

dugan production corp.

October 22, 2008

RCVD OCT 23 '08
OIL CONS. DIV.

DIST. 3

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

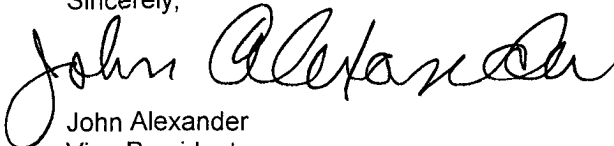
Re: Dugan Production Corp.
Dorsey Com #90
API #30 045 33861
Unit C, Sec. 26, T22N, R8W
San Juan County, NM

Ladies/Gentlemen:

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

1/2° @ 500'
3/4° @ 1000'
3/4° @ 1060'

Sincerely,



John Alexander
Vice-President

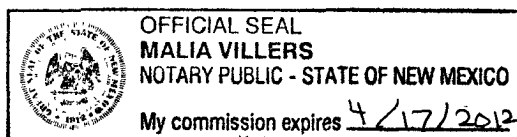
JA/tmf

State of New Mexico)

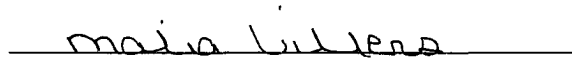
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County of San Juan)

Subscribed and sworn to before me this 22nd day of October, 2008.



My Commission Expires: April 17, 2012


Notary Public