

dugan production corp.

RCVD NOV30'06
OIL CONS. DIV.
DIST. 3

November 28, 2006

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

Re: Dugan Production Corp.
Arviso #1
API #30 045 33943
Unit L, Sec. 5, T24N, R8W
San Juan County, NM

Ladies/Gentlemen:

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

½° @ 640'
1° @ 2115'

Sincerely,


John Alexander
Vice-President

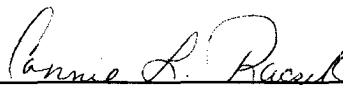
JA/tmf

State of New Mexico)

ss

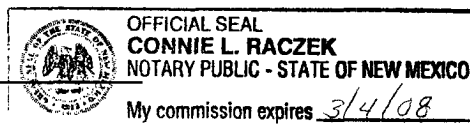
County of San Juan)

Subscribed and sworn to before me this 28th day of November, 2006.



Notary Public

My Commission Expires: 3/4/08



Q