



dugan production corp.

May 22, 1991

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

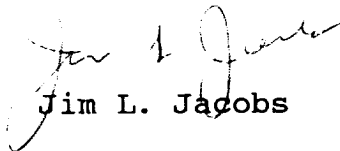
Re: DUGAN PRODUCTION CORP.
Champ No. 7
1980' FSL & 1830' FWL
Unit K, Sec. 5, T23N, R10W, NMPM
San Juan County, NM

Gentlemen:

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

3/4° @ 124'	3/4° @ 1765'
3/4° @ 200'	1° @ 2265'
3/4° @ 554'	3/4° @ 2391'
2-1/2° @ 1075'	1-1/4° @ 2887'
2-1/2° @ 1169'	1-1/4° @ 3382'
2-1/4° @ 1264'	1° @ 3875'
2° @ 1461'	1° @ 4381'


Sincerely,


Jim L. Jacobs

cg

State of New Mexico) ss
County of San Juan)

Subscribed and sworn to before me this 22nd day of May, 1991.


Notary Public

My Commission Expires: August 11, 1992.

