

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well Oil Well Gas Well Other JUL 23 2013

2. Name of Operator
Echo Production, Inc.

3a. Address
PO Box 1210, Graham TX 76450

3b. Phone No. (include area code)
(940) 549-3292

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1810' FSL & 330' FEL Sec 31 T22S R32E

5. Lease Serial No.
NMNM106916

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
E. Livingston Federal #3

9. API Well No.
30-025-36656

10. Field and Pool, or Exploratory Area
Livingston Ridge, Delaware

11. County or Parish, State
Lea County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Propose to set CIBP at 8300' w/2 sx cement on top shutting off present Delaware perforations at 8342-78' & 8394-8412'. Will then perforate Delaware at 8168-76' 2 SPF (18 holes) and acidize with 750 gals 7 1/2% acid and frac if necessary with 10,000 gals and 15,500# 16/30 sand.

Will start in ±1 week of proposal and duration of work should be ±1 week.

always include current & proposed well bore diagrams.

During this procedure we plan to use the closed-loop system with a steel tank and haul contents to the required disposal, per OCD Rule 19.15.17.

Per Operator

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Ken Haggart	Title	Petroleum Engineer
<i>Ken Haggart</i>	Date	7/3/13
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by	Title	APPROVED JUL 19 2013 <i>Jennifer G. Moore</i> BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

FOR RECORD ONLY
OCD 7-26-13

JUL 29 2013

JUL 23 2013

**East Livingston Federal 3
30-025-36656
Echo Production, Inc.
July 19, 2013
Conditions of Approval**

RECEIVED

Work to be completed by October 19, 2013.

- 1. Operator shall set a CIBP at 8,300' with a minimum of 25 sx class H cement on top. Tag required.**
- 2. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.**
3. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
4. Surface disturbance beyond the originally approved pad must have prior approval.
5. Closed loop system required.
6. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
7. Operator to have H2S monitoring equipment on location.
8. A minimum of a 3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- 9. Subsequent sundry required detailing work done. Operator to include new well plat and well bore schematic of current well condition when work is complete.**

JAM 071913