



JUNE 7, 2002

State of New Mexico  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505-5472

Re: Enhanced Oil Recovery Project - Annual Report  
Fox Pennsylvanian Waterflood Project  
OCD Order No. R-10846 July 16, 1997  
Certification Letter Dated October 8, 1997

Gentlemen:

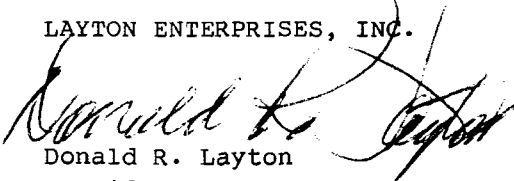
The captioned project was initiated in August, 1997. Pertinent production and injection data is shown on the attached graphs.

Stable oil and water production rates and the continued small increase in gas production characterize the past year's performance.

The stable injection and water production rates are indicative of continued peripheral and flank fill up, and also the apparent vast reservoir capacity.

Very truly yours,

LAYTON ENTERPRISES, INC.

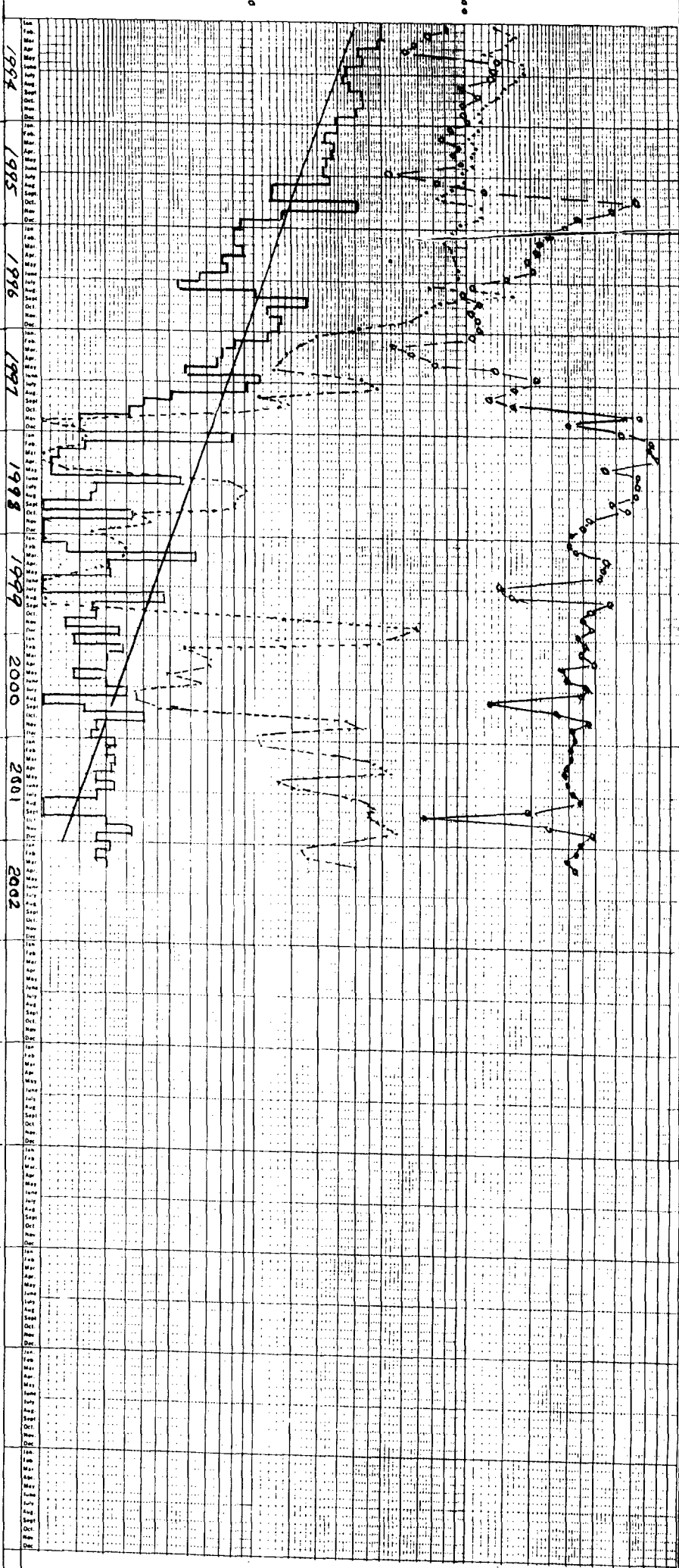
  
Donald R. Layton  
President

DRL/ml1

Encl.

FOX R STAGE LEASE SEE 2, T9S, R36E LEA COUNTY, N.M. 640 ACRES WELLS NO 1, 2, 3, 5

