

THOMAS A. DUGAN
President
Home 325-5694

JIM JACOBS
Vice-President
Home 325-8353

DUGAN PRODUCTION CORP.

709 Bloomfield Road
Post Office Box 234 Telephone 325-0238
Area Code 505
FARMINGTON, NEW MEXICO
87401

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

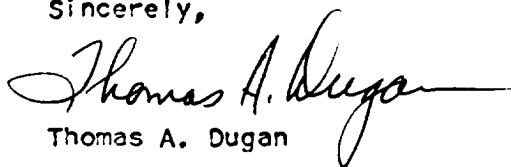
Re: Lively Exploration Company
Lively #7-Y
1850' FNL, 1140' FWL
Section 35, T30N, R8W
San Juan County, New Mexico

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:

1/2°	-	255'	1/4°	-	4555'
1/2°	-	860'	1°	-	5106'
3/4°	-	1453'	1°	-	5607'
1°	-	1991'	1-1/4°	-	6358'
3/4°	-	2430'	1-3/4°	-	6826'
1°	-	3887'			


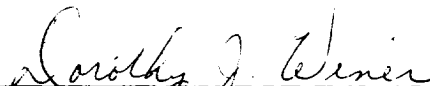
Sincerely,


Thomas A. Dugan

cb

State of New Mexico)
County of San Juan) ss

Subscribed and sworn to before me this 10th day of May, 1973.



Notary Public

My commission expires November 5, 1974.