

dugan production corp.

June 14, 2004

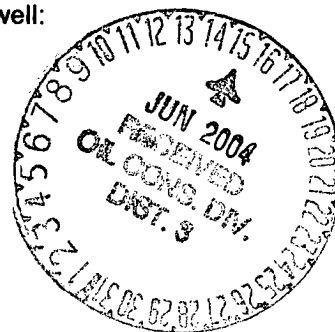
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Re: Dugan Production Corp.
Big Field #7
API #30 045 32256
Unit M, Sec. 10, T30N, R14W
San Juan County, NM

Gentlemen:

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

¼° @ 500'
½° @ 1000'
1° @ 1500'
1° @ 1880'



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 14th day of June, 2004.

Kevin Cunningham
Notary Public

My Commission Expires: 03/07/07