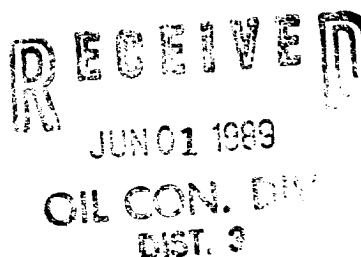


dugan production corp.

May 31, 1989

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

Re: Dugan Production Corp.
Baby Ruth #1
330' FNL & 330' FWL
Sec. 33, T23N, R11W, NMPM
San Juan County, NM



Gentlemen:

This is to certify that deviation tests were run on the captioned well and the following is a true report of those tests:

1/2° @ 475'
3/4° @ 1050'
3/4° @ 1400'
1-1/4° @ 1950'
1° @ 2580'

Sincerely,

Jim L. Jacobs

CONFIDENTIAL

cg

State of New Mexico)
County of San Juan)

ss

Subscribed and sworn to before me this 31st day of May, 1989.

Notary Public

My Commission Expires: 8/11/92