



dugan production corp.

April 29, 2004

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

Re: Dugan Production Corp.
Salge Federal A #94S
API #30 045 31349
Unit J, Sec. 34, T26N, R13W
San Juan County, NM

Gentlemen:

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

$\frac{1}{2}^{\circ}$ @ 500'
 $\frac{3}{4}^{\circ}$ @ 1000'
 $\frac{3}{4}^{\circ}$ @ 1400'

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 29th day of April, 2004.




Notary Public

My Commission Expires:

03/07/07