

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

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name NM88163
2. Name of Operator Echo Production, Inc.		7. If Unit or CA/Agreement, Name and/or No.
3a. Address PO Box 1210, Graham, TX 76450	3b. Phone No. (include area code) (940) 549-3292	8. Well Name and No. Avion Federal #3
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1880' FSL & 1880' FEL Sec 22 T23S R32E		9. API Well No. 30-025-34817
		10. Field and Pool, or Exploratory Area Diamond Tail Delaware
		11. County or Parish, State Lea County, NM

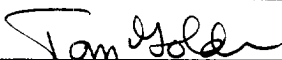
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 checked="" 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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 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.)

Well was TA after reaching economic limit and an application was submitted for conversion to SWD. The application was submitted due to notification from Concho that their SWD facility was reaching capacity and that Echo would be removed once capacity was met. It is not economically justified to convert the well to SWD at present levels of water production as long as the well is connected to the present system. We are requesting that the well be held for potential conversion which will be done if water production increases, additional development is justified or if the lease is removed from the present disposal system.

The subject well has both surface (615' and intermediate (4838') casing strings cemented to the surface so the potential of any pollution problems are minimal.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Tom Golden	Title Operations Manager
Signature 	Date 9/04/02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

(ORIG. SGD.) JOE G. LARA		Title Petroleum Engineering	Date 9/27/02
Approved by		Office CFO	
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.

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