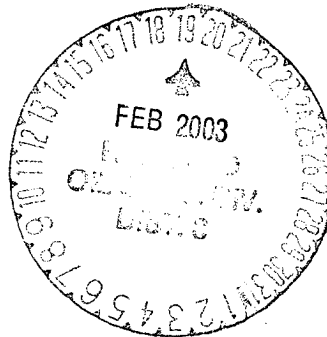


dugan production corp.

February 18, 2003

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

Re: Dugan Production Corp.
Turk's Toast #91S
API #30 045 30737
Unit J, Sec. 17, T30N, R14W
San Juan County, NM

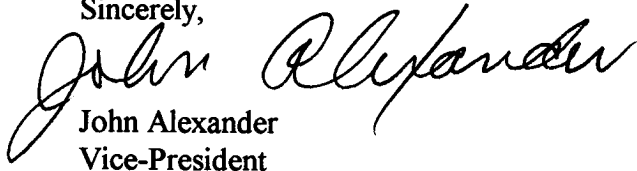


Ladies/Gentlemen:

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

$\frac{1}{2}^{\circ}$ @ 500'
 $\frac{3}{4}^{\circ}$ @ 1000'
 $\frac{3}{4}^{\circ}$ @ 1315'

Sincerely,


John Alexander
Vice-President

JA/tmf

State of New Mexico) ss
County of San Juan)

Subscribed and sworn to before me this 18th day of February, 2003.



Notary Public

My Commission Expires: 03/07/03