

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
May 27, 2004

RECEIVED

Submit to appropriate District Office

AUG 16 2004

☐ AMENDED REPORT

OOD-ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Echo Production, Inc.		² OGRID Number 006742
³ Property Code	³ Property Name Pine Springs '2' State	³ API Number 30-015-33562
⁹ Proposed Pool 1 Wildcat - Morrow		¹⁰ Proposed Pool 2 1

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	26S	25E		1980	north	810	west	Eddy

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 3584
¹⁶ Multiple no	¹⁷ Proposed Depth 12,300'	¹⁸ Formation Morrow	¹⁹ Contractor J & W	²⁰ Spud Date 11/01/04
Depth to Groundwater 50 - 100'		Distance from nearest fresh water well 1000' +		Distance from nearest surface water 1000' +
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/>		Pit Volume: 12800 bbls		
Closed-Loop System <input type="checkbox"/>		Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8"	48	400	±500	surface
11	8 5/8	32	5150	±1500	surface
7 7/8	5 1/2	17	12300	sufficient to reach 600' above any productive zone	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Echo Production, Inc. proposes to drill to a depth sufficient to test the Morrow formation. If productive, 5 1/2" casing will be set. If non-productive, the well will be plugged and abandoned in a manner consistent with State Regulations.

Mud program and H₂S contingency plan are attached.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Tom Golden

Title: Operations Manager

E-mail Address:

Date: 8/11/04

Phone: 940-549-3292

OIL CONSERVATION DIVISION

Approved by:

TIM W. GUM

DISTRICT II SUPERVISOR

Approval Date:

AUG 20 2004

Expiration Date:

AUG 20 2005

Conditions of Approval Attached ☐

AGS

Echo Production, Inc.

PO Box 1210 Graham, Texas 76450 (940) 549-3292 Fax: (940) 549-5162

**Pine Springs '2' State #1
1980' FNL & 810' FWL
Section 2 T26S R25E
Eddy County, New Mexico**

Attached is a drilling fluids summary for the subject well. A fresh water system will be utilized for the surface (400'), brine for the intermediate (400-5150') and cut brine for the remainder.

Mud recaps, scout tickets and bit records were reviewed on ten wells drilled in the general area. This data did not show any abnormally pressured zones or any formations encountering H₂S. Sufficient mud weights will be utilized to eliminate any flow from the well. A double ram type blowout preventor will be utilized during all drilling operations and will be tested after setting both the surface and intermediate casing.

Although the nearest public road is .8 mile from the location H₂S detection and safety equipment will be utilized and all rig personnel will receive safety training by a qualified H₂S safety instructor as to the following:

- A. Characteristics of H₂S
- B. Physical effects and hazards
- C. Proper use of safety equipment and life support systems
- D. Principle and operation of H₂S detectors
- E. Evacuation procedure, routes and first aid
- F. Proper use of air pack

Recommended Drilling Fluids Program**Date:** 1/6/2004

Echo Production * Pine Springs "2" State # 1 * Sec 2, T-26-S, R-25-E, Eddy, NM

Projected Mud Properties

INTERVAL: 0 - 400					
17.5" hole			13.375" csg		
Depth	Mud Wt. - ppg	Viscosity	Filtrate	pH	Solids - % by vol.
0' - 400'	8.4-9.0	34-36	N/C	9.0	3.0-6.0
INTERVAL: 400 - 5,150					
12.25" hole			8.625" csg		
Depth	Mud Wt. - ppg	Viscosity	Filtrate	pH	Solids - % by vol.
400' - 5,150'	10.0	28	N/C	11.0	.5-1.0
INTERVAL: 5,150 - 8,750					
7.875" hole					
Depth	Mud Wt. - ppg	Viscosity	pH	Chlorides - ppm	Solids - % by vol.
5,400' - 7,500'	8.4-8.6	28	11.0	3,000-20,000	.5
7,500' - 8,750'	9.5-9.6	28	11.0	130k-140k	.5-.75
INTERVAL: 8,750 - 12,300					
7.875" hole			5.5" csg		
Depth	Mud Wt. - ppg	Viscosity	Filtrate	pH	Solids - % by vol.
8,750' - 10,100'	9.7	28	N/C	10.0	.5
10,100' - 10,450'	9.7-9.9	32-34	10cc	10.0	1.0-2.0
10,450' - 10,850'	9.9-10.0	32-36	8cc	10.0	1.5-3.0
10,850' - 12,300'	10.0-10.2	36-38	6cc	10.0	3.0-4.0

