



dugan production corp.

August 4, 2004

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410



Re: Dugan Production Corp.
Big Field #92
API #30 045 32201
Unit K, Sec. 15, T30N, R14W
San Juan County, NM

Ladies/Gentlemen:

Below are the deviations reported by the drilling contractor for the subject well:

1/4° @ 500'
1/2° @ 1000'
3/4° @ 1500'

Sincerely,


John Alexander
Vice-President

JA/tmf

State of New Mexico)

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County of San Juan)

Subscribed and sworn to before me this 4th day of August, 2004.



Notary Public

My Commission Expires: 03/07/07