

**D.J. SIMMONS, INC.**

February 6, 2001

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

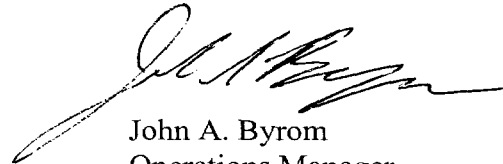
ATTN: Lori Wrotenbery, Director

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