


December 2, 2005



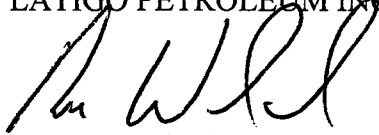
Basic has assured us that when the plugging rig gets back to Latigo we can keep it until we are done. Latigo intends to clean up the ACO commitment and immediately address the wells out of compliance with Rule 201.

I received a letter from Gail MacQuesten dated 11/15/05 questioning our ability to get back on the schedule dictated in the ACO. Due to availability of equipment I am going to email Gail MacQuesten to request an amendment to the ACO.

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.

A handwritten signature in black ink, appearing to read 'B. Woodard', written over the printed name.

Bruce Woodard
District Operations Manager

Cc: District Office
Chris Williams
~~Billy Prichard~~
Gail MacQuesten