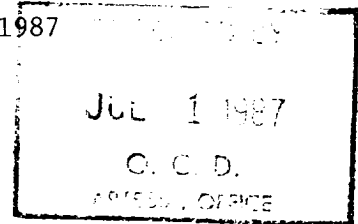


NEW MEXICO GAS MARKETING, INC.

P. O. Box 2014
Roswell, New Mexico 88202

(505) 623-4735

June 30, 1987



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. South Four Mile Draw St. Comm. #11	6-23-87
Section 22-6S-22E	
2. Pipeline Comm. #2	6-23-87
Section 26-6S-22E	
3. South Four Mile Draw Fed. #7	6-23-87
Section 21-6S-22E	
4. Lookout Federal #3	6-17-87
Section 10-6S-22E	
5. Lookout Federal #1	6-17-87
Section 10-6S-22E	
6. Remmele Fed. Comm. #11	6-16-87
Section 27-6S-22E	
7. Middle Fork Federal #4	6-15-87
Section 8-6S-23E	
8. Remmele Federa. Comm. #13	6-15-87
Section 27-6S-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 Rodriguez

Theresa Rodriguez
Production Analyst

Enclosures