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FULLER PRODUCTION, INC.
POST OFFICE BOX 11327
MIDLAND, TEXAS 79702

RCVD NOV13'06
OIL CONS. DIV.
DIST. 3

November 6, 2006

Mr. Henry Villanueva
Oil & Gas Inspector, District III
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

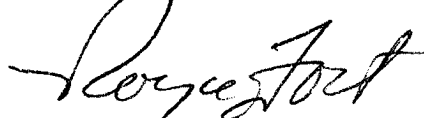
Re: Nickels #1
API 30-045-10870
SW/4 Sec. 11-31N-13W
San Juan County, New Mexico

Dear Mr. Villanueva:

We would like to update you on the captioned relative to your letter of August 16, 2006. We had several working interest partners and we have now gotten consent from all partners to proceed with plugging this well. Dugan Production Corp. will be supervising this work for us and they will be notifying you as soon as they can schedule the work.

Sincerely,

FULLER PRODUCTION, INC.



Royce Fort, Sec. Treas.