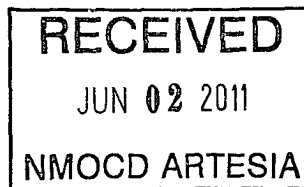


SURFACE USE PLAN

30-015-39138

ECHO PRODUCTOION, INC.
STILETTO "21" FEDERAL COM. #3H
UNIT "B" SECTION 21
T20S-R25E EDDY CO. NM



1. EXISTING AND PROPOSED ROADS:

- A. Exhibit "B" is a reporduction of a County General Hi-way map showing existing roads. Exhibit "C" is a reproduction of a USGS topographic map showing exist-
ing roads and and proposed roads. All existing roads will be maintained in
a condition equal to or better than current conditions. All new roads will
be constructed to BLM specifications.
- B. Exhibit "A" shows the proposed well site as staked.
- C. Directions to location: From the junction of U. S. Hiways 62-180 and U. S.
Hiway 285 in Carlsbad New Mexico go North 17 miles to the junction with CR-28
(WHITEPINE ROAD) turn Left follow CR-28 4.1± miles bear Left go .2 miles to
proposed road on the Right side of road,go 600' to the Southeast corner of
location.
- D. Exhibit "C" shows a topographic map showing existing roads and proposed roads
and proposed gas flowline.

2. PLANNED ACCESS ROADS: Approximately 600' of new road will be constructed.

- A. The access roads will be crowned and sitched to a 14' wide travel surface,
within a 30' R-O-W.
- B. Gradient of all roads will be less than 5%.
- C. Turn-outs will be constructed where necessary.
- D. If require new access roads will be surface with a minimum of 4-6" of caliche.
this material will be obtained from a local source.
- E. Center line for new roads will be flagged, road construction will be done as
field conditions require.
- F. Culverts will be placed in the access road as drainage conditions require.
Roads will be constructed to use low water crossings for drainage as required
by the topographic conditions.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS: EXHIBIT "A-1"

- A. Water wells - one approximately 1.3 miles Southwest.
- B. Disposal wells - None known
- C. Drilling wells - None known
- D. Producing wells - As shown on Exhibit "A-1"
- E. Abandoned wells - As shown on Exhibit "A-1"

SURFACE USE PLAN

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4. If on completion this well is a success the operator will complete it as a producer. The operator will construct production facilities and tank battery on location. If power lines will be required to produce this well they may be constructed along existing R-O-W's as shown on Exhibit "C".

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and transported by transport or piped to location by flexible flowlines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the leveling of the drill site. If additional material will be required it will be obtained from a local source and transported over access roads shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

- A. In case this well is drilled using a closed mud system the cuttings will be collected in containers and disposed of in a state approved disposal site. Drilling fluids likewise will be contained in tanks and disposed of in state approved disposal sites.
- B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When job is complete all contents will be taken from location and disposed of in a state approved disposal site.
- C. Salts and other mud material remaining after completion of the well will be collected by the supplier and be removed from the location.
- D. Waste water from living quarters will be directed into an onsite sewage treatment unit and when well is completed residue will be removed and disposed of in a state approved disposal site. Porto-johns will be on location for rig crews, completion crews and other contract personnel, this equipment will be properly maintained during drilling and completion. When all operations are complete the residue will be removed and disposed of in a state approved disposal site and the equipment removed by supplier.
- E. Any fluids produced during the completion phase will be separated and the oil sold and water will be disposed of in an approved disposal site.

8. ANCILLARY FACILITIES:

- A. No camps, airstrips, or staging areas will be constructed on location.

SURFACE USE PLAN

ECHO PRODUCTOION, INC.
STILETTO "21" FEDERAL COM. #3H
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9. WELL SITE LAYOUT:

- A. Exhibit "D" shows a generic well site for a well drilled using a closed mud system.

10. PLANS FOR RESTORATION OF SURFACE:

Rehabilitation of the surface will start after the well has been completed, if the well is completed as a producer production facilities may be consturcted on the location. What area is not required for the operation of this project will be reclaimed and restored as near as possible to the original grade and vegetation.

If in case this well is unsuccessful and is a dry hole the drilling pad and the access roads will be reclaimed according to specifications provided by The Bureau of Land Management. Caliche or other road material will be removed for the possible use in another location or deposited in an approved reclamation site.

