

dugan production corp.

January 30, 2007

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

Re: Dugan Production Corp.
Zoe #90S
API #30 045 33451
Unit C, Sec. 19, T24N, R10W
San Juan County, NM

Ladies/Gentlemen:

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

1/4° @ 500'
1° @ 1000'
1 1/4° @ 1240'

Sincerely,


John Alexander
Vice-President

JA/tmf

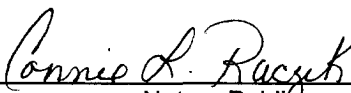
State of New Mexico)

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County of San Juan)

Subscribed and sworn to before me this 30th day of January, 2007.




Notary Public

My Commission Expires: 3/4/08

Spud?

B