11436

CASE ____:

Application of Armstrong Energy Corporation for approval of a waterflood project and Qualification for the Recovered Oil Tax Rate, Lea County, New Mexico. Applicant in the above-styled cause, seeks approval of its Lea Waterflood Project by injection of water into the Delaware formation, through the perforated interval from approximately 5930 feet to 5970 feet in its Mobil Federal No. 6 PMW Well located 330 feet from the South line and 990 feet from the West line of Section 2, Township 20 South, Range 34 East, NMPM. The Lea Pressure Maintenance Project Area shall include the following described area:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 2: SW/4

The applicant requests that the Division establish procedures for the administrative approval of additional injection wells within the unit area without the necessity of further hearings and the adoption of any provisions necessary for such other matters as may be appropriate for said pressure maintenance operations. Applicant further seeks to qualify this project for the recovered oil tax rate under the "Enhanced Oil Recovery Act" (Law 1992, Chapter 38, Sections 1 through 5). Said area of interest is located _____ miles _____ of _____, New Mexico.