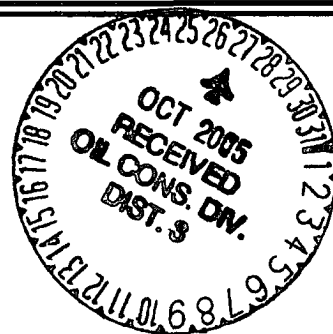


dugan production corp.



October 25, 2005

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

Re: **Dugan Production Corp.**
Herry Monster #3 SWD
API #30 045 33217
Unit F Sec. 11, T24N, R11W
San Juan County, NM

Ladies/Gentlemen:

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

1/2° @ 95'	3-3/4° @ 2109'	2° @ 3142'	3° @ 4393'	3/4° @ 6108'
1° @ 334'	5° @ 2235'	1-3/4° @ 3298'	2° @ 4706'	3/4° @ 6448'
1/2° @ 730'	3 1/2° @ 2360'	2 1/4° @ 3486'	3/4° @ 4956'	3/4° @ 6698'
1° @ 1233'	3° @ 2517'	2 1/2° @ 3641'	1° @ 5206'	3/4° @ 6948'
3° @ 1643'	2° @ 2675'	2 1/4° @ 3872'	1-3/4° @ 5456'	
3° @ 1828'	1-3/4° @ 2832'	2° @ 3982'	3/4° @ 5707'	
3-3/4° @ 1987'	2 1/2° @ 2987'	3° @ 4230'	3/4° @ 5956'	

Sincerely,

John Alexander
John Alexander
Vice-President

JA/tmf

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 25th day of October, 2005.



My Commission Expires:

3/4/08

Connie L. Raczek
Notary Public