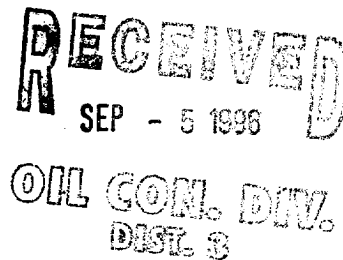


dugan production corp.

September 3, 1996

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



**Re: DUGAN PRODUCTION CORP.**  
Lee's Ferry #90  
2510' FSL & 1850' FEL  
Unit J, Sec. 19, T24N, R8W  
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° @ 500'  
1/2° @ 1000'  
3/4° @ 1500'  
3/4° @ 1740'

Sincerely,

Jim L. Jacobs

cg

State of New Mexico)  
County of San Juan ) ss

Subscribed and sworn to before me this 3rd day of September, 1996.

Notary Public

My Commission Expires: Aug. 11, 2000