dugan production corp.

December 2, 2005

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

Re: ***Dugan Production Corp.***
Flo Jo #8 SWD
API #30 045 33320
Unit A, Sec. 23, T23N, R11W
San Juan County, NM

Ladies/Gentlemen:

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

¼° @ 126'	1° @ 1988'	1¾° @ 3856'	¾° @ 5895'
¼° @ 502'	1½° @ 2425'	1¼° @ 4450'	
¼° @ 792'	1° @ 2672'	½° @ 4701'	
1° @ 1046'	1¾° @ 3141'	1° @ 5052'	
¾° @ 1524'	¾° @ 3392'	1° @ 5458'	

DEC 2005
RECEIVED
OIL CONS. DIV.
DIST. 3

Sincerely,

Darrin Steed
Petroleum Engineer

DS/tmf

State of New Mexico)
ss
County of San Juan)

Subscribed and sworn to before me this 2nd day of December, 2005.

OFFICIAL SEAL
CONNIE L. RACZEK
NOTARY PUBLIC - STATE OF NEW MEXICO
My commission expires _____

Connie L. Raczek
Notary Public

My Commission Expires: 3/4/08

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