

# LATIGO

Petroleum, Inc.

June 6, 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 May on the inactive well list. We now have approved Sundries from the OCD to plug the following:

Central Corbin Queen #6	(30-025-01592)
Todd Lower SA Unit #318	(30-041-20273)
Todd Lower SA Unit #322	(30-041-20183)
Todd Lower SA Unit #356	(30-041-10556)
Todd Lower SA Unit #357	(30-041-20009)
Todd Lower SA Unit #359	(30-041-10597)
Todd Lower SA Unit #366	(30-041-10167)

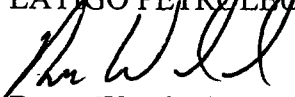
We have a Basic plugging rig in Texas with two wells remaining to be plugged. The above wells will be plugged back to back following completion of the Texas wells.

On the monthly compliance report dated April 7, 2005, we stated that the Cabot 13 State #1 was plugged. This should have been the Cabot B State #1.

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

Sincerely,

LATIGO PETROLEUM INC.



Bruce Woodard  
District Operations Manager

Cc: District Office  
Chris Williams  
Billy Prichard  
Gail MacQuesten