

# MWJ PRODUCING COMPANY

★ PETROLEUM PRODUCERS ★

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September 2, 1988

Bureau of Land Management  
P. O. Box 1449  
Santa Fe, New Mexico 87504-1449

Attention: Martha Rivera

Re: Elkan 6 #1 Well  
NW/4 SW/4 Section 6, T13S, R35E,  
Lea County, New Mexico  
MWJ File No. 03908ML

Gentlemen:

MWJ Producing Company recently attempted and made a successful recompletion of the Elkan 6 #1 well referenced above in the Cisco Bough "B" formation. This well has been re-classified by the State of New Mexico, Oil Conservation Division as a wildcat oil well with 40 acres (NW/4 SW/4) dedicated to said well as the spacing unit. Gas production from the Atoka formation ceased on June 14, 1988 and as such, Communitization Agreement NM061P35-86C315 terminated due to non-production of communitized substances. Portions of federal leases NM-50919 and NM-24493 were included within the original communitized area covering the S/2 of Section 6, T13S, R35E, Lea County, New Mexico. No federal leases are included within the re-classified 40 acre oil spacing unit.

It is MWJ's understanding that federal leases NM-50919 and NM-24493 are automatically extended for an additional two (2) year term from the expiration date of the above mentioned communitization agreement. Please provide MWJ with written confirmation of the federal lease extension for our records. A copy of the letter from the State of New Mexico, Oil Conservation Division dated July 21, 1988 is enclosed for your information.