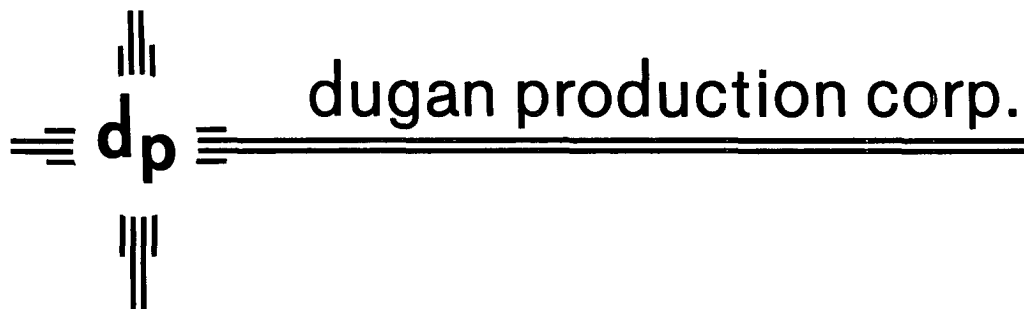




February 1, 2006

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

Re: Dugan Production Corp.
Flo Jo #91S
API #30 045 33327
Unit E, Sec. 13, T23N, R11W
San Juan County, NM

Ladies/Gentlemen:

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

¼° @ 500'
¾° @ 810'

Sincerely,

John Alexander
Vice-President



JA/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 1st day of February, 2006.



Notary Public

My Commission Expires: 3/4/08