

N. M. OIL CONS. COMMISSION
P. BOX 1260
HOBBS, NEW MEXICO 88240

RECEIVED

MWJ PRODUCING COMPANY

★ PETROLEUM PRODUCERS ★

BUREAU OF LAND MANAGEMENT
ROSWELL RESOURCE
AREA

400 WEST ILLINOIS SUITE 1100
MIDLAND, TEXAS 79701
TELEPHONE (915) 682-5216
March 28, 1988

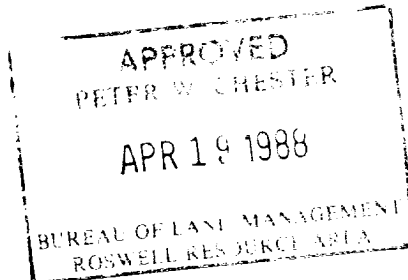
United States Department of the Interior
Bureau of Land Management
Roswell Resource Area
P. O. Drawer 1857
Roswell, New Mexico 88202

RE: MWJ Federal 26 #1 (#NM-57708)
Sec 26, T-8S, R-36E
Roosevelt County, New Mexico

Gentlemen:

MWJ is in receipt of the incidents of non-compliance on the captioned well. With respect to the INC covering the metering of gas production, all gas produced from the Federal 26 #1 is used on lease. The well is not making much gas, and what little is being produced is used in maintaining pressure on the production equipment and running the gas engine on the pumping unit. No gas is being vented. This lease use gas will of course be reported on the appropriate production forms.

If you require any further information, please do not hesitate to contact us.



Very truly yours,

MWJ PRODUCING COMPANY

Stan Venable

SV:pd
Enclosure