LCX ENERGY, LLC

110 N. Marienfeld St., Suite 200 Midland, TX 79701 (432) 687-1575

May 3, 2007



New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division 1301 W. Grand Artesia, New Mexico 88210

Attn: Phil Hawkins

Re: Letter of Violation Lov No: 0211107 1624 State 291

Dear Phil:

This letter is written concerning the violation letter written 4/23/07 for the open drilling pit at the 1624 State 291 well site. 30-0/5-33055

LCX Energy's pit reclamation contractor will start cleanup of this pit no later than the week of May 14 depending on his work schedule. The C-144 was filled out today and forwarded to our contractor. LCX Energy will make sure the pit is dewatered immediately. The work should take about a week and half to complete.

Please call if you have any further questions concerning this matter.

Thank you,

Larry Giffette LCX Energy LLC

Accepted for record NMOCD