

dugan production corp.

June 18, 2007

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

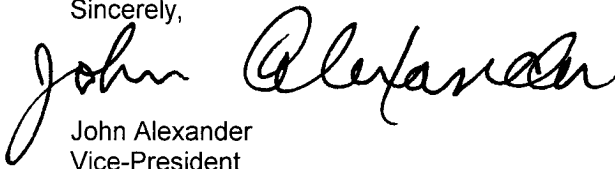
Re: Dugan Production Corp.
Clementine Com #90
API #30 045 34015
Unit N, Sec. 27, T24N, R10W
San Juan County, NM

Ladies/Gentlemen:

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

$\frac{1}{4}^{\circ}$ @ 500'
 $\frac{3}{4}^{\circ}$ @ 1000'
 $1\frac{1}{4}^{\circ}$ @ 1360'

Sincerely,


John Alexander
Vice-President

JA/tmf

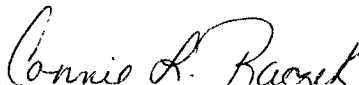
State of New Mexico)

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County of San Juan)

Subscribed and sworn to before me this 18th day of June, 2007.





Notary Public

My Commission Expires: 3/4/08

RCVD JUN22'07
OIL CONS. DIV.
DIST. 3