



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

VIA CERTIFIED MAIL / RETURN RECEIPT REQUESTED

September 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.

The following wells were plugged in August, 2005:

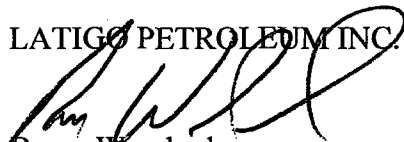
Todd Lower SA Unit #318 (30-041-20273) – 08/23/2005
Todd Lower SA Unit #322 (30-041-20183) – 08/18/2005
Todd Lower SA Unit #356 (30-041-10556) – 08/11/2005
Todd Lower SA Unit #357 (30-041-20009) – 08/15/2005
Todd Lower SA Unit #359 (30-041-10597) – 08/10/2005
Todd Lower SA Unit #366 (30-041-10167) – 08/08/2005

The Gifford A State #1 is currently undergoing plugging operations.

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

