District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED
AUG 12 2005
OCD-ARTESIA

Form C-101
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

[1] Operator Name and Address	[2] OGRID Number
Echo Production, Inc, PO Box 1210, Graham, TX 76450	06742
	[3] API Number: 30- 015-34281

[5] Property Code	[5] Property Name	[6] Well No.
34071	Angell Ranch '36' State	2

[9] Proposed Pool 1	[10] Proposed Pool 2
Undes. Fadeaway Ridge; Delaware	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	36	19S	27E		1980'	south	495	east	Eddy

[8] Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
N	oil	rotary	State	3395'
[16] Multiple	**[17] Proposed Depth**	**[18] Formation**	**[19] Contractor**	**[20] Spud Date**
N	3750'	Delaware	NA	ASAP

Depth to Groundwater	Distance from nearest fresh water well	Distance from nearest surface water
75±	1000'±	1000'±

Pit: Liner: Synthetic ☒ 12 mils thick Clay ☐ Pit Volume: 10000 bbls Drilling Method:
Closed-Loop System ☐ Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 ¼"	8 5/8"	24	400	260	surface
7 7/8"	5 ½"	15.50	3750	950	surface

[22] Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Echo Production, Inc. proposes to drill to a depth sufficient to test the Delaware formation. If productive, 5 ½" casing will be set. If non-productive, the well will be plugged and abandoned in a manner consistent with state regulations. A mud program and BOP diagram are attached.

[23] I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Ken Seligman Ken Seligman
Title: Engineer
E-mail Address: ken.s@echoproduction.com
Date: 8/8/05 Phone: (940) 549-3292

OIL CONSERVATION DIVISION

Approved by: TIM W. GUM
Title: DISTRICT II SUPERVISOR
Approval Date: AUG 23 2005 Expiration Date: AUG 23 2006
Conditions of Approval Attached ☐

> 9.5

Echo Production, Inc.

P.O. Box 1210 Graham, Texas 76450 940/549-3292 Fax: 940/549-5162

8-8-05

Bryan Arrant
New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, N.M. 88210

Re: Angell Ranch '36' State #2
Expected Absence of H2S

Dear Mr. Arrant,

In regard to the enclosed application to drill for the subject well, it is expected that there will be no potentially hazardous volumes of H2S (As defined by rule 18 of the Oil and Gas Table of rules). This will be our 2nd well drilled in this area, and to date, no hazardous volumes of H2S have been encountered.

Regards,

Ken Seligman

Ken Seligman
Petroleum Engineer

Echo Production, Inc.

P.O. Box 1210 Graham, Texas 76450 940/549-3292 Fax: 940/549-5162

8-8-05

Bryan Arrant
New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, N.M. 88210

Re: Submission of supplemental information
Angell Ranch '36' State #2

Dear Mr. Arrant,

Application for a permit to drill for the above well was previously submitted. You contacted our office requesting the following revisions:

1) Inclusion of a diagram of the BOP configuration to be used.
2) A letter statement regarding the expected absence of H2S
3) Formation objective changed to Bone Springs
4) 2 copies of paperwork submitted to BLM

Please find these changes and or enclosures. Let me know if you require anything else and thanks for your help.

Regards,

Ken Seligman

Ken Seligman
Petroleum Engineer

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Wildcat

Property Code	Property Name	Well Number
34071	ANGELL RANCH "36" STATE	2

OGRID No.	Operator Name	Elevation
06742	ECHO PRODUCTION COMPANY	3395'

