

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	FEB 02 2006	5. Lease Serial No. NM 110822
2. Name of Operator Echo Production, Inc.	OCD-ARTESIA	6. If Indian, Allottee or Tribe Name
3a. Address PO Box 1210, Graham, TX 76450	3b. Phone No. (include area code) (940) 549-3292	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FSL & 1040' FWL, Sec 27 T20S R25E		8. Well Name and No. Stiletto 27 Federal #1
		9. API Well No. 30-015-34236
		10. Field and Pool, or Exploratory Area Cemetery-Morrow
		11. County or Parish, State Eddy Co., 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 type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other commingle
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 recompleat 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.)

Echo production hereby requests permission to commingle the production of gas well gas from: Stiletto '27' Fed #1, API 34236, with the Stiletto '34' Fed #1 API 33460.

Sales Point location: The sales point for the combined stream is at an existing sales meter where the Stiletto '34' Fed #1 is currently selling in section 28 as depicted on Exhibits "A" and "A-1". A separately submitted pipeline ROW request depicts the route of the gathering line for the Stiletto '27' Fed #1 to tie into the existing sales line on the well pad location of the Stiletto '34' Fed #1.

Justification: The 2 leases are direct offsets. We are currently waiting for ROW approval for the above proposed line route. We want the 2 wells tied together to allow compression of both leases with a single compressor. The ability to compress both wells with a single compressor will motivate Echo to install said compressor earlier in the life of the wells thereby accelerating cash flow of the Gas Royalties to the USA.

Allocation & Ownership: The mineral interest ownership for both wells is the same and is the USA. Production allocation for the combined sales stream will be applied to the sales meter volume using an allocation meter at the tie-in point on the Stiletto '34' Fed #1 location.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Ken Seligman

Title Engineer

Signature

Ken Seligman

Date 1/27/06

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by ~~SGD~~ SGD: DAVID A. CLARK

RETURNED TO ENGINEER

Date

FEB 01 2006

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.

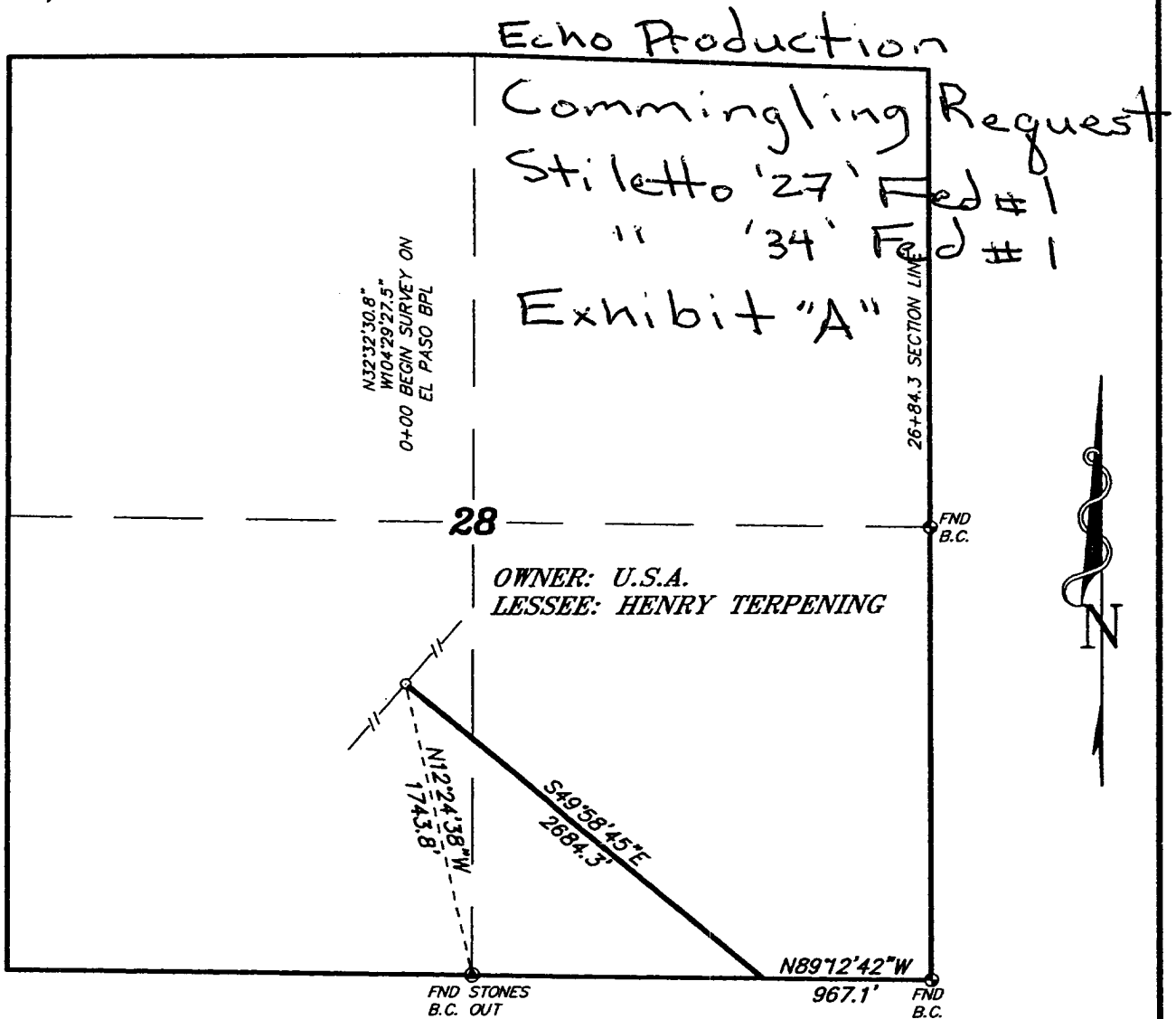
Office

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)

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

SECTION 28, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE, LOCATED IN SECTION 28, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

2684.3 FEET = 162.68 RODS = 0.51 MILES = 3.08 ACRES

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES N.M. P.S.  
TEXAS P.L.S.



