NEW MEXICO GAS MARKETING, INC.

P. O. BOX 2014

ROSWELL, NEW MEXICO 88201

505/623-4735



May 27, 1986

Oil Conservation Division P. O. Drawer DD Artesia, New Mexico 88210

Re: Purchase of Gas Production

Gentlemen:

Please be advised that New Mexico Gas Marketing, Inc. has commenced the purchase of gas production from wells operated by McKay Oil Corporation as follows:

1.	China Draw Federal #1 SW/4 Section 31-6S-23E	5-5-86
2.	China Draw Federal #2 NW/4 Section 31-6S-23E	5-5-86
3.	China Draw Federal #3 SE/4 Section 31-6S-23E	5-5-86
4.	China Draw Federal Comm #4	5-6-86
5.	SW/4 Section 31-6S-23E Remmele Federal #2 SE/4 Section 25 6S 23E	5-6-86
6.	SE/4 Section 25-6S-22P Remmele Federal #3	5-21-86
7.	NE/4 Section 25-6S-22E Remmele Federal #5 SW/4 Section 25-6S-22E	5-23-86

All of the above wells are located in Chaves County, New Mexico.

Yours very truly,

NEW MEXICO GAS MARKETING, INC.

James L. Schultz Corporate Secretary