Surface Location

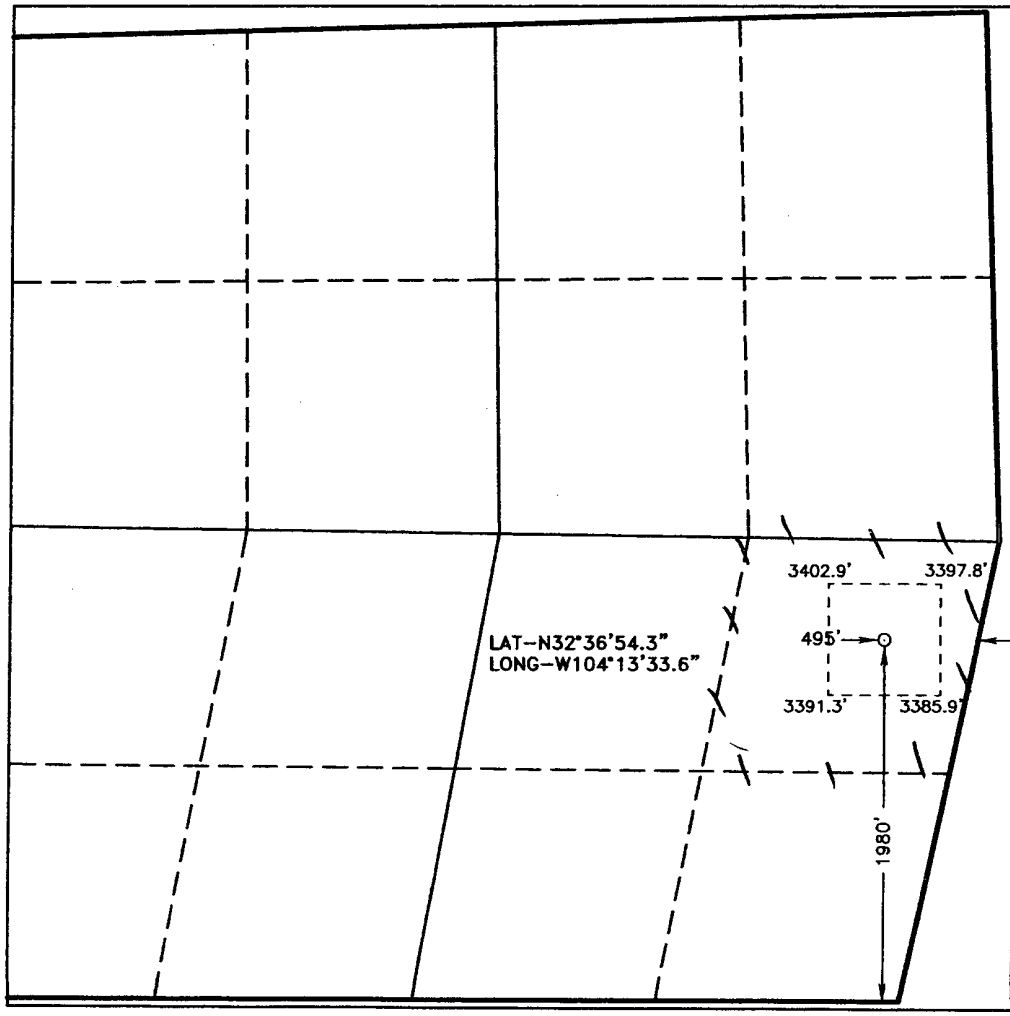
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	36	19 S	27 E		1980	SOUTH	495	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Ken Seligman
Signature

Ken Seligman
Printed Name

Engineer
Title

6/22/05
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

MAY 17, 2005
Date Surveyed

Signature & Seal of Professional Surveyor

GARY L. JONES NEW MEXICO 7977 REGISTERED PROFESSIONAL LAND SURVEYOR

W.O. No. 5417

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

Echo Production * Angell Ranch "36" State # 2 * Sec-36, T-19-S, R-27-E, Eddy, NM

INTERVAL: 0 - 400	12.25" hole	1 days	8.625" csg		1 drill bits	
Product	**Function**	**Treatment**	**Unit Size**	**Usage**	**Unit Price**	**Total Price**
Bentonite	Viscosifier	10-12 ppb	100 #	35	$7.28	$254.80
Ground Paper	seepage and sweeps	1-3 sacks per 100 feet	40 #	20	$8.00	$160.00
Lime	pH additive, flocculant	1 sack per 15 sacks of bentonite	50 #	5	$4.99	$24.95
Plastic	Storage aid	Cover mud	1 roll	1	$48.75	$48.75
					Interval Total:	$488.50

Projected Mud Properties

Depth	Mud Wt. - ppg	Viscosity	Filtrate	pH	Solids - % by vol.
0' - 400'	8.6-9.4	32-34	N/C-25cc	9.0	3-8

General Geological Data

Tops/Bases	Formation	Lithology	Notes/Challenges
0' - 200'	Quaternary	Sand, limestone, gypsum, conglomerates	Unconsolidated, heavy seepage, erosion
200' - 350'	Tansill	Limestone	Vugular, fractured, heavy seepage, lost circulation
350' - 400'	U. Yates	Sand w/red shale & anhydrite stringers	Casing seat

Interval Notes for 0 - 400

Drill surface with Fresh Water spud mud. Maintain viscosity as needed to clean the large diameter hole. Use small amounts of Lime to flocculate the Gel for better carrying capacity. Sweep the hole periodically with Ground Paper additions to control seepage and to enhance hole cleaning. If severe lost circulation is encountered, consider dry drilling to casing point running periodic hole sweeps.

