



dugan production corp.



December 3, 2002

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

Re: Dugan Production Corp.
San Juan R Federal Com #90
API #30 045 30589
Unit G, Sec. 12, T26N, R12W
San Juan County, NM



Ladies/Gentlemen:

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

1/4° @ 500'
1/2° @ 1,000'

Sincerely,

John Alexander

John Alexander
Vice-President

JA/tmf

State of New Mexico) ss
County of San Juan)

Subscribed and sworn to before me this 3rd day of December, 2002.

[Signature]

Notary Public

My Commission Expires: 9/8/05