

Fasken Center Tower II • 550 W. Texas, Suite 700 • Midland, Texas 79701 • 432-684-4293 • 432-684-0829 FAX

## VIA CERTIFIED MAIL/RETURN RECIEPT REQUESTED

November 7, 2005

Oil Conservation Division Attn: Mark Fesmire, P.E. 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Agreed Compliance Order

Dear Mr. Fesmire,

In compliance with the Agreed Compliance Order, we are submitting our monthly compliance report regarding inactive wells.

No wells were plugged in October because the plugging rig had other commitments. We expect the pluggers to return in two weeks.

We have approval to P&A the Dallas #1 and the State BD. We have filed to P&A the Aztec State #14 and the Hill D #6. We are currently writing up procedures to re-complete the Bagley State Com #1 and the Hill D #4.

Latigo will continue to send monthly updates. If you have any questions please give me a call at (432)684-4293.

Sincerely,

Bruce Woodard

LATIGO PETROLEIO

District Operations Manager

Cc: District Office Chris Williams Billy Prichard

Gail MacQuesten