

dugan production corp.



August 23, 2010

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

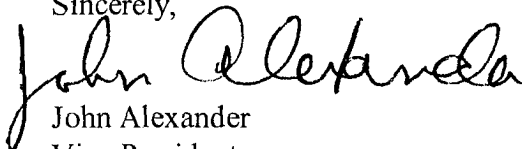
Re: Dugan Production Corp.
Sixteen G's # 91S
API #30 045 35145
Unit O Sec. 07, T24N, R09W
San Juan County, NM

Ladies/Gentlemen:

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

$\frac{1}{4}^{\circ}$ @ 500'
1° @ 1220'
1° @ 1920'

Sincerely,


John Alexander
Vice-President

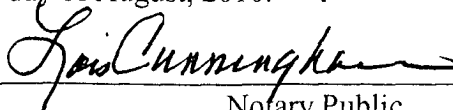
JA/jdc

State of New Mexico)

ss

County of San Juan)

Subscribed and sworn to before me this 23th day of August, 2010.


Notary Public

My Commission Expires:

03/07/11