

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., 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

Form C-103
 May 27, 2004

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

WELL API NO. 30-015-33096
5. Indicate Type of Lease STATE <input type="checkbox"/> FEDERAL <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 33131
7. Lease Name or Unit Agreement Name Stiletto 21 Federal Com
8. Well Number 1
9. OGRID Number 06742
10. Pool name or Wildcat Cemetary-Morrow

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 RECEIVED

2. Name of Operator
Echo Production, Inc. JUL - 5 2006

3. Address of Operator
PO Box 1210, Graham, Texas 76450

4. Well Location
 Unit Letter H : 1980 feet from the north line and 760 feet from the east line
 Section 21 Township 20S Range 25E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3461 GR

Pit or Below-grade Tank Application or Closure

Pit type drilling Depth to Groundwater 100+ Distance from nearest fresh water well 200+ Distance from nearest surface water 1000+

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Close drilling pit <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Propose to close drilling pit on Stiletto 21 Federal Com. #1. Will dig a trench adjacent to present pit of sufficient size to contain all cuttings from drilling pit, line the trench with a 12 mil liner, transfer drilling pit cuttings to the trench, cap the trench with a 20 mil liner and cap the liner with 3 feet of soil. Once the drilling pit has been evacuated the pit walls will be pushed in and the pit will be covered with 3 feet of soil.

Work will begin as approval is received and a contractor is available.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Tom Golden TITLE Operations Manger DATE 6/30/06

Type or print name Tom Golden E-mail address: rondaw@echoproduction.com Telephone No. (940) 549-3292

For State Use Only

APPROVED BY: Gary Guye Deputy Field Inspector TITLE Gary Guye DATE JUL 14 2006
 Conditions of Approval (if any): District II - Artesia