Drill cuttings and mud used to drill this well will be removed and disposed of at an approved disposal site. All trash and any other debree will be collected disposed of as the above.

11. ADDITIONAL INFORMATION:

- A. Topography shows a relatively flat desert rangeland environment drainage is in a Northwesterly direction into Seven Rivers Draw.
- B. The vegetation consists of Native grasses, the soil consists of light tan silty sandy loam with numerous intermixed gravels.
- C. The surface is used for oil and gas production and for the grazing of live-stock.
- D An archaeological survey has been performed and is on file with the Carlsbad Field Office of the Bureau of Land Management.

Operator Certification

I hereby certify that I or someone under my direct supervision have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and federal laws applicable to this operation; that the statements made in the APD package are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I or, the company that I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement

OPERATORS REPRESENTATIVES

BEFORE CONSTRUCTION

TIERRA XPLORATION, INC.

P. O. BOX 1288

HOBBS, NEW MEXICO 88241

JOE JANICA 575-391-8503

CELL 575-390-1598

DURING AND AFTER CONSTRUCTION

ECHOPRODUCTION, INC

P. O. 1210

GRAHAM, TEXAS 76450

TOM GOLDEN 940-549-3292

CELL 940-550-4169

NAME

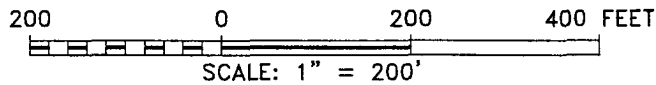
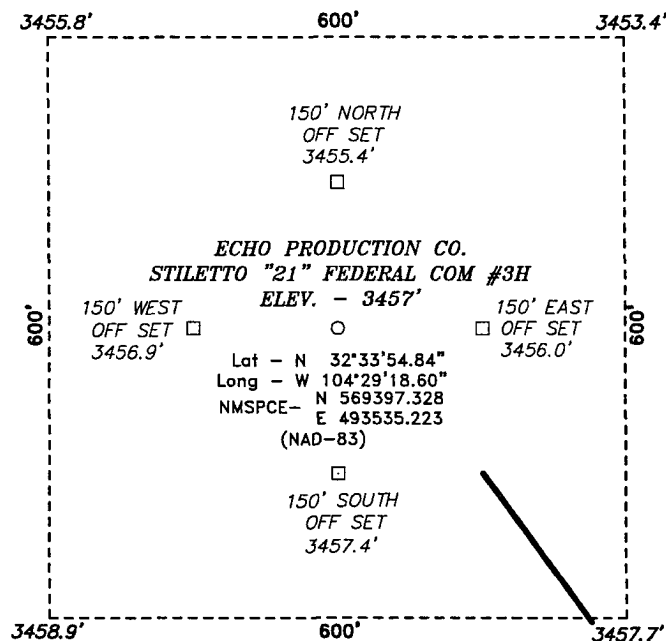
Joe T Janica

TITLE

PERMIT ENG.

DATE 03/30/11

SECTION 21, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF WHITE PINE AND PICKET, GO
SOUTHWEST 0.2 MILES TO PROPOSED LEASE ROAD.

ECHO PRODUCTION CO.

REF: STILETTO "21" FEDERAL COM #3H / WELL PAD TOPO

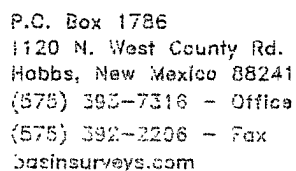
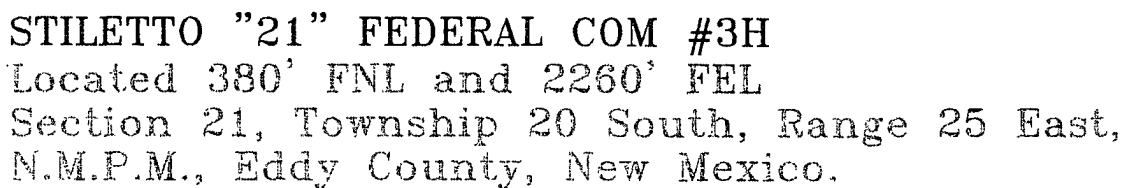
THE STILETTO "21" FEDERAL COM #3H LOCATED 380'
FROM THE NORTH LINE AND 2260' FROM THE EAST LINE OF
SECTION 21, TOWNSHIP 20 SOUTH, RANGE 25 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

