Michael P. Grace II Corinne Grace P. O. BOX 1418 CARLSBAD, NEW MEXICO 88220 January 28, 1975

RECEIVED

JAN 31 1975

D. C. C. ARTESIA, OFFICE

Mr. W. A. Gressett Supervisor, District II New Mexico Oil Conservation Commission P. O. Drawer DD Artesia, New Mexico 88210

> RE: Grace Carlsbad #1-1 Section 36-22-26 Eddy County, New Mexico

Dear Mr. Gressett:

Per your letter of January 24, 1975 we request an extension for the 1974 Annual Packer Leakage Test Report due to the fact that the Morrow zone of this well is being injected into the Airport Grace #1 well and used as a gas lift for this well. At the time that we run the Packer Leakage Test we will also run the Shut-in Pressure Report, so will need an extension here also.

Both of these tests will be run as soon as this one zone is no longer used as a gas lift.

Thank you.

Sincerely yours, Juanita L. Jones

Juanita L.Jones

jlj cc: Mr. Dan j

cc: Mr. Dan Nutter, Santa Fe, New Mexico