

November 6, 2006

Mr. David K. Brooks
Assistant General Counsel
Oil Conservation Division
New Mexico Energy, Minerals, and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

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Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

Re:

Administrative Application No. pDRC0628951227

Fox A State Well No. 6

F-2-9S-36E Lea County

Dear Mr. Brooks:

With reference to your letter of November 3, 2006 regarding the captioned well, please be advised that the Fox A State Lease (#VO-2522) covers all of Section 2, comprising 640 acres.

Ownership of the lease is uniform for the entire section, as Layton Enterprises, Inc. owns 100% of the working interest for all of it.

Please advise if further information is needed.

Sincerely

LAYTON ENTERPRISES, INC.

Donald R. Layton

President