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

W.O. Number: 23809 Drawn By: J. SMALL

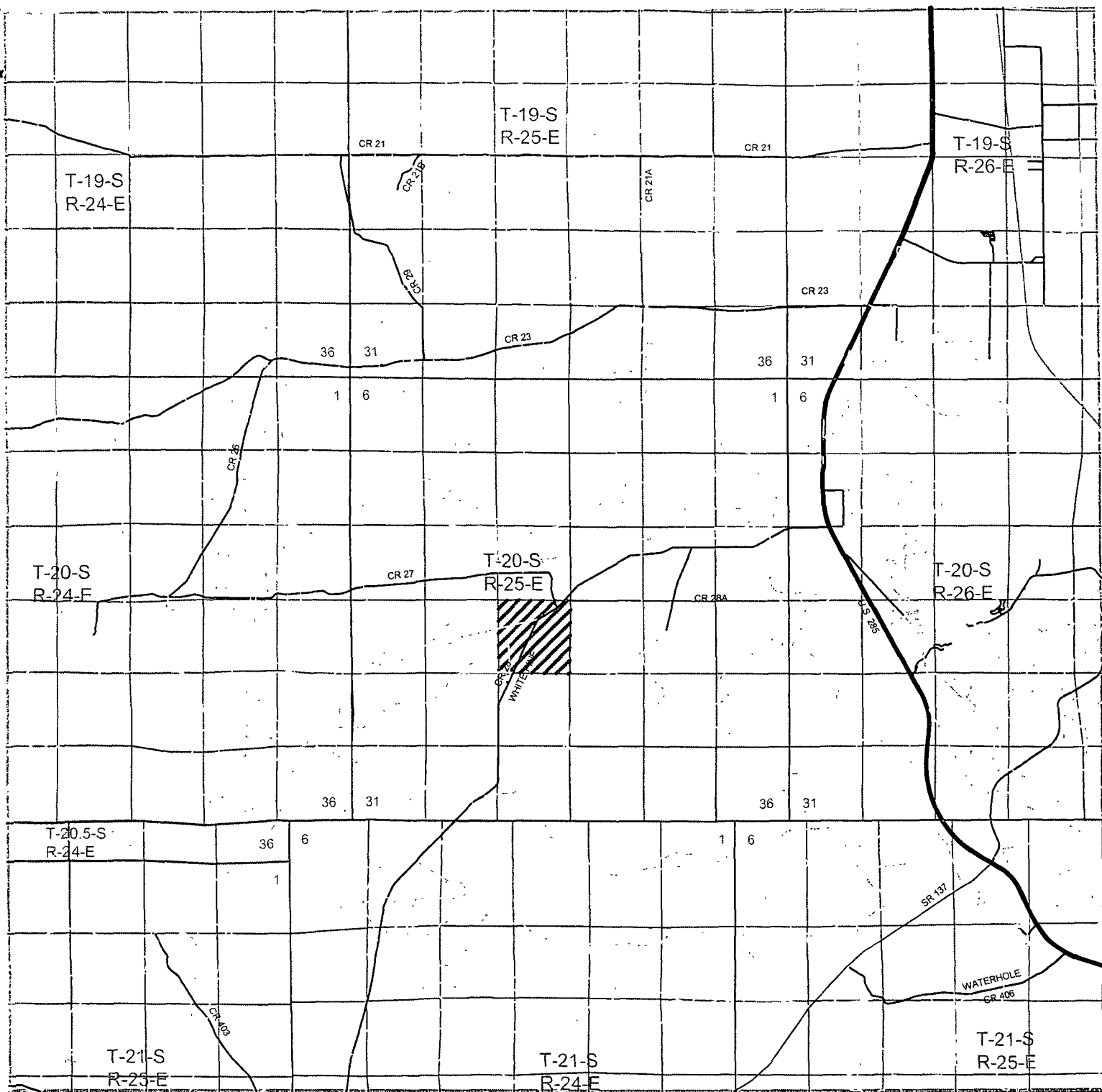
Date: 11-30-2010 Disk: JMS 23809

Survey Date: 11-30-2010 Sheet 1 of 1 Sheets



Date: 11-30-2010





STILETTO "21" FEDERAL COM #3H
 Located 380' FNL and 2260' FEL
 Section 21, Township 20 South, Range 25 East,
 N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basin-surveys.com

W.O. Number: JMS 23809

Survey Date: 11-30-2010

Scale: 1" = 2 Miles

Date: 11-30-2010

ECHO
 PRODUCTION
 CO.

