



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

January 14, 2006

Mr. James Bruce
Attorney at Law
Post Office Box 1056
Santa Fe, New Mexico 87504

Dear Mr. Bruce:

Based upon the reasons stated in your letter of January 14, 2006, and in accordance with the provisions of Division Order No. R-12446, Latigo Petroleum, Inc. is hereby granted an extension of time until February 15, 2006, in which to commence the drilling of the well pooled by this order.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire".

Mark E. Fesmire, P.E.

Director

fd/

cc: ✓ Case No. 13551
OCD - Artesia

JAMES BRUCE
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January 14, 2006

Via fax

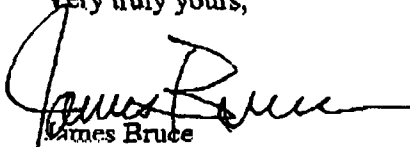
Mark E. Fesmire, P.E.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Order No. R-12446/Case No. 13551/Latigo Petroleum, Inc.

Dear Mr. Fesmire:

Latigo Petroleum, Inc. ("Latigo") requests a 30 day extension of the well commencement deadline in the above order, which expires on January 15, 2006. In this case, only Occidental Permian Ltd. ("Occidental") was pooled, and even after the order was entered Latigo has attempted to obtain the voluntary joinder of Occidental in the well. Although Occidental has verbally indicated it would farm out its interest or otherwise commit its interest, it has failed to do so. As a result, Latigo requests an extension in an effort to obtain the voluntary commitment of the interest owners.

Very truly yours,


James Bruce
Attorney for Latigo Petroleum, Inc.