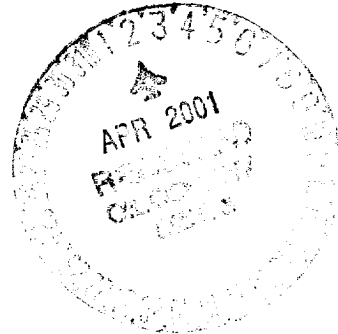


dugan production corp.

March 30, 2001

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



Re: Dugan Production Corp.
Winifred Com #90
API #30 045 30577
Unit O, Sec. 26, T30N, R14W
San Juan County, NM

Gentlemen:

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

1/4° @ 500'
3/4° @ 1000'
1° @ 1315'

Sincerely,

John Alexander
John Alexander
Vice-President

JA/tmf

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

Subscribed and sworn to before me this 30th day of March, 2001.

Doree R. Hetch

Notary Public

My Commission Expires: 9/8/01