



dugan production corp.

March 6, 2002

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



Re: Dugan Production Corp.
Cline #1R
API #30 045 30995
Unit P, Sec. 33, T30N, R14W
San Juan County, NM

Gentlemen:

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

0° @ 500'
1-1/4° @ 1,100'

Sincerely,

John Alexander
Vice-President

JA:sh

State of New Mexico) ss
County of San Juan)

Subscribed and sworn to before me this 6th day of March, 2002.

Notary Public

My Commission Expires: 03/07/03