



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

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. (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**