

dugan production corp.

August 24, 2011

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

Re: Dugan Production Corp.
Mancini Com #5
API #30 045 34761
Unit M, Sec. 10, T22N, R8W
San Juan County, NM



Ladies/Gentlemen:

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

0° @ 132'
1/2° @ 400'
1/2° @ 1060'

Sincerely,


John Alexander
Vice-President

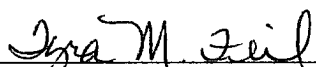
JA/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 24th day of August, 2011.



Notary Public

My Commission Expires: July 14, 2014

A