Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004-0135

NM-99011

BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter with 2003 abandoned well. Use Form 3160-3 (APD) for such proposals. Lease Serial No. 6. If Indian, Allottee or Tribe Name SUBMIT IN TRIPLICATE - Other instructions on reverse side 7. If Unit or CA/Agreement, Name and/or No. Type of Well 2401.681 Oil Well Gas Well Other Well Name and No. Name of Operator Chino 31 Federal #1 Threshold Development Company 9. API Well No. 3a. Aphres Taylor St. - Penthouse II 3b. Phone No. (include area code) 30-035-20032 Fort Worth, TX 76102 817-870-1483 10. Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) Exploratory 780' FSL & 1691' FWL of Section 31-T24S-R18E 11. County or Parish, State Unit N. SESW Otero Co., NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat ☐ Reclamation Well Integrity Casing Repair ☐ Subsequent Report ■ New Construction Recomplete Other Change Plans Plug and Abandon Temporarily Abandon ☐ Final Abandonment Notice Convert to Injection Plug Back Water Disposal Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate dataset in 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.) Threshold Development Company respectfully requests approval to face the V-door of the drilling rig to the north and the pits to the west of the center hole. is due to the closeness of the bluff area to the east of the centerhole. 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Rusty Title Agent June 20, 2003 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Title Conditions of approval, if any, are attached. Approved of this notice does not warrant or certify that the applicant holds legal or equitable time to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Date

Title 18 U.S.C. Section 1001 and Title 43 U.S. 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.

Office