

Oil Conservation Division Post Office 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 for the following wells operated by McKay Oil Corp.

| 1. Pierce Federal #5                     | 9-5-87   |
|--|----------|
| SE/4 Section 5-6S-22E                    |          |
| 2. VPecos Federal #2                     | 9-6-87   |
| SE/4 Section 35-7S-26E                   |          |
| <ol><li>Middle Fork Federal #2</li></ol> | 9-13-87  |
| NE/4 Section 8-6S-23E                    |          |
| 4. /Inexco Federal #2                    | 9-27-87  |
| SE/4 Section 25-5S-21E                   |          |
| 5. Inexco State #1                       | 9-30-87  |
| SW/4 Section 32-5S-22E                   |          |
| 6. UInexco State #5                      | 10-01-87 |
| SW/4 Section 33-5S-22E                   |          |
| 7. Eppers Federal #2                     | 10-1-87  |
| NW/4 Section 34-5S-21E                   |          |

Also enclosed is a copy of the Completion Report for the following well which has not commenced gas sales, but has been completed.

1. Pierce Federal #1
SE/4 Section 4-6S-22E

All of the above wells are located in Chaves County, New Mexico. We request that this information be kept "CONFIDENTIAL".

Yours very truly,

MCKAY OIL CORPORATION

Theresa Rodrig

Theresa Rodriguez Production Analyst