

dugan production corp.

January 11, 2005

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


Re: Dugan Production Corp.
Patriot #1S
API #30 045 32029
Unit P, Sec. 29, T26N, R13W
San Juan County, NM

Ladies/Gentlemen:

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

1/2° @ 500'
1° @ 1000'
1° @ 1560'

Sincerely,


John Alexander
Vice-President



JA/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 11th day of January, 2005.


Notary Public

My Commission Expires: 03/07/07