



dugan production corp.

May 22, 2006

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

Re: Dugan Production Corp.
Salge Federal A Com #90S
API #30 045 32991
Unit J, Sec. 3, T25N, R13W
San Juan County, NM

Ladies/Gentlemen:

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

$\frac{1}{4}^{\circ}$ @ 500'
 $\frac{3}{4}^{\circ}$ @ 1000'
 $1\frac{1}{4}^{\circ}$ @ 1500'

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