Echo Production * Angell Ranch "36" State # 2 * Sec-36, T-19-S, R-27-E, Eddy, NM

INTERVAL: 400 - 3,750	7.875" hole	5 days	5" csg		1 drill bits	
Product	**Function**	**Treatment**	**Unit Size**	**Usage**	**Unit Price**	**Total Price**
Bentonite	Viscosifier	12-14 ppb in sweeps	100 #	30	$7.28	$218.40
Cedar Fiber/Fiber Plug	LCM, sealant	10-20 ppb in sweeps	40 #	20	$5.17	$103.40
Ground Paper	seepage and sweeps	1-3 sacks per 200 feet	40 #	40	$8.00	$320.00
Lime	pH additive	.5-.75 ppb	50 #	40	$4.99	$199.60
Maxi-Seal/Fiber Seal/Chem Seal	LCM, sealant	10-20 ppb in sweeps	40 #	20	$8.98	$179.60
MF-55/VisPlus(non-ionic)	Flocculant	1 qt in 50 gal water every 4 hr.	5 gal.	3	$94.25	$282.75
Yellow Starch		3-4 ppb if needed	50 #	60	$13.06	$783.60
					Interval Total:	$2,087.35

Projected Mud Properties

Depth	Mud Wt. - ppg	Viscosity	Filtrate	pH	Chlorides - ppm
400' - 2,600'	9.2-10.0	28	N/C	10.0	186k
2,600' - 3,750'	~~9.5~~-9.3	28-32	20-15	9.2-9.8	160k

9.2

General Geological Data

Tops/Bases	Formation	Lithology	Notes/Challenges
615' - 955'	Yates	Sand w/red shale & anhydrite stringers	
955' - 1,500'	Seven Rivers	Dolomite, w/red shale & anhydrite stringers	Seepage
1,500' - 1,690'	Queen	Sand	
1,690' - 1,870'	Grayburg	Sand w/red shale & anhydrite stringers	
1,870' - 2,720'	San Andres	Limestone	
2,720' - 3,310'	Delaware	Sand	Poss gas kick
3,310' - 3,600'	Victorio Peak Dolomite		
3,600' - 3,750'	Bone Spring		

Interval Notes for 400 - 3,750

Drill out with Brine Water circulating reserve pit for solids control. Use small amounts of MF-55 to aid in solids removal. Use Lime additions to maintain pH. Periodically sweep the hole with Paper to control seepage and enhance hole cleaning. Should total loss of returns occur consider dry drilling to total depth sweeping the hole periodically with viscous (50-60) Bentonite pills mixed in Fresh Water with 10-20 ppb of fibrous LCM.

200' from TD add 50 sacks of Starch to sweep/prepare the hole to run pipe.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒
Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Echo Production, Inc. Telephone 940-549-3292 e-mail address: ken.s@echoproduction.com
Address: PO Box 1210, Graham, TX 76450
Facility or well name: Angell Ranch 36 State #2 API #: _____ U/L or Qtr/Qtr I Sec 36 T 19S R 27E
County: Eddy Latitude N32°36' 54.3" Longitude W104°13' 33.6" NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank
Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness 12 mil Clay ☐ Pit Volume 10000 bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not.

RECEIVED
JUN 30 2005
OCD-ARTESIA

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	X	(20 points) (10 points) 10 (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	X	(20 points) (0 points) 0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	X	(20 points) (10 points) (0 points) 0
	Ranking Score (Total Points)		10

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if your are burying in place) onsite ☐ offsite ☐ If offsite, name of facility_____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface_____ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described 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 ☐.
Date: 6/27/05
Printed Name/Title Ken Seligman / Engineer Signature Ken Seligman

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:
Printed Name/Title Field Rep II Signature _____ Date JUN 30 2005

Echo Production, Inc.

