

dugan production corp.

May 05, 2011

RCVD MAY 6 '11
OIL CONS. DIV.

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

DIST. 3

Re: Dugan Production Corp.
Susana Com # 1
API #30 045 35243
Unit D Sec. 02, T 21N, R 08W
San Juan County, NM

Ladies/Gentlemen:

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

1/4° @ 500'

1/2° @ 940'

Sincerely,

John C. Alexander
Vice-President

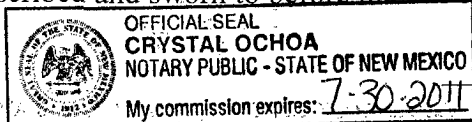
JCA/jdc

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 5th day of May, 2011.



Notary Public

My Commission Expires: July 30, 2011