



dugan production corp.

December 27, 2017

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

Re: Dugan Production Corp.
Clay Com #1
API #30 045 35799
Unit D, Sec. 27, T23N, R10W
San Juan County, NM

OIL CONS. DIV DIST. 3

JAN 02 2018

Ladies/Gentlemen:

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

$\frac{1}{4}^{\circ}$ @ 125'
 $\frac{3}{4}^{\circ}$ @ 625'
1° @ 1025'

Sincerely,

John Alexander
Vice President

JA/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 27th day of December, 2017.

Notary Public

My Commission Expires: November 2, 2020