PO Box 1210 Graham, Texas 76450 (940) 549-3292 Fax: (940) 549-5162

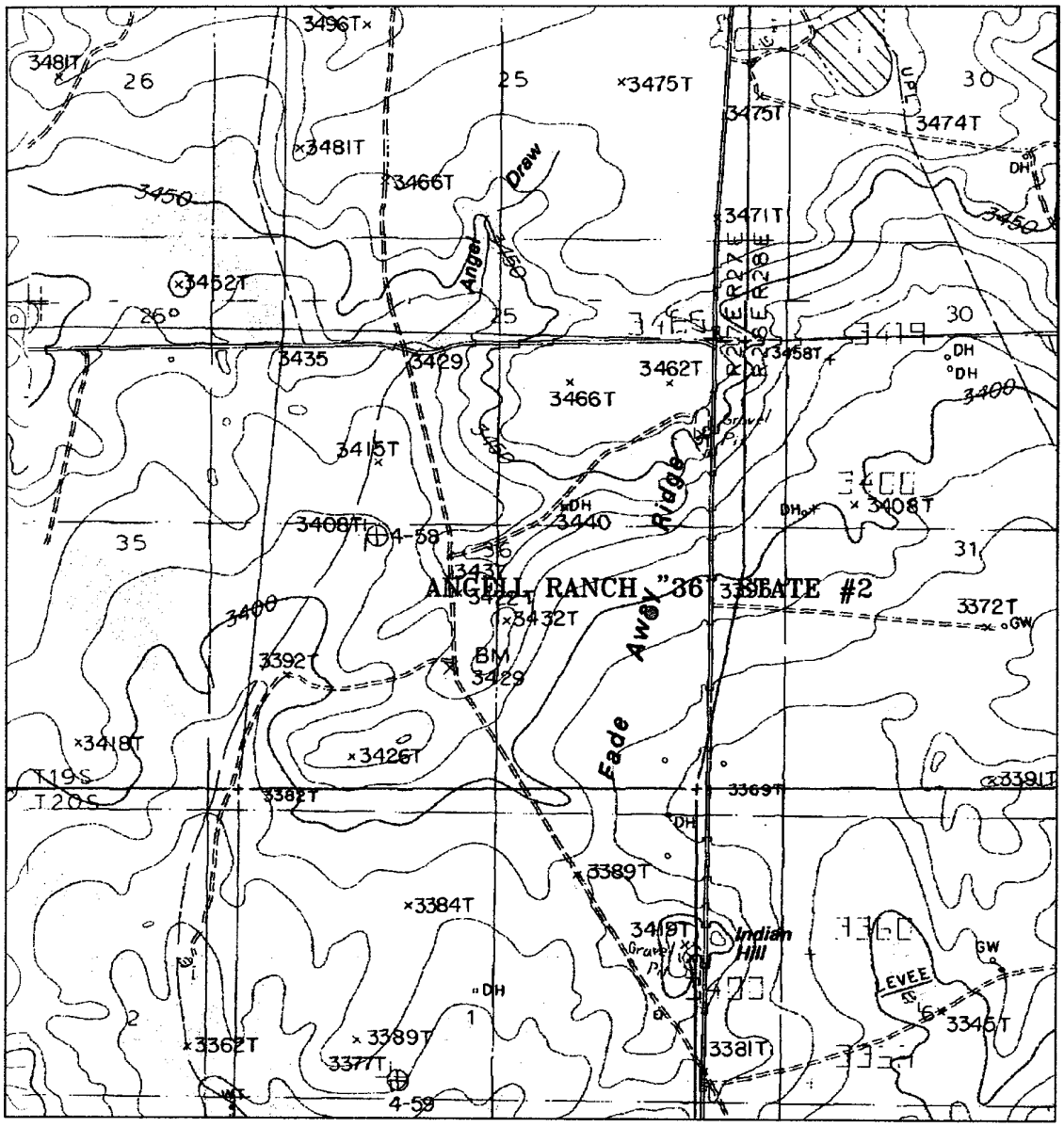
Angell Ranch '36' State #2
1980' FSL & 495' FEL
Section 36 T19S R27E
Eddy County, New Mexico

Attached is a drilling fluids summary for the subject well. A fresh water system will be utilized.

Echo has drilled one offset well which did not show any abnormally pressured zones. Sufficient mud weights will be utilized to eliminate any flow from the well. A double ram type blowout preventor will be utilized and tested after setting surface casing.

H_2S detection and safety equipment will be utilized and all rig personnel will receive safety training by a qualified H_2S safety instructor as to the following:

A. Characteristics of H_2S
B. Physical effects and hazards
C. Proper use of safety equipment and life support systems
D. Principle and operation of H_2S detectors
E. Evacuation procedure, routes and first aid
F. Proper use of air pack



ANGELL RANCH "36" STATE #2
Located at 1980' FSL and 495' FEL
Section 36, Township 19 South, Range 27 East,
N.M.P.M., Eddy County, New Mexico.

