



dugan production corp.

June 8, 2001

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

Re: Dugan Production Corp.
Federal I #4R
API #30 045 30592
Unit D, Sec. 1, T29N, R14W
San Juan County, NM



Gentlemen:

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

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

Sincerely,

John Alexander
John Alexander
Vice-President

JA/tmf

State of New Mexico)
County of San Juan) ss

Subscribed and sworn to before me this 8th day of June, 2001.

David D. Hetch

Notary Public

My Commission Expires: 9/8/01