



dugan production corp.

April 20, 2001

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



Re: Dugan Production Corp.
Jacobs #3
API #30 045 30590
Unit C, 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'
1/2° @ 1000'
3/4° @ 1425'

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 20th day of April, 2001.

Maci R. Hatch

Notary Public

My Commission Expires: 9/8/01