**BASIN SURVEYS** P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 4461 Drawn By: K. GOAD

Date: 07-21-2004 Disk: KJG #8 - ECH4461A.DWG

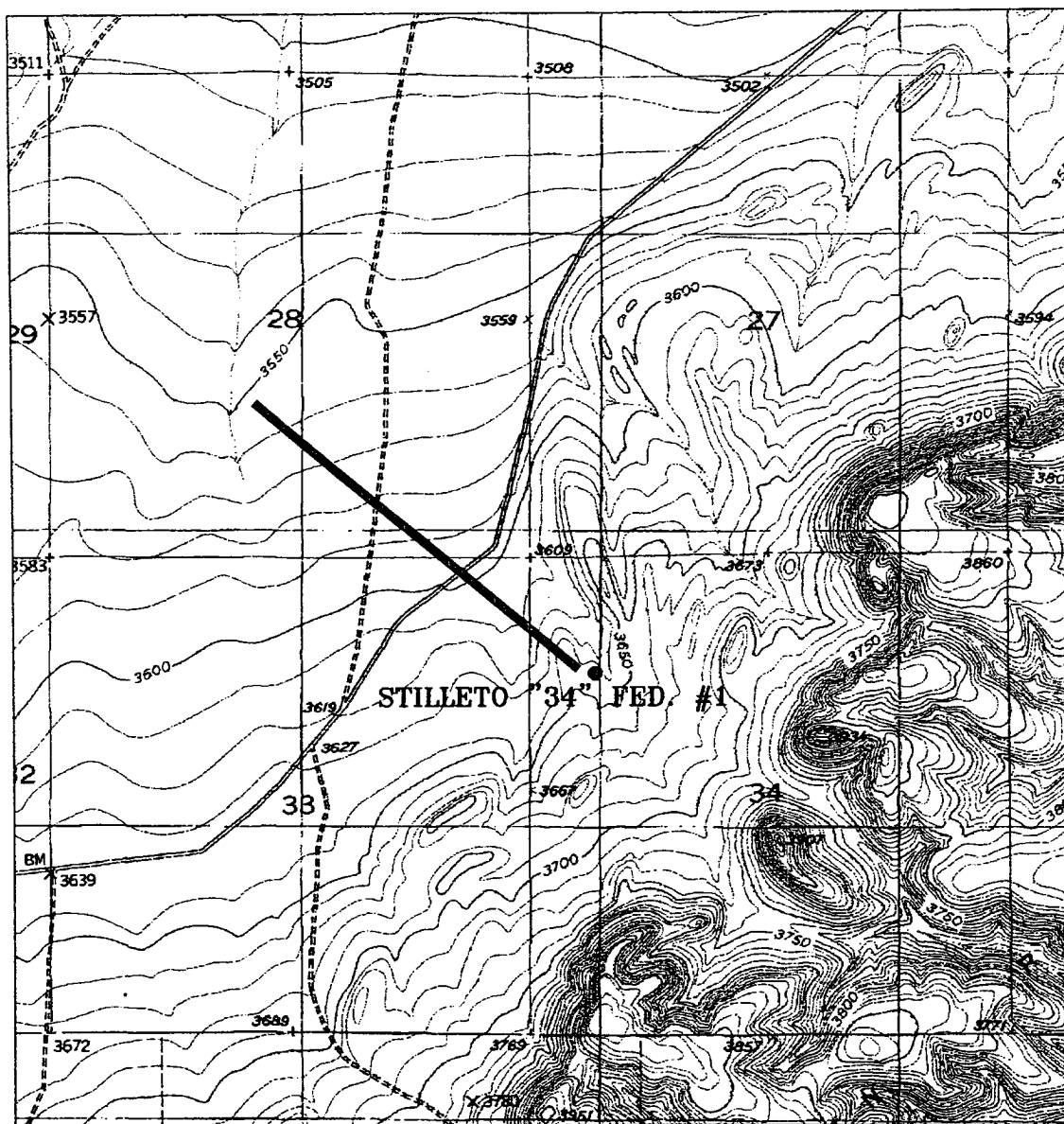
1000 0 1000 2000 FEET

**ECHO PRODUCTION CO.**

REF: PROPOSED PIPELINE TO THE ECHO-STILETTO "34" FED. #1

A PIPELINE CROSSING U.S.A. LAND IN  
SECTION 28, TOWNSHIP 20 SOUTH, RANGE 25 EAST,  
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 07-19-2004 Sheet 1 of 2 Sheets



COMMINGLING REQUEST  
 STILLETTO "34" FEDERAL #1 w/Stillette '27' Fed #1  
 Sections 28,33,&34, Township 20 South, Range 25 East,  
 N.M.P.M., Eddy County, New Mexico.

Exhibit "A-1"

**basin**  
**surveys**

focused on excellence  
 in the oilfield

P.O. Box 1786  
 1120 N. West County Rd.  
 Hobbs, New Mexico 88241  
 (505) 393-7316 - Office  
 (505) 392-3074 - Fax  
 basin-surveys.com

W.D. Number: 44614A - KUG CD#5

Survey Date: 07-19-2004

Scale: 1" = 2000'

Date: 07-21-2004

**ECHO**  
**PRODUCTION**  
**COMPANY**