STATE OF NEW MEXI' ENERGY AND MINERALS DEFARTMENT OIL CONSERVATION DIVISION

VANTAGE HORGESHOE GALLLED INJ#242 L-04-30N-16W

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

CASE NO. 7931

Prochase State Con

APPLICATION OF ARCO OIL AND GAS COMPANY FOR AMENDMENT OF DIVISION ORDER NO. R-2210 TO INCLUDE A POLYMER AUGMENTED WATERFLOOD AND FOR APPROVAL OF THE HORSESHOE GALLUP POLYMER AUGMENTED WATERFLOOD PILOT PROJECT AS A QUALIFIED TERTIARY OIL RECOVERY PROJECT UNDER THE "CRUDE OIL WINDFALL PROFIT TAX ACT OF 1980", SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on August 3, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>8th</u> day of December, 1983, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Arco Oil and Gas Company, seeks an amendment to Division Order No. R-2210, as amended, to include the injection of polymer augmented water in a portion of its previously authorized pressure maintenance project in the Horseshoe Gallup Unit, for conversion of existing injection wells to polymer augmented water injection wells, and for the approval of the Horseshoe Gallup Polymer Augmented Waterflood Pilot Project as a Qualified Tertiary Oil Recovery Project under the "Crude Oil Windfall Profit Tax Act of 1980."
- (3) That said Horseshoe Gallup Unit Area lies within the Horseshoe Gallup Pool, San Juan County, New Mexico, and is located part on Indian, State of New Mexico, and Federal leases.

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