



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-7010

February 5, 2007

Mr. Bob G. Alexander
Chairman, President and Chief Executive Officer
National Energy Group, Inc.
1400 One Energy Square
4925 Greenville Avenue
Dallas, TX 75206

Re: National Energy Group, Inc.
Form 10-K for the Fiscal Year Ended December 31, 2005
Filed March 16, 2006
Form 8-K
Filed November 28, 2006
File No. 001-31345

Dear Mr. Alexander:

We have completed our review of your Form 10-K and related filings and do not, at this time, have any further comments.

Sincerely,

April Sifford
Branch Chief