

dugan production corp.

August 17, 2007

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

Re: Dugan Production Corp.
Gold Medal #91S
API #30 045 34226
Unit P, Sec. 31, T24N, R10W
San Juan County, NM

Ladies/Gentlemen:

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

Bullseye @ 500'
3/4" @ 1000'
3/4" @ 1200'

Sincerely,


John Alexander
Vice-President

JA/tmf

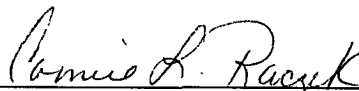
State of New Mexico)

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County of San Juan)

Subscribed and sworn to before me this 17th day of August, 2007.





Notary Public

My Commission Expires: 3/4/08

RCVD AUG 22 '07

OIL CONS. DIV.

DIST. 3