State of New Mexico

DISTRICT I

1625 N. FRENCH DR., BOBBS, NM 86240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name Wildcat
Property Code	Property Name PINE SPRINGS "2" STATE	Well Number 1
OGRID No.	Operator Name ECHO PRODUCTION, INC.	Elevation 3584'

Surface Location

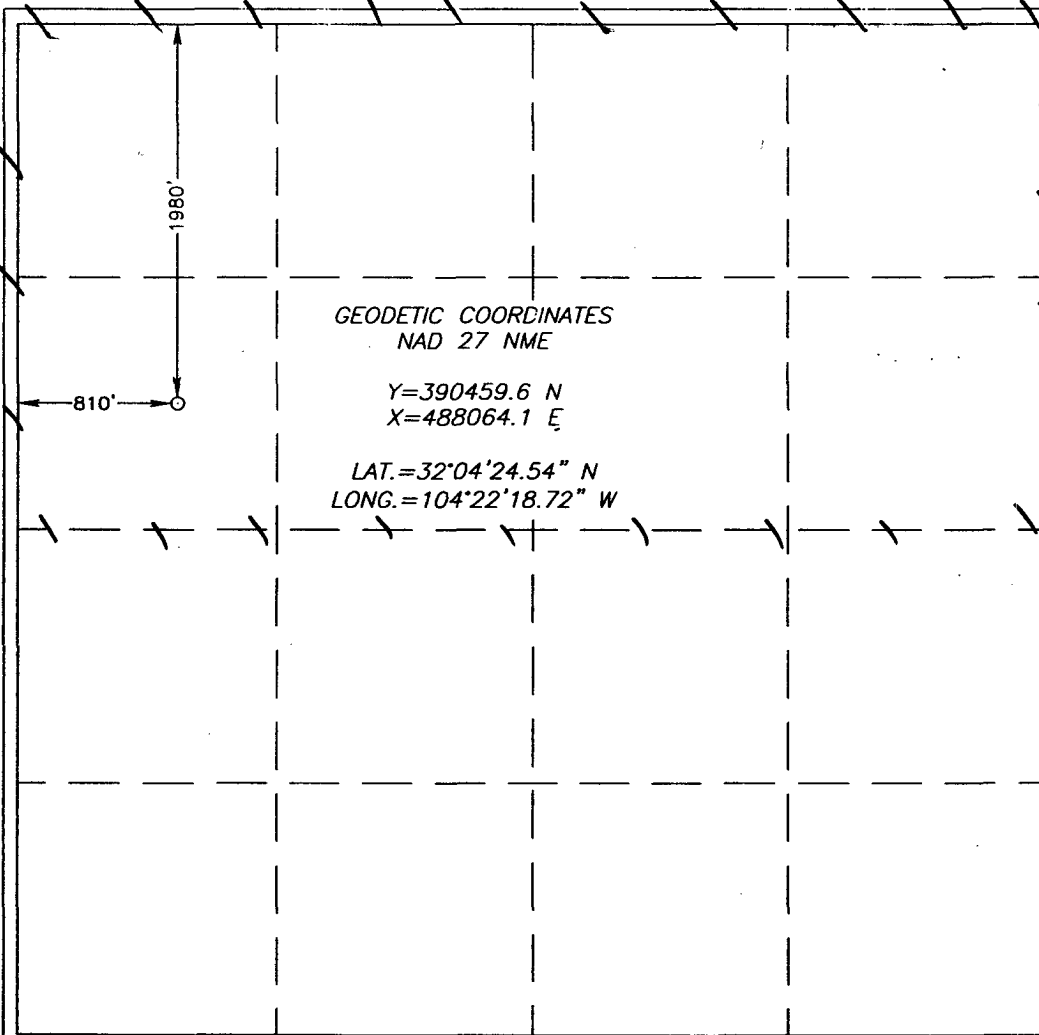
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	26-S	25-E		1980'	NORTH	810'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 320,N/2 Sec 2	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Tom Golden

