



dugan production corp.

November 10, 2005

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

Re: Dugan Production Corp.
Largo Federal B #2
API #30 045 33173
Unit C, Sec. 22, T24N, R9W
San Juan County, NM

Ladies/Gentlemen:

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

¾° @ 90'	1° @ 1234'	1° @ 3041'	1° @ 4763'
½° @ 221'	1° @ 1516'	1¼° @ 3294'	¾° @ 5223'
¼° @ 444'	¾° @ 1784'	½° @ 3544'	¾° @ 5420'
1° @ 672'	¾° @ 2479'	¼° @ 3792'	
¾° @ 953'	¾° @ 2791'	1° @ 4260'	

Sincerely,

Darrin Steed
Petroleum Engineer

DS/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 10th day of November, 2005.



Notary Public

My Commission Expires: 3/4/08