



dugan production corp.

November 16, 2004

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



Re: Dugan Production Corp.
Poles Paradise #90S
API #30 045 32450
Unit E, Sec. 9, T30N, R14W
San Juan County, NM

Ladies, Gentlemen:

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

Bullseye @ 500'
1/2" @ 1000'

Sincerely,

John Alexander
Vice-President

JA/tmf

State of New Mexico)

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County of San Juan)

Subscribed and sworn to before me this 16th day of November, 2004.

Notary Public

My Commission Expires: 03/07/07