STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

**OIL CONSERVATION DIVISION** 

GARREY CARRUTHERS GOVERNOR

September 23, 1987

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

RECEIVED

SEP 24 '87

O. C. D. ARJESIA, OFFICE

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

> Re: Carlsbad Grace No. 1 - I-36-22S-26E Eddy County, New Mexico Order R-8026, Case 8593

Dear Mr. Padilla:

Your letter of September 17 has been duly received and reviewed. The information submitted indicates the well conditions have not changed and that production during the last 12 months has not exceeded the flow rate established under subject order, 300 MCF/day.

The hardship classification and minimum flow rate heretofore approved is hereby extended to October 1, 1988.

Yours very truly,

VICTOR T. LYON, Deputy Director

xc: EPNG Co. - John Nance Les Clements, OCD Artesia Allen Armijo, OCD Santa Fe