--- OIL - BBLs/Mo  
 - - - - - GAS - Mcf/Mo  
 - - - - - WATER - "







June 4, 2001

State of New Mexico  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505-5472

Re: Enhanced Oil Recovery Project - Annual Report  
Fox Pennsylvanian Waterflood Project  
OCD Order No. R-10846 July 16, 1997  
Certification Letter Dated October 8, 1997

Gentlemen:

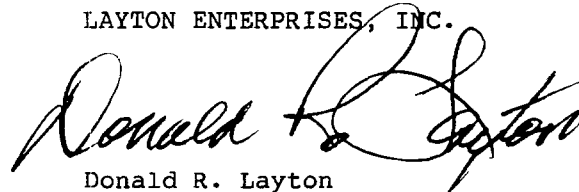
The captioned project was initiated in August, 1997. Pertinent production and injection data is shown on the attached graphs.

To date only a slight increase in oil and gas production has been noted. Water production rate is stable.

The stable rate of water production following increased injection since August, 1999 continues to indicate that peripheral and flank fill up is still occurring.

Very truly yours,

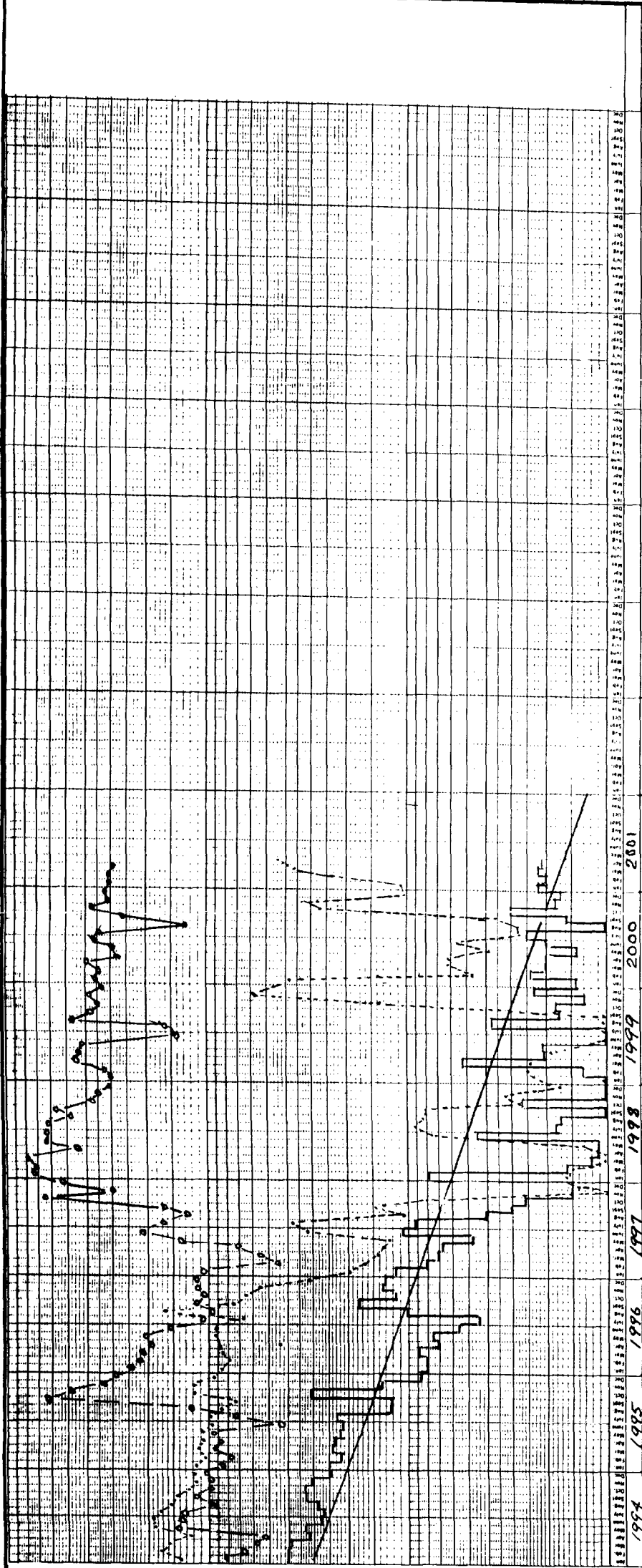
LAYTON ENTERPRISES, INC.

