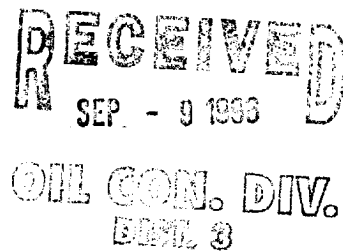


dugan production corp.

September 5, 1996

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

Re: DUGAN PRODUCTION CORP.
Kaibab Trail #90
990' FSL & 1850' FWL
Unit N, Sec. 20, T24N, R8W
San Juan County, NM

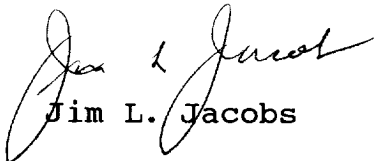


Gentlemen:

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'
3/4° @ 1000'
3/4° @ 1500'
3/4° @ 1730'

Sincerely,


Jim L. Jacobs

cg

State of New Mexico)
County of San Juan) ss

Subscribed and sworn to before me this 5th day of September, 1996.


Notary Public

My Commission Expires: Aug. 11, 2000