

dugan production corp.

June 18, 2007

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

Re: Dugan Production Corp.
Spandex Com #90S
API #30 045 34000
Unit D, Sec. 16, T25N, R10W
San Juan County, NM

Ladies/Gentlemen:

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

½° @ 500'
1° @ 1000'
1¼° @ 1500'
1¼° @ 1810'

RCVD JUN22'07
OIL CONS. DIV.
DIST. 3

Sincerely,


John Alexander
Vice-President

JA/tmf

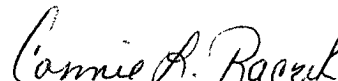
State of New Mexico)

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County of San Juan)

Subscribed and sworn to before me this 18th day of June, 2007.




Notary Public

My Commission Expires: 3/4/08