  
Donald R. Layton  
President

DRL/ml1

Encl.

FOX A STATE LEASE SEC 2, T9S, R36E LEA COUNTY, N.M. 640 ACRES WELLS NO 1, 2, 3, 5



— OIL - BBLs/Mo  
 - O - O - WATER - "  
 - - - - - GAS - Mcf/Mo



**AYTON**  
**ENTERPRISES, INC.**



3103 - 79TH STREET • LUBBOCK, TEXAS 79423

FOX A STATE NO 5 SEC 2, T9S, R36E LEA COUNTY, N.M. FOX PENNSYLVANIA WATERFLOOD PROJECT

Δ — Δ WATER INJECTION BBLs/MO

INJECTION PRESS - 0

1997 1998 1999 2000 2001



June 1, 2000

State of New Mexico  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505-5472

Re: Enhanced Oil Recovery Project - Annual Report  
Fox Pennsylvanian Waterflood Project  
OCD Order No. R-10846 July 16, 1997  
Certification Letter Dated October 8, 1997

Gentlemen:

The captioned project was initiated in August, 1997. Pertinent production and injection data is shown on the attached graphs.

To date only a slight increase in oil and gas production has been noted. Water production rate is stable.

Water injection was increased moderately in August 1999, but no increase in water production has occurred. This indicates that some peripheral and flank fill up is still occurring.

Very truly yours,

LAYTON ENTERPRISES, INC.