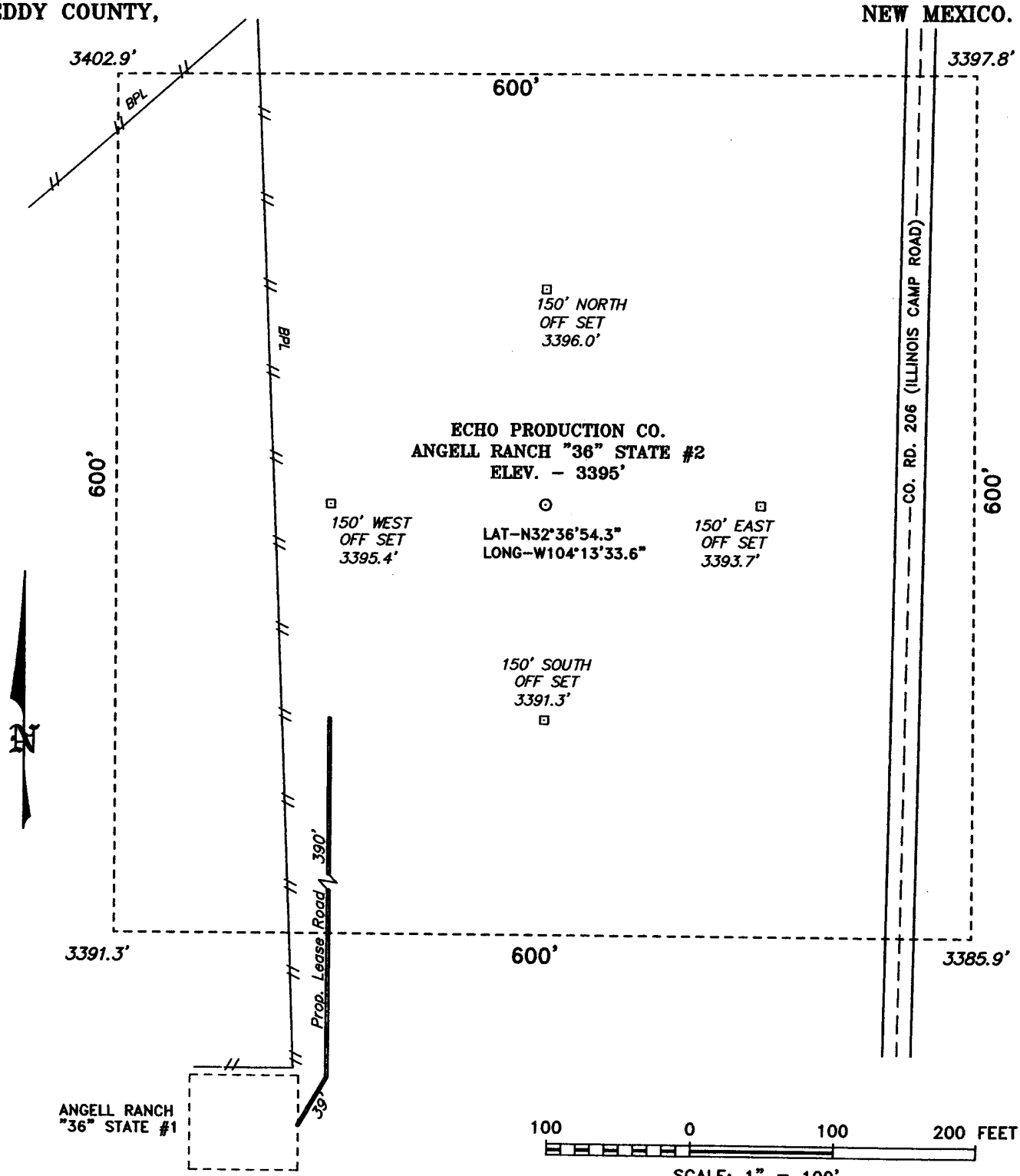
basin surveys
focused on excellence in the oilfield

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

W.O. Number:	5419AA - KJG CD#5
Survey Date:	05-17-2005
Scale:	1" = 2000'
Date:	05-23-2005

ECHO PRODUCTION COMPANY

SECTION 36, TOWNSHIP 19 SOUTH, RANGE 27 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF US HWY 82 AND CO. RD. 206(ILLINOIS CAMP ROAD), SOUTH ON ILLINOIS CAMP ROAD FOR 12.3 MILES TO LEASE ROAD; THENCE WEST ON LEASE ROAD FOR 0.1 MILE TO THE ANGELL RANCH "36" STATE #1 LOCATION AND PROPOSED LEASE ROAD.

