

dugan production corp.

November 22, 1977

N. M. Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

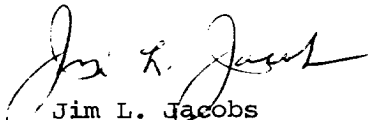
Re: Dugan Production Corp.
Sherman Edward 2B
940' FSL - 2070' FEL
Section 3, T29N, R5W
Rio Arriba, NM

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 1/4" @ 2725'
2" @ 3308'
3/4" @ 4417'
3/4" @ 4848'

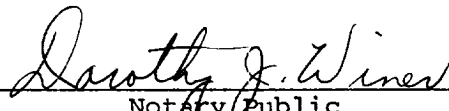
Sincerely,


Jim L. Jacobs
Geologist

State of New Mexico)
County of San Juan) ss



Subscribed and sworn to before me this 22nd day of Nov., 1977.



Notary Public

My commission expires November 5, 1978