Corm 3160-5 April 2004) UNITED STATES DEPARTMENT OF THE INTERIOR OCD-HOBBS BUREAU OF LAND MANAGEMENT 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.					FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007 5. Lease Serial No. IC-063228 6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE- Other instructions on reverse side.				7. If Unit or (CA/Agreement, Name and/or No.		
1. Type of Well Gas Well Other				8. Well Name and No. Corsair 27 Federal #2 9. API Well No.			
2. Name of Operator Echo Production, Inc.							
Ra Address 3b. Phone No. (include area code) PO Box 1210, Graham, TX 76450 (940) 549-3292			area code) 292	30-025-35312 10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 1980' FWL, Sec 27 T23S R32E				Triste Draw Delaware 11. County or Parish, State Lea County, NM			
12. CHECK APPRO	PRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, RI	EPORT, OR	OTHER DATA		
TYPE OF SUBMISSION		ТҮР	E OF ACTION				
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Production (Star Reclamation Recomplete	·	Water Shut-Off Well Integrity 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.)

Echo Production Inc. has found this well incapable of producing at economic rates and hereby proposes the following procedure for plugging the well bore:

Water Disposal

Present Status: Perfs: 8394 – 8892', 8173 – 8195', ; RBP 8313'

Csg Strings: 5 1/2" @ 8980' - TOC 6215' 8 5/8" @ 4871' - TOC surf. 13 3/8" @ 612' - TOC surf

Plug Back

Proposed Plugging:

Final Abandonment Notice

_ Convert to Injection

Set CIBP @ 8140' w/ 2sx cmt on top. Cut and pull csg. @ free point, approx. 6100'

Spot 50sx cmt. +/- 6150' (50' inside pipe) to +/- 6050'

- Spot 50sx cmt. 4800'+/- to 4950' 4)
- Spot 10sx cmt. 35' to surface

SEE ATTACHED FOR	
CONDITIONS OF APPROVA	L

4. I hereby certify that the foregoing is true and correct Name (Printed/Typed)					
Ken Seligman	Title	Engineer			
Signature Ken Seligman	Date	8/23/06			
THIS SPACE FOR FEE	DERAL OR S	TATE OFFICE USE			
		-		/ .	

Approved by Muley M. Maryon.

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.

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.

GWW

Conditions of Approval Corsair 27 Federal #2

Plugging procedure:

Attached: NMOCD Guidelines

BLM Permanent Abandonment Conditions of Approval

Proposed procedure:

- Step 1 The CIBP can be capped with 35' of cement if a bailer is used.

 Otherwise, it must be a minimum of 25 sacks. (Onshore Order #2/OCD)
- Step 3 This plug is to be tagged.
- Step 4 Extend the plug at this depth to cover the top of the salt (4608' by well completion report) or install another 100' (25 sacks) plug. The plug at the 8 5/8" shoe is to be tagged.
- Step 5 The surface plug is to be at least 50 feet (Onshore Order #2)

Revision:

The distance between the plug covering the shoe (4800') and the surface plug is greater than 3000'. Therefore, an additional plug is required between these.

A plug of 100' (25 sacks) is required at the surface casing shoe.