

dugan production corp.

January 8, 2008

RCVD JAN 14 '08
OIL CONS. DIV.
DIST. 3

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

Re: Dugan Production Corp.
Federal I #101S
API #30 045 34294
Unit I, Sec. 1, T29N, R14W
San Juan County, NM

Ladies/Gentlemen:

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

1/4° @ 500'
1° @ 1000'
1 1/4° @ 1300'

Sincerely,


John Alexander
Vice-President

JA/tmf

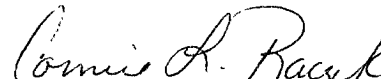
State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 8th day of January, 2008.




Notary Public

My Commission Expires: 3/4/08