ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRIJTHERS

September 23, 1987

RECEIVED

POST OFFICE BOX 2088 STATE LAND DELICE BUILDING SANTA FE, NEW MEXICO 82504 (505) 827-5800

SEP 2:4 '87

O. C. D.

Mr. Ernest L. Padilla P. O. Box 2523 Santa Fe, New Mexico 87504-2523

> Re: City of Carlsbad No. 1, O-25-22S-26E Eddy County, New Mexico Order R-8064, Case 8717

Dear Mr. Padilla:

Your letter of September 17 has been duly received and reviewed. The information submitted indicates the hardship conditions recognized in the subject order still prevail. We also note with satisfaction that overproduction on the well has been reduced from 210,558 as of July 31, 1986 to 159,734 as of July 31, 1987.

The hardship classification and maximum flow rate of 1200 MCF/day are hereby extended to October 1, 1988.

Yours very truly,

VICTOR T. LYON, Deputy Director

xc: Tranwestern PL Les Clements, OCD Artesia Allen Armijo, OCD Santa Fe