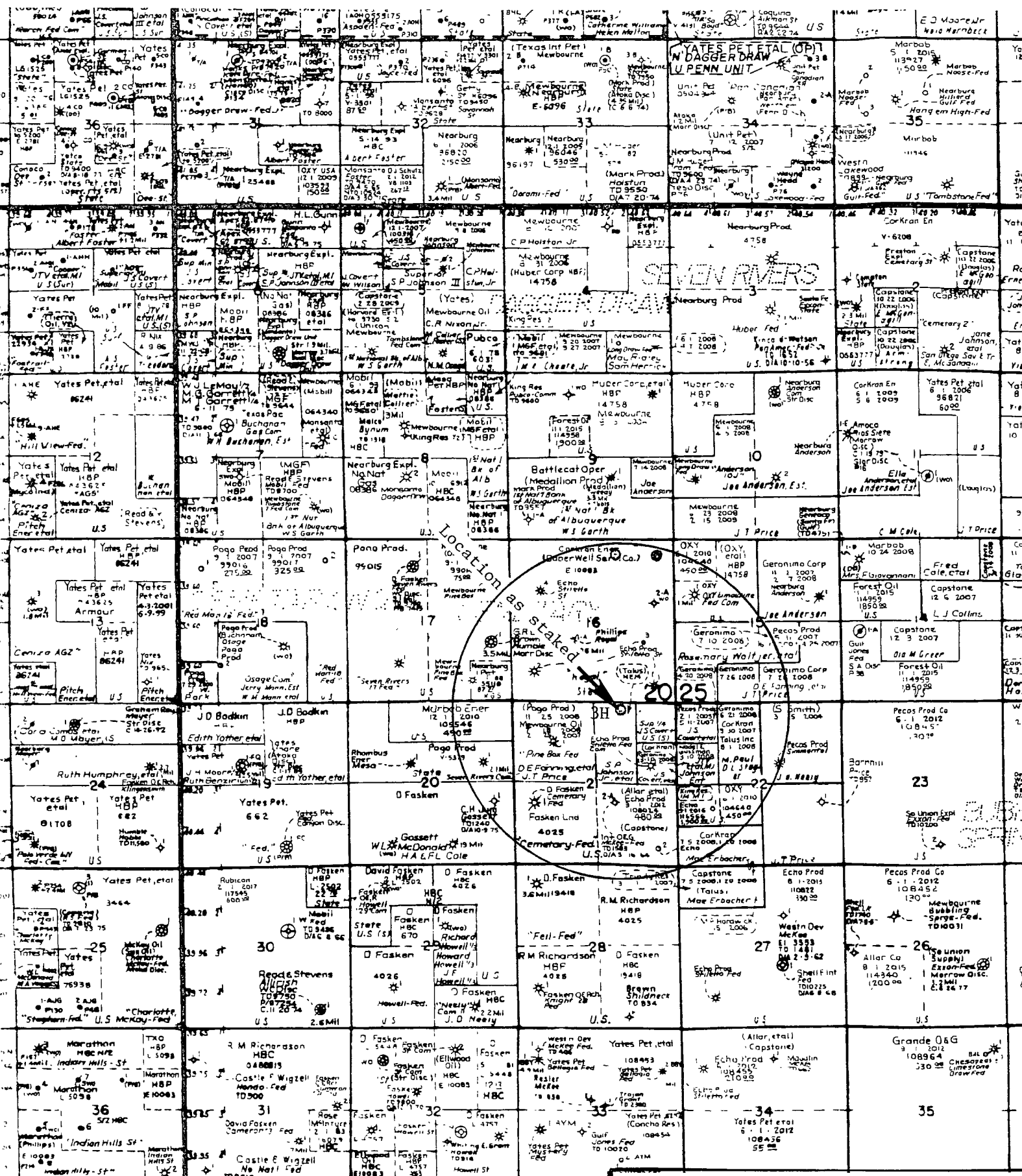


EXHIBIT "A-1"
ONE MILE RADIUS MAP

ECHO PRODUCTION, INC.
STILETTO "21" FEDERAL COM. #3H
UNIT "B" SECTION 21
T20S-R25E EDDY CO. NM

