

dugan production corp.

January 31, 1989

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

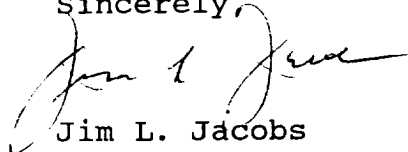
Re: Dugan Production Corp.
Nice #2
830' FNL & 1530' FEL
Sec. 4, T30N, R14W, NMPM
San Juan County, NM

Gentlemen:

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

3/4° @ 186'	1-3/4° @ 3370'
1/2° @ 549'	1-1/4° @ 3870'
1° @ 1041'	1-1/4° @ 4372'
1-1/4° @ 1534'	1-1/4° @ 4899'
2-1/4° @ 2026'	1-3/4° @ 5462'
1-1/4° @ 2277'	2-1/4° @ 5807'
2° @ 2756'	2-1/4° @ 5962'
2° @ 2872'	

Sincerely,


Jim L. Jacobs

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RECEIVED
FEB 1 0 1989
OIL CON. DIV.
DIST. 3

State of New Mexico)
County of San Juan) ss

Subscribed and sworn to before me this 31st day of January, 1989.


Notary Public

My Commission Expires: 8/11/92