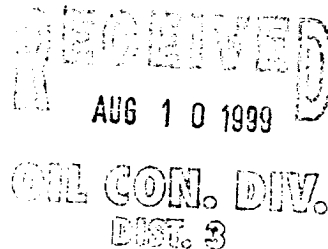


dugan production corp.

August 9, 1999

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



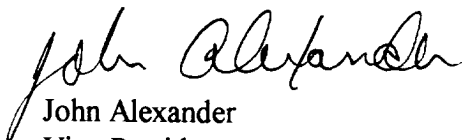
Re: Dugan Production Corp.
El Nino #6
API #30 045 29638
Unit L, Sec. 11, T26N, R9W
San Juan County, NM

Gentlemen:

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


1/2° @ 330'	3/4° @ 2861'	3/4° @ 5563'
3/4° @ 575'	3/4° @ 3311'	1/2° @ 5968'
1/2° @ 1032'	3/4° @ 3761'	1/2° @ 6315'
1° @ 1527'	1/4° @ 4271'	1° @ 6708'
1/2° @ 1961'	3/4° @ 4660'	
1/2° @ 2411'	3/4° @ 5127'	

Sincerely,


John Alexander
Vice-President

State of New Mexico)
County of San Juan)^{ss}

Subscribed and sworn to before me this 9th day of August, 1999.


Notary Public

My Commission Expires: Aug 1 2000