



dugan production corp.



May 22, 2006

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

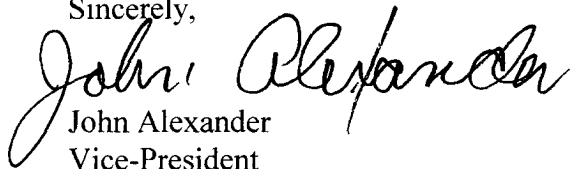
Re: Dugan Production Corp.
Jeter #1S
API #30 045 32990
Unit P, Sec. 1, T25N, R13W
San Juan County, NM

Ladies/Gentlemen:

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

Bulls-eye @ 500'
1/4° @ 1000'
1/2° @ 1360'

Sincerely,


John Alexander
Vice-President

JA/tmf

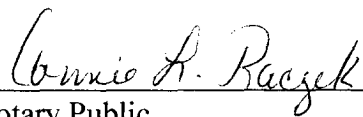
State of New Mexico)

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County of San Juan)

Subscribed and sworn to before me this 22nd day of May, 2006.





Notary Public

My Commission Expires: 3/4/08

