

dugan production corp.

RCVD NOV 17 06
OIL CONS. DIV.
DIST. 3

November 14, 2006

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

Re: Dugan Production Corp.
Werito Corn #1
API #30 045 33382
Unit J, Sec. 8, T23N, R9W
San Juan County, NM

Ladies/Gentlemen:

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

1½° @ 900'	2° @ 3131'	2° @ 4744'
2° @ 1979'	2½° @ 3415'	2° @ 5028'
3° @ 2250'	1° @ 3796'	1¼° @ 5282'
3° @ 2530'	1° @ 4108'	
2° @ 2824'	1° @ 4394'	

Sincerely,

John Alexander
Vice-President

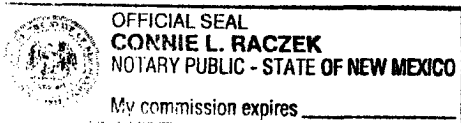
JA/tmf

State of New Mexico)

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County of San Juan)

Subscribed and sworn to before me this 14th day of November, 2006.



Notary Public

My Commission Expires: 3/4/08

B 11/20