

dugan production corp.

July 17, 2007

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

**Re: Dugan Production Corp.**  
Latex #2S  
API #30 045 34022  
Unit O, Sec. 9, T25N, R10W  
San Juan County, NM

Ladies/Gentlemen:

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

¼° @ 500'  
¾° @ 1000'  
1° @ 1500'  
1¼° @ 1960'

RCVD JUL 19'07  
OIL CONS. DIV.  
DIST. 3

Sincerely,

  
John Alexander  
Vice-President

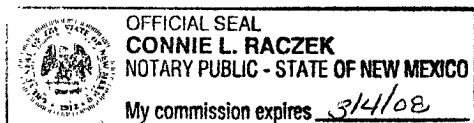
JA/tmf

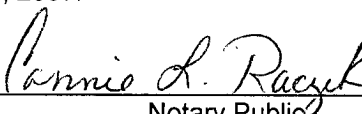
State of New Mexico)

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County of San Juan )

Subscribed and sworn to before me this 17<sup>th</sup> day of July, 2007.



  
Notary Public

My Commission Expires: 3/4/08

12