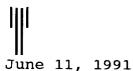


dugan production corp.



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

Re: DUGAN PRODUCTION CORP.

LH #174
570' FNL & 645' FEL
Unit A, Sec. 32, T23N, R8W, NMPM
San Juan County, NM



OIL CON. DIV.

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°	9	931	1-3/4°	9	2108'
1/4°	9	215'	1-1/4°	9	2448
1-1/2°	9	525 '	1-3/4°	@	2852 t
1-1/4°	@	737 '	2°	@	3346'
1°	9	1010'	1-3/4°	6	3536'
1-1/4°	9	1510'	1-1/4°	e	4034'
1-3/4°	9	1858 '	1-1/2°	a	4569 '
			1-1/2°	a	4850¹

Sincerely,

Jim L. Jacobs

cg

State of New Mexico) Scounty of San Juan)

Subscribed and sworn to before me this 11th day of June, 1991.

Notary Public

My Commission Expires: August 11, 1992.