



dugan production corp.

April 16, 2003

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

Re: Dugan Production Corp.
Davis Federal #1E
API #30 045 30714
Unit J, Sec. 24, T26N, R11W
San Juan County, NM



Gentlemen:

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

1/4° @ 324'	1/2° @ 2275'	2-1/2° @ 5128'	1-3/4° @ 6560'
3/4° @ 849'	1/2° @ 2769'	2° @ 5438'	
1/4° @ 1276'	1/2° @ 3237'	2-3/4° @ 5902'	
1/4° @ 1774'	1-1/4° @ 4632'	2-3/4° @ 6120'	

Sincerely,

John Alexander
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 16th day of April, 2003.

Lois Cunningham

Notary Public

My Commission Expires: 03/07/07