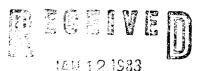


dugan production corp.

January 7, 1983

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



OIL CON. DIV.

DIST. 3

Re:

DUGAN PRODUCTION CORP.

Big Bird #1

SW/4 Sec. 5, T24N, R9W San Juan County, NM

Gentlemen:

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

2 degrees @ 6540' 1-1/4 degree @ 3525' 3/4 degree @ 220' 1-1/4 degree @ 4023' 3/4 degree @ 781' 1-1/2 degree @ 4494' 1/2 degree @ 1280' 1 degree @ 4651' 1/2 degree @ 1765' 1-1/4 degree @ 5051' 3/4 degree @ 2281' 1-1/4 degree @ 5682' 1-1/4 degree @ 3016' 2-1/4 degree @ 6334'

Sincerely,

Thomas A. Dug

State of New Mexico) County of San Juan)

Subscribed and sworn to before me this 7th day of January 19 83.

OFFICIAL SEAL

Frances Perus



OFFICIAL SEAL FRANCES PERRIN

NOTARY PUBLIC STATE OF NEW MEXICO

My Commission Expires