Signature

Tom Golden

Printed Name

Operations Manager

Title

8/10/04

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JUNE 25, 2004

Date Surveyed

GARY EIDSON

Signature & Seal of Professional Surveyor

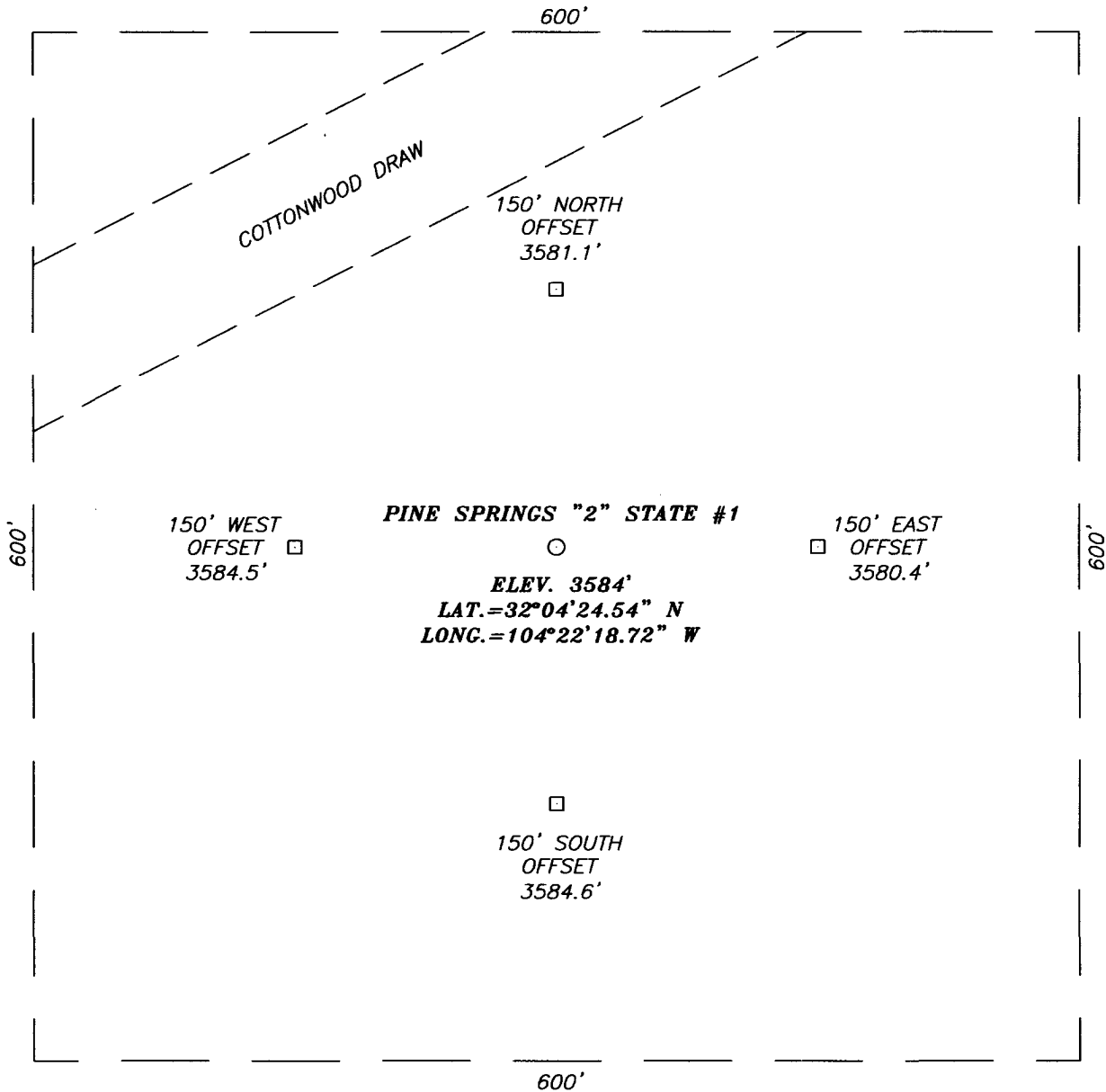
GARY EIDSON

04.11.0798

Certificate No. GARY EIDSON

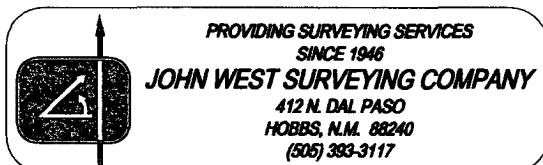
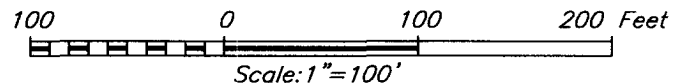
12641

SECTION 2, TOWNSHIP 26 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF U.S. HWY #62-180 AND CO. RD. #424 (DILLAHUNTY) GO SOUTHEAST ON CO. RD. #424 FOR 4.3 MILES TO A CATTLE GUARD AND TWO TRACK ROAD ON THE LEFT. TURN LEFT AND FOLLOW TWO TRACT ROAD NORTHERLY FOR 0.8 MILES. THIS PROPOSED LOCATION IS 175' EAST.

