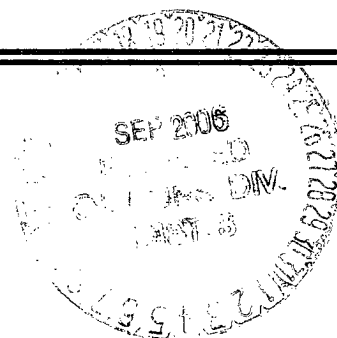




dugan production corp.



September 14, 2006

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

**Re: Dugan Production Corp.**  
Homer Com #91S  
API #30 045 33457  
Unit P, Sec. 29, T24N, R10W  
San Juan County, NM

Ladies/Gentlemen:

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

½° @ 500'  
1° @ 1000'  
1° @ 1240'

Sincerely,

John Alexander  
Vice-President

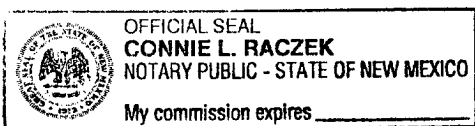
JA/tmf

State of New Mexico)

ss

County of San Juan )

Subscribed and sworn to before me this 14<sup>th</sup> day of September, 2006.



\_\_\_\_\_  
Notary Public

My Commission Expires:

3/4/08