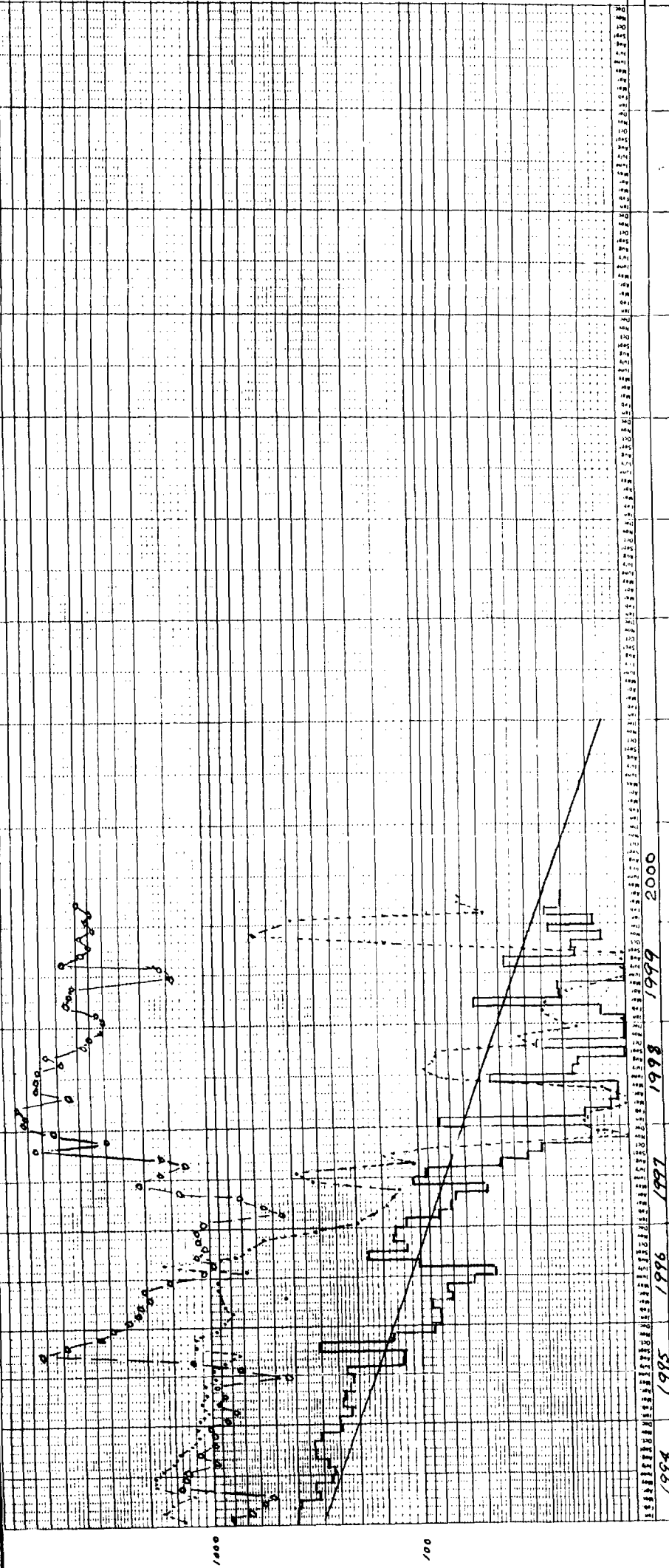
A handwritten signature in black ink that reads 'Donald R. Layton'.

Donald R. Layton  
President

DRL/ml1

Encl.

