

Office

Revised August 1, 2011

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87410

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM

87505

Energy, Minerals and Natural Resources

RECEIVED

FEB 21 2012

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

NMOC D ARTESIA

WELL API NO. 30-015-39138

5. Indicate Type of Lease

STATE ☐ FEE ☐ Fed. ☐

6. State Oil & Gas Lease No.

NM108024

7. Lease Name or Unit Agreement Name
Stiletto '21' Fed. Com

8. Well Number 3 H

9. OGRID Number 06742

10. Pool name or Wildcat
Cemetery - Yeso

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

Echo Production, Inc.

3. Address of Operator

PO Box 1210, Graham, TX 76450

4. Well Location

Unit Letter 0 : 380 feet from the North line and 2260 feet from the East line

Section 21 Township 20S Range 25E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3457 GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐OTHER: ☐OTHER: New Well ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

6/9/11 set & cemented 120' 18" conductor. 6/13/11 Set 9 5/8" 36# J-55 csg @ 910' (12 1/4" hole) & cemented with 550 sx - circ to surface. 6/18/11 Ran Gyro & GR/CN/CCL at 1900' and set 7" 23# J-55 csg and cemented w/530 sx. 6/19-27/11 Drill 6 1/8" to MD of 6921'. Curve from 1970' MD to 3148' MD (1970 TVD to 2720 TVD) and lateral from 3148 MD to 6921 MD (2720 TVD to 2720 TVD) 6/30/11 Ran 4 1/2" 11.6# N-80 casing to 6751' w/OH packers, frac sleeves & DV tool. Cemented through DV tool @ 2700' w/200 sx - circ to surface.

8/31/11 Fracture treated Yeso 2744-6921 MD (lateral) in 9 stages using OH packers and frac sleeves with 62,500 bbls of fluid; 305,550# 100 mesh sand; 393,750# 40/70 sand and 787,500# 20/40 sand at 70 BPM at 3500 psi.

9/1-11/18/11 Flowed back 18,741 bbls load water and died.

12/20/11 Ran submergible pump on 2" tubing and set @ 1919'. Put well on production. Final report 1/9/12 - 121 BOPD, 681 BWPD & 176 MCF/D.

Spud Date:

6/11/2011

Rig Release Date:

7/01/2011

provide csg pressure tests

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

SIGNATURE

Tom Golden

TITLE Operations Manager

DATE 2/15/12

Type or print name Tom Golden

E-mail address: tjgold@echoproduction.com

PHONE: (940) 549-3292

For State Use Only

Conditions of Approval (if any):

TITLE

Accepted for record

DATE 2/21/12

NMOC D

TES 2/21/2012

Submit To Appropriate District Office
Two Copies
District I
1625 N French Dr , Hobbs, NM 88240
District II
811 S. First St , Artesia, NM 88210
District III
1000 Rio Brazos Rd , 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-105
Revised August 1, 2011

1. WELL API NO.
30-015-39138

2. Type of Lease
☐ STATE ☐ FEE ☒ FED/INDIAN

3. State Oil & Gas Lease No NM108024

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4 Reason for filing:
☒ COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only)
☐ C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)

7. Type of Completion:
☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER

8 Name of Operator
Echo Production, Inc.

10 Address of Operator
PO Box 1210, Graham, TX 76450

9. OGRID
06742

11 Pool name or Wildcat
Cemetery - Yeso

12.Location Unit Ltr Section Township Range Lot Feet from the N/S Line Feet from the E/W Line County
Surface: 0 21 20S 25E 380 North 2260 East Eddy
BH: 0 21 20S 25E 4904.6 North 2266.1 East Eddy

13 Date Spudded 6/11/11 14. Date T.D Reached 6/27/11 15. Date Rig Released 7/01/2011 16. Date Completed (Ready to Produce) 9/02/2011 17. Elevations (DF and RKB, RT, GR, etc.) 3457 GR

18. Total Measured Depth of Well 6921 19. Plug Back Measured Depth 6921 20. Was Directional Survey Made? Yes 21. Type Electric and Other Logs Run GR/CN/CCL

