



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

December 21, 1984

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Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico

Re: CASE NO. 8255
ORDER NO. R-7395-A

Applicant:

ARCO Oil and Gas Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD X
Artesia OCD X
Aztec OCD X

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION OF NEW MEXICO FOR THE
PURPOSE OF CONSIDERING:

CASE NO. 8255
Order No. R-7395-A

APPLICATION OF ARCO OIL AND GAS
COMPANY FOR AMENDMENT OF DIVISION
ORDER NO. R-7395, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 11, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of December, 1984, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, ARCO Oil and Gas Company, seeks the amendment of Order No. R-7395 to delete requirement No. 5 which provides that the applicant shall conduct annual tracer surveys on all injection wells in the ARCO Oil and Gas Company Horseshoe-Gallup Polymer Augmented Waterflood Pilot Project, Horseshoe-Gallup Pool, San Juan County, New Mexico, and further provides for notice of the dates and results of such surveys to the New Mexico Oil Conservation Division's Aztec District Office.

(3) The evidence established that a radioactive tracer survey had been run on a typical well in the Horseshoe-Gallup Polymer Augmented Waterflood Pilot Project pursuant to requirement 5 of Order No. R-7395 and the results of the survey contained no additional information.

(4) The cost of complying with requirement 5 of Order No. R-7395 by the conduction of annual tracer surveys will increase the cost of the Polymer Project by 50 percent which

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would deter additional polymer injection in the Horseshoe-Gallup Polymer Augmented Waterflood Pilot Project Area.

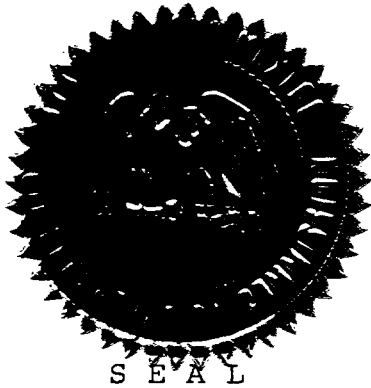
(5) Requirement 5 of Order No. R-7395 will result in economic and physical waste and should be deleted from the Order.

IT IS THEREFORE ORDERED THAT:

(1) Order No. R-7395 is hereby amended by deletion in its entirety of Order Paragraph No. (5) thereof.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS
Director

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