

Highlander Environmental Corp.

Midland, Texas

30-015-33981

August 22, 2007

AUG 3 0 2007 OCD-ARTESIA

Mr. Mike Bratcher NMOCD, District II 1301 Grand Avenue Artesia, New Mexico 88210

Re:

Latigo Petroleum, Inc.

Marine 19 Federal #1, Final Pit Closure Report

Dear Mr. Bratcher:

Highlander Environmental Corp was contracted by Latigo Petroleum, Inc. to test and prepare closure documentation for the above mentioned reserve pit. This letter and attachments will serve as the final closure report for this reserve pit.

Due to very hard rock conditions, which we discussed on August 20, 2007, the depths to which sampling could be performed were limited. The depths tested are shown of the field testing data sheets. Because this material was not removed, the entire bottom of the reserve pit was bedded with sand and covered with 20 mil plastic. The entire reserve pit was then backfilled on your verbal approval. The pit backfill was completed the week of August 29, 2007.

Attached please find the field testing reports and final laboratory analysis for the above mentioned site. If you require any additional information please call.

Sincerely

Gary Miller

Accepted for record NMOCD