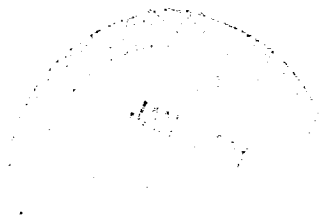


dugan production corp.

January 29, 2001

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

Re: Dugan Production Corp.
Elwood P. Dowd #90
API #30 045 29634
Unit N, Sec. 12, T24N, R9W
San Juan County, NM



Gentlemen:

Below are the deviations reported by the drilling contractor for the subject well:

1/2° @ 500' 1° @ 1825'
1° @ 1000'
1° @ 1500'

Sincerely,


John Alexander
Vice-President

JA/tmf

State of New Mexico)
County of San Juan)^{ss}

Subscribed and sworn to before me this 29th day of January, 2001.



Notary Public

My Commission Expires: 03/07/03