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

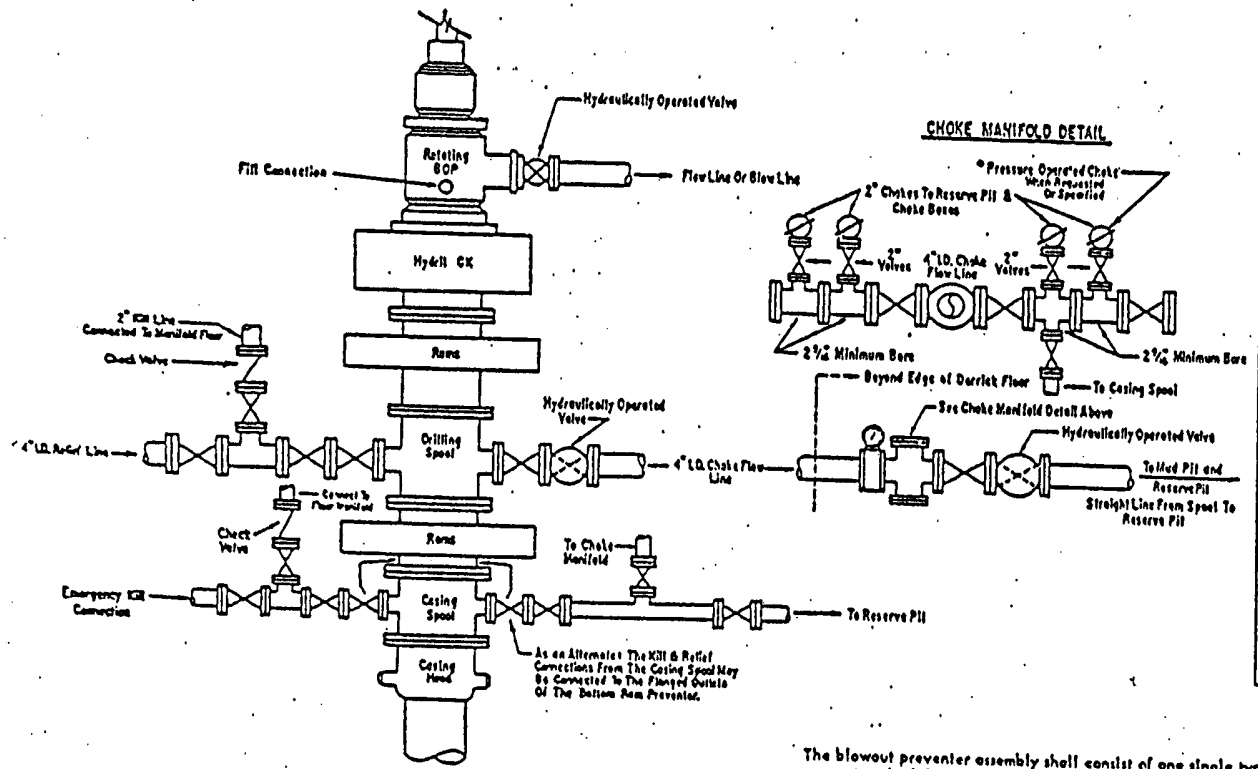
ECHO PRODUCTION CO.

REF: ANGELL RANCH "36" STATE No. 2 / Well Pad Topo

THE ANGELL RANCH "36" STATE No. 2 LOCATED 1980' FROM THE SOUTH LINE AND 495' FROM THE EAST LINE OF SECTION 36, TOWNSHIP 19 SOUTH, RANGE 27 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

W.O. Number: 5419	Drawn By: K. GOAD		
Date: 05-23-2005	Disk: KJG CD#4 - 5419A.DWG	Survey Date: 05-17-2005	Sheet 1 of 1 Sheets

Exhibit 'A'



3000# PSI WORKING PRESSURE
BLOWOUT PREVENTER HOOK-UP

CHOKE MANIFOLD DETAIL

The blowout preventer assembly shall consist of one single type blind ram preventer and one single type pipe ram preventer, both hydraulically operated; a Hydril "GK" preventer; a rotating blowout preventer; valves; chokes and connections, as illustrated. If a tapered drill string is used, a ram preventer must be provided for each size of drill pipe. Casing and tubing rams to fit the preventers are to be available as needed. If correct in size, the flanged outlets of the ram preventer may be used for connecting to the 4-inch I.D. choke flow line and 4-inch I.D. relief line, except when air or gas drilling. All preventer connections are to be open-face flanged.