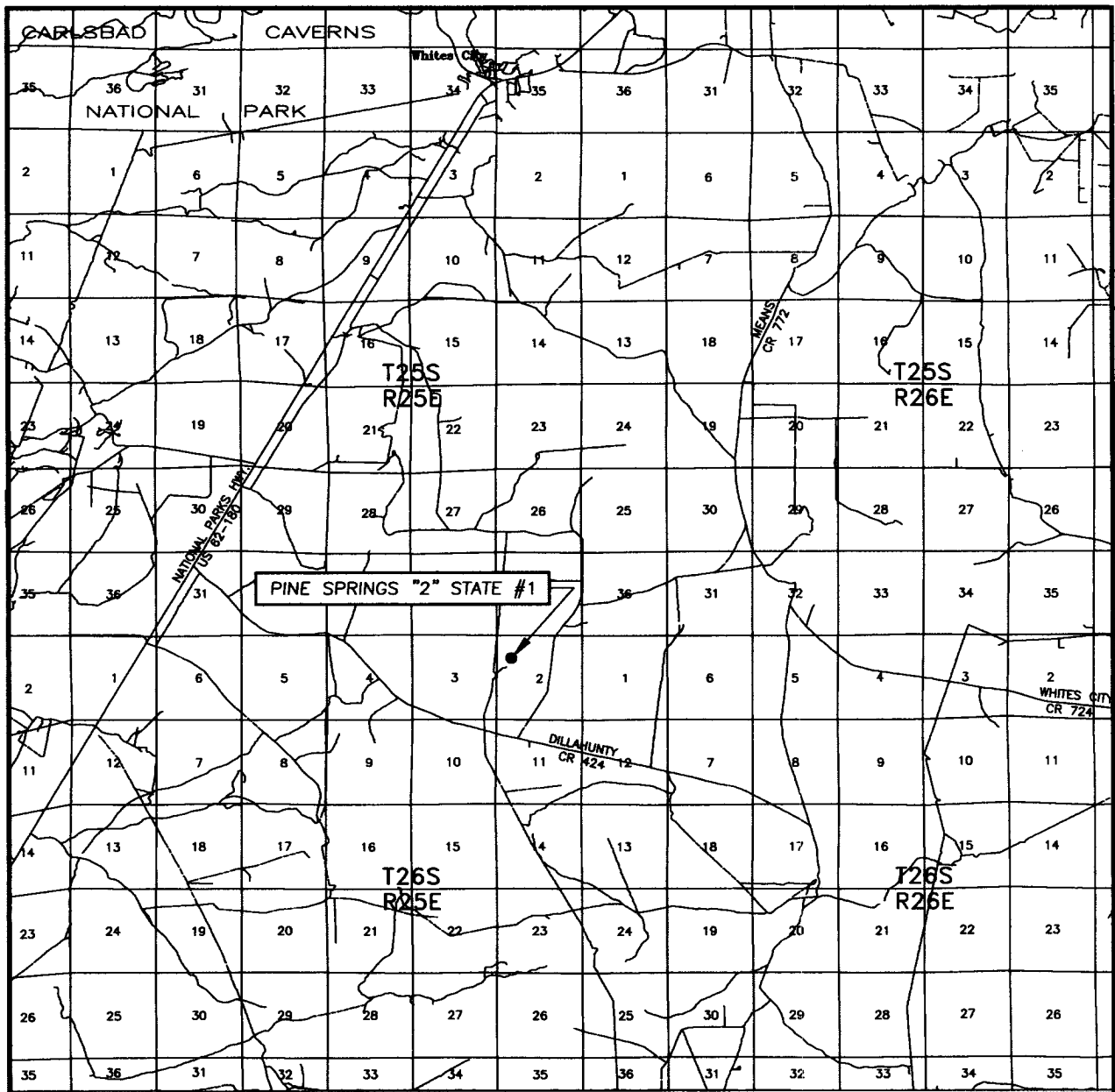


ECHO PRODUCTION, INC.

PINE SPRINGS "2" STATE #1 WELL
LOCATED 1980 FEET FROM THE NORTH LINE
AND 810 FEET FROM THE WEST LINE OF SECTION 2,
TOWNSHIP 26 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

Survey Date: 6/25/04		Sheet 1 of 1 Sheets	
W.O. Number: 04.11.0798		Dr By: LA	Rev 1:N/A
Date: 6/29/04	Disk: CD#3	04110798	Scale: 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 2 TWP. 26-S RGE. 25-E

SURVEY N.M.P.M.

