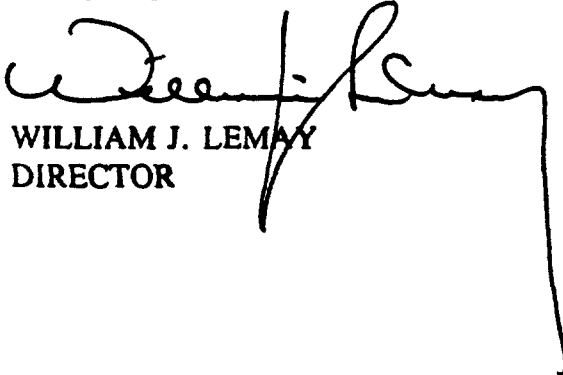
Section 11: E/2 SW/4, S/2 SE/4, NW/4 SE/4
Section 12: S/2 SW/4, SW/4 SE/4
Section 13: E/2 NE/4 NW/4, NE/4 SE/4 NW/4
NE/4, N/2 NW/4 SE/4, E/2 SE/4
Section 14: NE/4 NW/4
Section 24: E/2 NE/4

TOWNSHIP 25 SOUTH, RANGE 38 EAST, NMPM

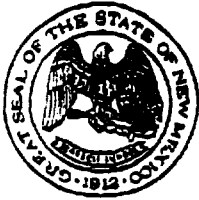
Section 19: W/2 NW/4, W/2 SW/4
Section 30: W/2 NW/4, SW/4 SW/4
Section 31: NW/4 NW/4

APPROVED BY:

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
DIRECTOR

SEAL



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 9, 1995

ARCO Permian
P.O. Box 1610
Midland, TX 79702-1610

Attention: Traci Scarbrough

**CERTIFICATION OF ENHANCED OIL RECOVERY PROJECT
FOR RECOVERED OIL TAX RATE**

The New Mexico Oil Conservation Division hereby certifies that the following Enhanced Oil Recovery Project has been approved by the Division as a secondary project, pursuant to the provisions of the *New Mexico Enhanced Oil Recovery Act* (Laws of 1992, Chapter 38). In order to qualify for the *Recovered Oil Tax Rate*, you must apply for certification of positive production response within five years from the date of this certification. (That date on which injection operations commence.) Only production from that portion of the project area identified herein which is actually developed for enhanced recovery will qualify for the reduced tax rate.

If operation of this project is terminated for any reason, the operator of the project must notify this Division and the Secretary of the Taxation and Revenue Department not later than the thirtieth day after termination.

NAME OF PROJECT: South Justis Unit - Phase II B and Phase II C

OCD ORDER NO. R-9747

OPERATOR: ARCO Permian
ADDRESS: P.O. Box 1610
Midland, TX 79702-1610
Attention: Traci Scarbrough

CERTIFICATION DATE: May 1, 1995

EOR Project Certification
ARCO Oil and Gas Company
May 9, 1995
Page 2

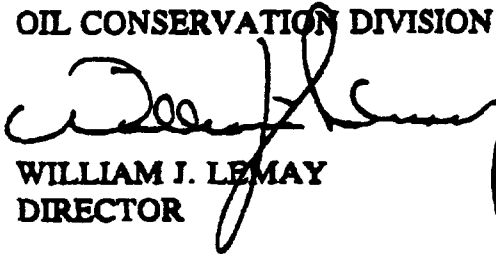
PROJECT AREA:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM

Section 11: N/2, NE/4 SE/4
Section 12: NW/4, N/2 SW/4, NW/4 SE/4
Section 26: N/2 SE/4, SE/4 SE/4
Section 31: SW/4 NW/4, W/2 SW/4
Section 35: E/2 NE/4
Section 36: S/2, S/2 NW/4, S/2 NE/4

APPROVED BY:

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**


**WILLIAM J. LEMAY
DIRECTOR**

SEAL