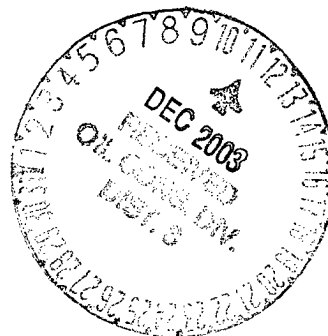


dugan production corp.

December 9, 2003

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

Re: Dugan Production Corp.
Nice Com #90
API #30 045 31956
Unit O, Sec. 7, T30N, R14W
San Juan County, NM



Ladies, Gentlemen:

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

1/4° @ 500'
1° @ 1020'

Sincerely,

John Alexander
Vice-President

JA/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 9th day of December, 2003.

Notary Public

My Commission Expires:

03/07/07