



dugan production corp.

July 12, 2001

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

Re: Dugan Production Corp.
Spandex Com #90
API #30 045 30637
Unit G, Sec. 16, T25N, R10W
San Juan County, NM

Gentlemen:

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

$\frac{1}{4}^{\circ}$ @ 500'
 $\frac{1}{4}^{\circ}$ @ 1000'
 $\frac{1}{2}^{\circ}$ @ 1500'
 $\frac{3}{4}^{\circ}$ @ 1830'

Sincerely,

John Alexander
Vice-President



JA/tmf

State of New Mexico)
County of San Juan) ss

Subscribed and sworn to before me this 12th day of July, 2001.

Notary Public

My Commission Expires: 9/8/01