



dugan production corp.

December 2, 2005

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

Re: Dugan Production Corp.
Big Yazzie #1
API #30 045 33149
Unit B, Sec. 6, T23N, R9W
San Juan County, NM

Ladies/Gentlemen:

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

1/4° @ 672'
1° @ 1122'
1/2° @ 1579'
1/2° @ 2025'

1/2° @ 2025'
3/4° @ 2465'
1-3/4° @ 2915'



Sincerely,

Darrin Steed

Darrin Steed
Petroleum Engineer

DS/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 2nd day of December, 2005.



Connie L. Raczek

Notary Public

My Commission Expires: 3/4/08