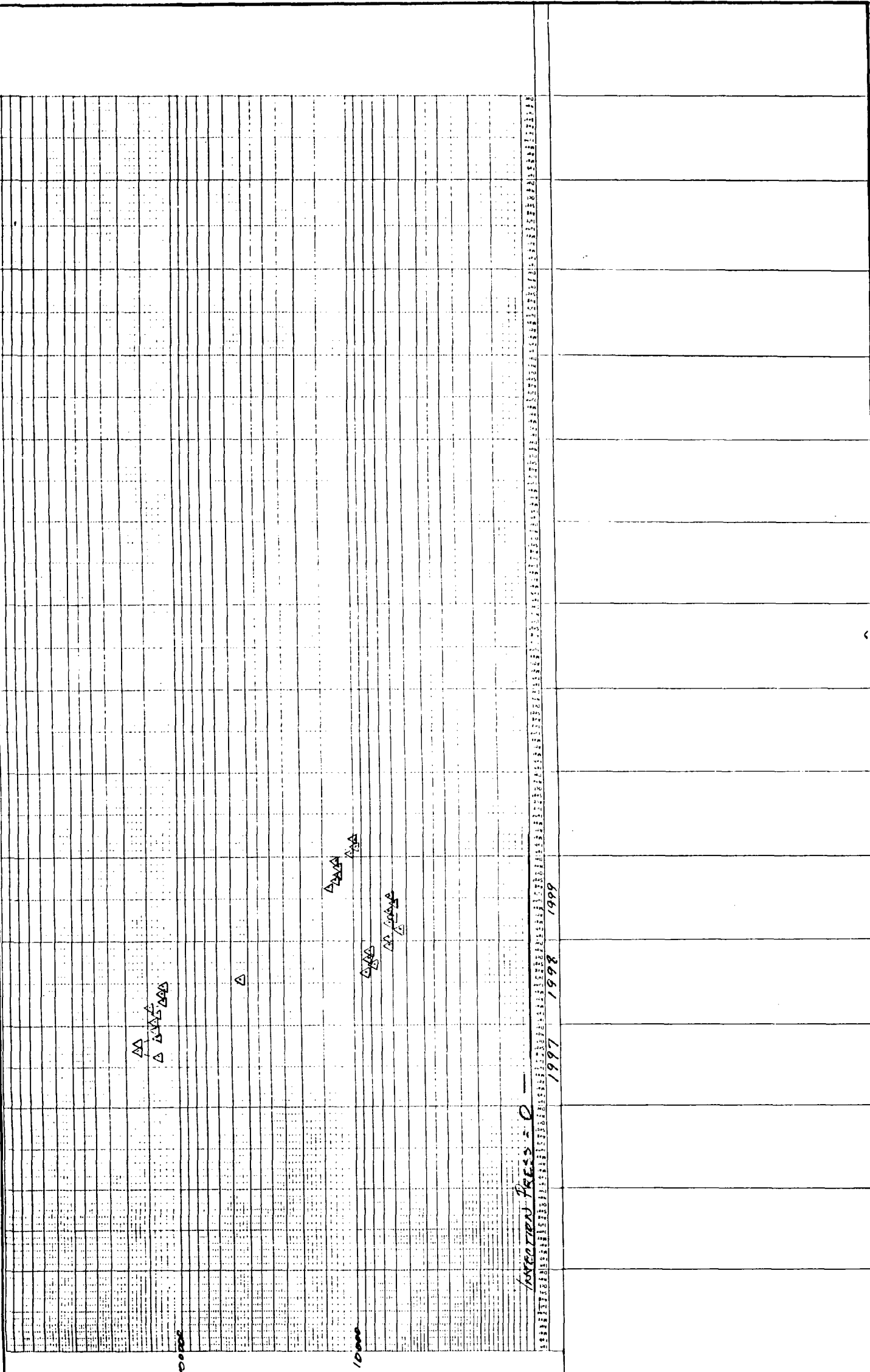
FOX A STATE LEASE SEC 2, T9S, R36E LEA COUNTY, N.M. 640 ACRES WELLS NO 1, 2, 3, 5



— OIL - BBLs/Mo  
 - - - - - WATER - "  
 - - - - - GAS - Mcf/Mo



FOX A STATE NO. 5 SEE 2, T9S, R36E LEA COUNTY, N.M. FOX PENNSYLVANIA WATERFLOOD PROJECT



Δ — Δ WATER INJECTION BELLS/MO

**LAYTON**  
**ENTERPRISES, INC.**



3103 - 79TH STREET • LUBBOCK, TEXAS 79423



June 1, 1999

State of New Mexico  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505-5472

Re: Enhanced Oil Recovery Project - Annual Report  
Fox Pennsylvanian Waterflood Project  
OCD Order No. R-10846 July 16, 1997  
Certification Letter Dated October 8, 1997

Gentlemen:

The captioned project was initiated in August, 1997. Pertinent production and injection data is shown on the attached graphs.

To date there has been no significant oil or gas production response, but an increase in water production did occur.

Water injection was reduced in July, 1998 and water production has since declined also.

Due to the unique configuration of the reservoir porosity, the project operation is being controlled in such a manner to simulate as nearly as possible the original reservoir production mechanism.

Very truly yours,

LAYTON ENTERPRISES, INC.

*Donald R. Layton*  
Donald R. Layton  
President

DRL/bwl

Encl.

FOX R STATE LEASE SEC 2, T9S, R36E LEWIS COUNTY, N.M. 640 ACRES WELLS NO 1, 2, 3, 5

— OIL - BBLs/Mo  
- - - GAS - Mcf/Mo  
- - - WATER - "

