

D.J. SIMMONS, INC.

February 6, 2001

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

ATTN: Lori Wrotenbery, Director

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PRODUCTION

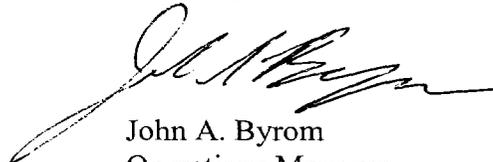
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RE: Re-Entry, Naomi Com #1 Well
Township 25 North – Range 3 West, NMPM
Section 25: SW/4
Rio Arriba County, New Mexico

Gentlemen,

D. J. Simmons, Inc. holds Record Title to federal lease number NM-105189 covering among other lands, the NE/4 and the N/2SE/4 of Section 25, Township 25 North – Range 3 West, NMPM, Rio Arriba County. McElvain Oil & Gas Properties, Inc. has proposed a re-entry of the Wynona #1 well locate in the SE/4SW/4 of Section 25, said well now referred to as the Naomi Com #1 well with a spacing unit designated for the S/2 of Section 25. At the present time, D. J. Simmons, Inc is opposed to this unit configuration.

Sincerely,



John A. Byrom
Operations Manager