Minimum operating equipment for the preventers and hydraulically operated valves shall be as follows: (1) Multiple pumps, driven by a continuous source of power, capable of fluid charging the total accumulator volume from the nitrogen precharge pressure to its rated pressure within_____ minutes. Also, the pumps are to be connected to the hydraulic operating system which is to be a closed system. (2) Accumulators with a precharge of nitrogen of not less than 750 PSI and connected so as to receive the aforementioned fluid charge. With the charging pumps shut down, the pressurized fluid volume stored in the accumulators must be sufficient to close all the pressure-operated devices simultaneously within_____ seconds; after closure, the remaining accumulator pressure shall be not less than 1000 PSI with the remaining accumulator fluid volume at least_____ percent of the original. (3) When requested, an additional source of power, remote and equivalent, is to be available to operate the above pumps; or there shall be additional pumps operated by separate power and equal in performance capabilities.

The closing manifold and remote closing manifold shall have a separate control for each pressure-operated device. Controls are to be labeled, with control handles indicating open and closed positions. A pressure reducer and regulator must be provided for operating the Hydril preventer. When requested, a second pressure reducer shall be available to limit operating fluid pressures to ram preventers. Gulf Legion No. 38 hydraulic oil, an equivalent or better, is to be used as the fluid to operate the hydraulic equipment.

The choke manifold, choke flow line, relief line, and choke lines are to be supported by metal stands and adequately anchored. The choke flow line, relief line, and choke lines shall be constructed as straight as possible and without sharp bends. Easy and safe access is to be maintained to the choke manifold. If deemed necessary, walkways and stairways shall be erected in and around the choke manifold. All valves are to be selected for operation in the presence of oil, gas, and drilling fluids. The choke flow line valves and relief line valves connected to the drilling spool and all ram type preventers must be equipped with stem extensions, universal joints if needed, and hand wheels which are to extend beyond the edge of the derrick substructure. All other valves are to be equipped with handles.

*To include derrick floor mounted controls.

EXHIBIT "A"

EQUIPMENT DESCRIPTION

All equipment should be at least 3,000 psi WP or higher unless otherwise specified.

1. Bell nipple
2. Hydril bag type preventer
3. Ram type pressure operated blowout preventer with blind rams.
4. Flanged spool with one 3"and one 2"(minimum) outlet.
5. 2"(minimum) flanged plug or gate valve.
6. 2"x 2"x 2"(minimum) flanged.
7. 3"gate valve.
8. Ram type pressure operated blowout preventer with pipe rams.
9. Flanged type casing head with one side outlet.
10. 2" threaded (or flanged) plug or gate valve. Flanged on 5000# WP, threaded on 3000# WP or less.
11. 3" flanged spacer spool.
12. 3"x 2"x 2"x 2" flanged cross.
13. 2" flanged plug or gate valve.
14. 2" flanged adjustable choke.
15. 2" threaded flange.
16. 2" XXH nipple.
17. 2" forged steel 90° Ell.
18. Cameron (or equal) threaded pressure gauge.
19. Threaded flange.
20. 2" flanged tee.
21. 2" flanged plug or gate valve.
22. 2 1/2" pipe, 300' to pit, anchored.
23. 2 1/2" SE valve.
24. 2 1/2" line to steel pit or separator.

NOTES:

1). Items 3,4 and 8 may be replaced with double ram type preventer with side outlets between the rams.
2). The two valves next tho the stack on the fill and kill line to be closed unless drill string is being pulled.
3). Kill line is for emergency use only. This connection shall not be used for filling.
4). Replacement pipe rams and blind rams shall be on location at all times.
5). Only type U, LSW and QRC ram type preventers with secondary seals are acceptable for 5000 psi WP and higher BOP stacks.
6). Type E ram-type BOP's with factory modified side outlets may be used on 3000 psi or lower WP BOP stacks.

