

dugan production corp.

February 16, 2004

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

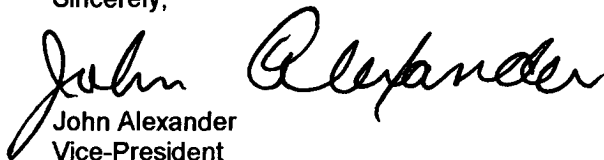
Re: Dugan Production Corp.
Mesa #4 SWD
API #30 045 32086
Unit I, Sec. 16, T24N, R8W
San Juan County, NM

Ladies/Gentlemen:

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

¾° @ 190'	1° @ 2940'
Bulls eye @ 530'	1° @ 3400'
1° @ 993'	¾° @ 3880'
1° @ 1497'	¾° @ 4378'
¾° @ 1997'	¾° @ 4650'
1° @ 2430'	

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 16th day of February, 2004.


Notary Public

My Commission Expires: 03/07/07