22. Producing Interval(s), of this completion - Top, Bottom, Name
Yeso - 2635 TVD - 2720' TVD (2744' MD - 6921 MD)

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8"	36	910	12 1/4"	550 sx	0
7"	23	1900	8 3/4"	530 sx	0
4 1/2"	11.6	6751	6 1/8"	200 sx	0

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2"	1919'	

26. Perforation record (interval, size, and number)
Curve & lateral from 2794-6921 is OH completed w/ 4 1/2" un-cemented casing w/OH packers and frac sleeves

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2744-6921 MD	62,500 bbls w/ 305,550# 100 mesh
	393,750# 40/70 and 787,500# 20/40 sand

28. PRODUCTION

Date First Production 12/20/11

Production Method (Flowing, gas lift, pumping - Size and type pump)
Pumping w/submersible pump (1400 BPD)

Well Status (Prod. or Shut-in)
Prod.

Date of Test 01/09/2012

Hours Tested 24

Choke Size None

Prod'n For Test Period

Oil - Bbl 121

Gas - MCF 176

Water - Bbl. 681

Gas - Oil Ratio 1455

Flow Tubing Press. Pumping

Casing Pressure 0

Calculated 24-Hour Rate

Oil - Bbl 121

Gas - MCF 176

Water - Bbl. 681

Oil Gravity - API - (Corr.) 35.4

29 Disposition of Gas (Sold, used for fuel, vented, etc.)
Sold

30. Test Witnessed By
Jimmy Olguin

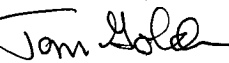
31 List Attachments

32 If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

Latitude Longitude NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature  Printed Name Tom Golden Title Operations Manager Date 02/15/2012

E-mail Address tjgold@echoproduct.com

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn A"
T. Salt	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers	T. Devonian	T. Cliff House	T. Leadville
T. Queen	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres	T. Simpson	T. Mancos	T. McCracken
T. Glorieta	T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger	Base Greenhorn	T. Granite
T. Blinebry	T. Gr. Wash	T. Dakota	
T. Tubb	T. Delaware Sand	T. Morrison	
T. Drinkard	T. Bone Springs	T. Todilto	
T. Abo	T.	T. Entrada	
T. Wolfcamp	T.	T. Wingate	
T. Penn	T.	T. Chinle	
T. Cisco (Bough C)	T.	T. Permian	

(Yeso 2744' MD to 6921' MD)

OIL OR GAS SANDS OR ZONES

No. 1, from Yeso 2625' TVD to 2720' TVD
 No. 2, from.....to.....
 No. 3, from.....to.....
 No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole. None Noted

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
215	600	385	Queen (Dolomite)				
600	810	210	Grayburg (Dolomite)				
810	2450	1640	San Andres (Dolomite)				
2450	2650	200	Glorieta (Dolomite & Sand Stone)				
2625	2720	95	Yeso (Dolomite)				

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88202
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87412
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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FEB 21 2012

MOOD ARTESIA

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name STILETTO "21" FEDERAL COM	Well Number 3H
OGRID No.	Operator Name ECHO PRODUCTION CO.	Elevation 3457'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	21	20 S	25 E		380	NORTH	2260	EAST	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
O	21	20 S	25 E		380	SOUTH	2260	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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

<p>SURFACE LOCATION Lat - N 32°33'54.84" Long - W 104°29'18.60" NMSPC- N 569397.328 E 493535.223 (NAD-83)</p>	<p>3455.8' 380' 3453.4' 2260' 3458.9' 3457.7' 4325.8'</p>	<p>OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature _____ Date _____ Printed Name _____</p>
<p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°33'10.07" Long - W 104°29'18.51" NMSPC- N 564872.675 E 493535.223 (NAD-83)</p>	<p>380' 2260'</p>	<p>SURVEYOR CERTIFICATION <i>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.</i> Date Surveyed _____ Signature & Seal of Professional Surveyor _____ W.G. No. 23809 Certificate No. Gary L. Jones 7977 BASIN SURVEYS</p>