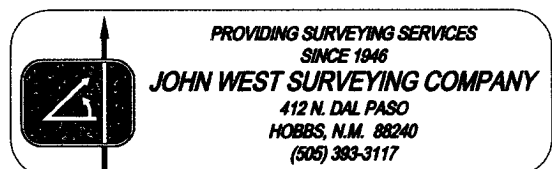
COUNTY EDDY

DESCRIPTION 1980' FNL & 810' FWL

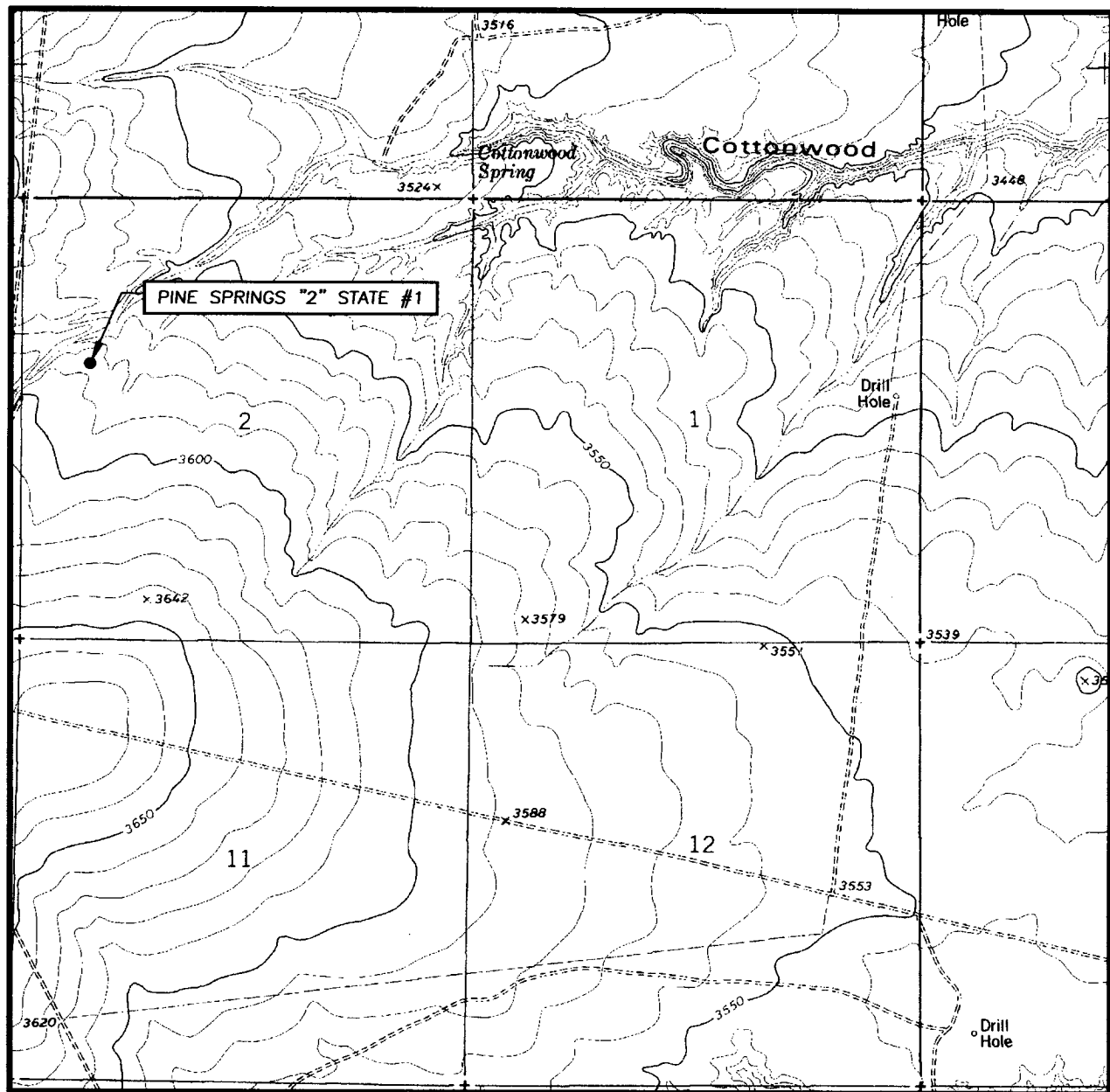
ELEVATION 3584'

OPERATOR ECHO PRODUCTION, INC.

LEASE PINE SPRINGS "2" STATE



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
ILLINOIS CAMP, N.M. - 10'

SEC. 2 TWP. 26-S RGE. 25-E

SURVEY _____ N.M.P.M.

COUNTY _____ EDDY

DESCRIPTION 1980' FNL & 810' FEL

ELEVATION _____ 3584'

OPERATOR ECHO PRODUCTION, INC.

LEASE PINE SPRINGS "2" STATE

U.S.G.S. TOPOGRAPHIC MAP
JUMPING SPRING, N.M.

