

dugan production corp.

August 3, 2005

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



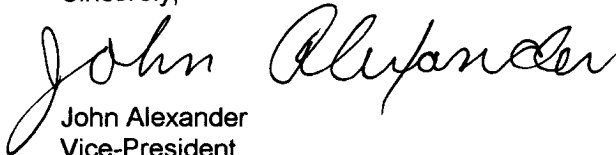
Re: Dugan Production Corp.
Bert Com #90
API #30 045 32714
Unit O, Sec. 2, T24N, R11W
San Juan County, NM

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'
 $1\frac{1}{4}^{\circ}$ @ 1500'

Sincerely,


John Alexander
Vice-President

JA/tmf

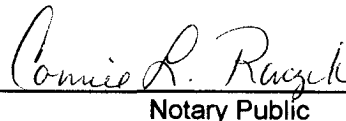
State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 3rd day of August, 2005.




Notary Public

My Commission Expires: 3/4/08