

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000**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.**

OCCUPANCY

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**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

## 2. Name of Operator

Echo Production, Inc.

## 3a. Address

PO Box 1210, Graham, TX 76450

## 3b. Phone No. (include area code)

(940) 549-3292

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FSL &amp; 1040' FWL

Sec 27 T20S R25E

## 5. Lease Serial No.

NM110822

## 6. If Indian, Allottee or Tribe Name

## 7. If Unit or CA/Agreement, Name and/or No.

## 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 close drilling pit |
|  | <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.)

Propose to close drilling pit on Stiletto 27 Federal #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.

Attached is approved Form C-103 by OCD.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

## 14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tom Golden

Title Operations Manager

Signature

Tom Golden

Date 2/20/07

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ James A. Amos

Title

Date MAR 06 2007

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

CARLSBAD FIELD 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.

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.<br>30-015-34236   |
| 5. Indicate Type of Lease Federal<br>STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>34976  |
| 7. Lease Name or Unit Agreement Name<br>Stiletto 27 Federal                                      |
| 8. Well Number 1   |
| 9. OGRID Number 06742  |
| 10. Pool name or Wildcat<br>Cemetery-Morrow (Gas)  |

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 \_\_\_\_\_

**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. JUL - 5 2006

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

4. Well Location  
Unit Letter M : 990 feet from the south line and 1040 feet from the west line  
Section 27 Township 20S Range 25E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3606 GR

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

|   |   |
|---|---|
| <b>NOTICE OF INTENTION TO:</b>                                | <b>SUBSEQUENT REPORT OF:</b>  |
| PERFORM REMEDIAL WORK <input type="checkbox"/>                | REMEDIAL WORK <input type="checkbox"/>  |
| TEMPORARILY ABANDON <input type="checkbox"/>                  | ALTERING CASING <input type="checkbox"/>  |
| PULL OR ALTER CASING <input type="checkbox"/>                 | COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> |
| PLUG AND ABANDON <input type="checkbox"/>                     | CASING/CEMENT JOB <input type="checkbox"/>  |
| CHANGE PLANS <input type="checkbox"/>                         |   |
| MULTIPLE COMPL <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 27 Federal #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 NMOC 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@echoproducton.com Telephone No. (940) 549-3292  
For State Use Only

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

**Conditions of Approval  
NM110822; Stiletto 27 Federal 1  
990' FSL & 1040' FWL  
Sec. 27, T20S, R25E  
Eddy County, New Mexico**

The Bureau of Land Management (BLM) is in agreement with the deep burial of reserve pit contents as per the New Mexico Oil Conservation Division (NMOCD). However, we are not in agreement with offsetting the existing pit and excavating another pit causing additional surface disturbance. The existing pit that was excavated for the drilling operations is the preferred location for the deep burial of the pit contents. Our preference is to allow the cuttings to dry, if the current liner is not adequate to encapsulate the cuttings, push them to one side, excavate the existing pit to a size that would allow for the deep burial of pit contents, line and bury as per OCD approval. Objective is no new disturbance.

In addition to the reserve pit reclamation, please see attached reference to interim reclamation. Interim reclamation should take place at the same time as pit reclamation. This will allow for best use of equipment, etc..

If you have any questions, please call Jim Amos to 505-234-5909.