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

Case 12153

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 ITA

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

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. LEMA

DIRECTOR

SEAL