



dugan production corp.

January 24, 2003

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

Re: Dugan Production Corp.
Rachel #90
API # 30-045-29834 NM-61
Unit H, Sec. 34, T-26N, R-12W (NE/4 SW/4)
San Juan County, New Mexico

Ladies/Gentlemen:

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

1/2° @ 500'
1/2° @ 1,000'

Sincerely,


John Alexander
Vice-President

JA/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 24th day of January, 2003.




Notary Public

My Commission Expires: 03/07/03