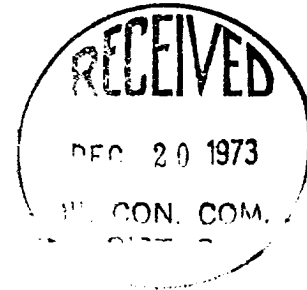


dugan production corp.

December 18, 1973

Mr. Emery C. Arnold
N. M. Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410



Re: Jerome P. McHugh
Cougar #2
1850' FSL, 1850' FWL
Section 36, T25N, R2W
Rio Arriba County, N.M.

Dear Mr. Arnold:

This is to certify that deviation tests were run on the captioned well and the following is a true report of those tests:

1 1/2° - 607'

1° - 2970'

1° - 2332'

1° - 3228'

Sincerely,

Thomas A. Dugan
Thomas A. Dugan

State of New Mexico)
County of San Juan) ss

Subscribed and sworn to before me this 18th day of December, 1973.

Corothy J. Winer

Notary Public

My commission expires November 5, 1974.