



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

October 6, 1992



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Ms. Corinne B. Grace
c/o Mr. Ernest L. Padilla
P. O. Box 2523
Santa Fe, New Mexico 87504-2523

Re: City of Carlsbad No. 1 Hardship
Gas Well
Unit O, Section 25, T-22-S,
R-26-E, Eddy County
Order No. R-8064, Case No. 8717

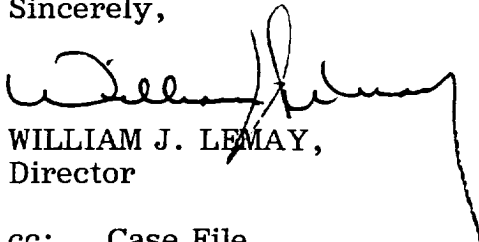
Dear Mr. Padilla:

Your request for continued hardship gas well classification for the subject well has been reviewed. We find that:

1. Gas production has declined from an average of 163 MCF/D for the August '90-July'91 period to 135 MCF/D for the August '91-July'92 period.
2. Water production has declined from a 70 BPD average to a 31 BPD average for the same periods.
3. The flowing tubing pressure had declined from 53 psi to 41 psi.
4. The well requires a compressor to overcome pipeline pressure.

Therefore, the hardship classification for this well is hereby extended to October 1, 1993. The maximum flow rate is retained at 900 MCF/D.

Sincerely,



WILLIAM J. LEMAY,
Director

cc: Case File
✓ Mike Williams - OCD, Artesia
Dave Nelson - OCD, Santa Fe
Transwestern Pipeline Corporation