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OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

3-NMOCC - Artesia
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5a. Indicate Type of Lease
State Fee

5. State Oil & Gas Lease No.
B-8096

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.)

NOV 25 1981

1. Name of Operator
Threshold Development Company

2. Address of Operator
114 N. Big Spring St., Suite 1400, Midland, Tx 79701-4558

3. Location of Well
UNIT LETTER D 660 FEET FROM THE north LINE AND 540 FEET FROM THE west LINE, SECTION 7 TOWNSHIP 19S RANGE 29E NMPM.

4. Elevation (Show whether DF, RT, GR, etc.)
3380.4' GR

5. State Oil & Gas Lease No.
B-8096

6. Unit Agreement Name
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7. Farm or Lease Name
Conoco "7" State

8. Well No.
4

9. Field and Pool, or Wildcat
E. Millman Queen Grayburg

10. County
Eddy

16. 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 checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. 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.

- MI&RU Bud Vinson Drlg Co. Rig #1. Spudded 12-1/4" hole at 11:30 a.m. 11-11-81. Drld 30' and broke down.
- Drilled to 387'. Set 9 jts. (377') 8-5/8" OD new 24# 8RD ERW L.S. casing at 384'. BJ Hughes cemented w/400 sacks Class C Neat cement. Circulated out 30 sacks cement. P.D. at 7:30 p.m. 11-15-81.
- WOC 11 hrs. Tested 8-5/8" OD casing w/1000 psi for 30 min., held okay.
- Drilling 719'.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Peggy A. Redman TITLE Engineer Assistant DATE November 23, 1981

APPROVED BY M. Williams TITLE OIL AND GAS INSPECTOR DATE DEC 1 1981

CONDITIONS OF APPROVAL, IF ANY: