



dugan production corp.

March 14, 2001

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



Re: Dugan Production Corp.
Stella Needs a Com #2
API #30 045 30574
Unit D, Sec. 36, T30N, R14W
San Juan County, NM

Gentlemen:

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

1/2° @ 500'
3/4° @ 1000'
1 1/4° @ 1345'

Sincerely,

John Alexander
Vice-President

JA/tmf

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

Subscribed and sworn to before me this 14th day of March, 2001.

Notary Public

My Commission Expires: 9/8/01