STANDARD FORM 299 (2/2003)
Prescribed by DOI/USDA/DOT
P.L. 96-487 and Federal
Register Notice 5-22-95

APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS AND FACILITIES ON FEDERAL LANDS

FORM APPROVED
OMB NO. 1004-0189
Expires: October 31, 2005

NOTE: Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

FOR AGENCY USE ONLY
Application Number
Date filed

1. Name and address of applicant *(include zip code)*
Echo Production, Inc.
PO Box 1210
Graham, TX 76450

2. Name, title, and address of authorized agent if different from Item 1 *(include zip code)*

3. TELEPHONE *(area code)*
Applicant (940) 549-3292
Authorized Agent

4. As applicant are you? *(check one)*
a. ☐ Individual
b. ☒ Corporation*
c. ☐ Partnership/Association*
d. ☐ State Government/State Agency
e. ☐ Local Government
f. ☐ Federal Agency
* *If checked, complete supplemental page*

5. Specify what application is for: *(check one)*
a. ☒ New authorization
b. ☐ Renewing existing authorization No.
c. ☐ Amend existing authorization No.
d. ☐ Assign existing authorization No.
e. ☐ Existing use for which no authorization has been received*
f. ☐ Other*
* *If checked, provide details under Item 7*

RECEIVED
AUG 12 2005
OCD-ARTESIA

6. If an individual, or partnership are you a citizen(s) of the United States? ☐ Yes ☐ No

7. Project description *(describe in detail)*: (a) Type of system or facility, *(e.g., canal, pipeline, road)*; (b) related structures and facilities; (c) physical specifications *(length, width, grading, etc.)*; (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction *(Attach additional sheets, if additional space is needed.)*

(a) Drilling and tank battery pad w/access road. Angell Ranch '36' State #2
(b) Will set 2-3 300 bbl tanks, heater treater, gas sales meter.
(c) 300' x 325' drilling and production pad as shown on Exhibit A. Road ROW will be 30' x 429' as shown on Exhibit B.
(d) Thirty (30) years
(e) Year round
(f) Approximately 50 BOPD, 75 MCFPD
(g) Pad will be built and well drilled after approval is received, probably sometime in August 2005. Drilling to take approximately 1 week and completion operations approximately 2 weeks.

8. Attach a map covering area and show location of project proposal

9. State or local government approval: ☐ Attached ☒ Applied for ☐ Not required

10. Nonreturnable application fee: ☐ Attached ☒ Not required

11. Does project cross international boundary or affect international waterways? ☐ Yes ☒ No *(If "yes," indicate on map)*

12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.
Echo Production, Inc. is the operating company for Twin Montana, Inc. and Talus, Inc. Echo operates oil and gas leases in Texas, Oklahoma, and New Mexico. BLM Bond File # NM2692

(Continued on page 2)

13a. Describe other reasonable alternative routes nodes considered.
No alternatives were eva..ated since pad is needed at sta..ed location. The access route was selected to minimize impact as shown on the attached archaeological survey.

b. Why were these alternatives not selected?
See above

c. Give explanation as to why it is necessary to cross Federal Lands.
Well is planned to develop State owned minerals under Federal surface.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. *(Specify number, date, code, or name)*
NM 112860 Angell Ranch '36' State #1 Approved Feb 2005
NM 11329 Stiletto '21' Federal Com. #1 Approved July 2004
NM 11861 Stiletto '34' Federal #1 Approved September 2004
NM 110822 Stiletto '27' Federal submitted June 15, 2005

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal *(construction, operation, and maintenance);* (b) estimated cost of next best alternative; and (c) expected public benefits.
The estimated cost of the pad and road is $25,000. The pad is required to develop the company owned leases here. No alternatives evaluated as state in 13a.

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.
Project located in uninhabited area and will have minimal impact except to provide economic stimulation to the area.

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability. (a) Minimal-temporary increase in dust. (b) Minimal-Uninhabited area. (c) None (d) None-no surface water in area (e) Minimal-pickup travel once per day and temporary operation of heavy equipment for short durations. (f) Minimal-see archaeology survey.

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantlife, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.
(a) none
(b) none

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 9601 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

No hazardous materials to be stored or produced at the location.

20. Name all the Department(s)/Agency(ies) where this application is being filed.
BLM - Rosewell, NM

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant Ken Seligman	Ken Seligman	Date 6/22/05

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.

(Continued on page 3)