

Threshold Development Company

February 26, 1981

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MAR 11 1981

OIL CONSERVATION DIVISION
SANTA FE

*NSP
Rule 104 D II
No waiting*

NSP-1243

Re: Administrative Approval of Non-
Standard Unit for Morrow (Gas)
TDC's Flag "TD" State No. 1
Unit F, Sec. 18, T19S, R29E, NMPM
Undesignated Turkey Track (Morrow) Field
Eddy County, New Mexico

Oil Conservation Division (2)
State of New Mexico, Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Oil Conservation Division (2)
District II Office
P. O. Drawer DD
Artesia, New Mexico 88210

Attn: Mr. Joe D. Ramey

Attn: Mr. W. A. Gressett

Gentlemen:

Threshold Development Company respectfully requests administrative approval on a non-standard unit for the subject well. The west half of Section 18, T19S, R29E, consisting of 290.8 acres, is dedicated to this proration unit in its entirety. The unorthodox size of the unit is necessitated by a variation in the legal subdivision of the U. S. Public Land Surveys. See attached plat.

Yours very truly,

David H. Pace

David H. Pace
Exploration Manager

DHP/pr

Attachment

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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Form O-102
Supersedes G-128
Edition 1-65

All distances must be from the outer boundaries of the Section

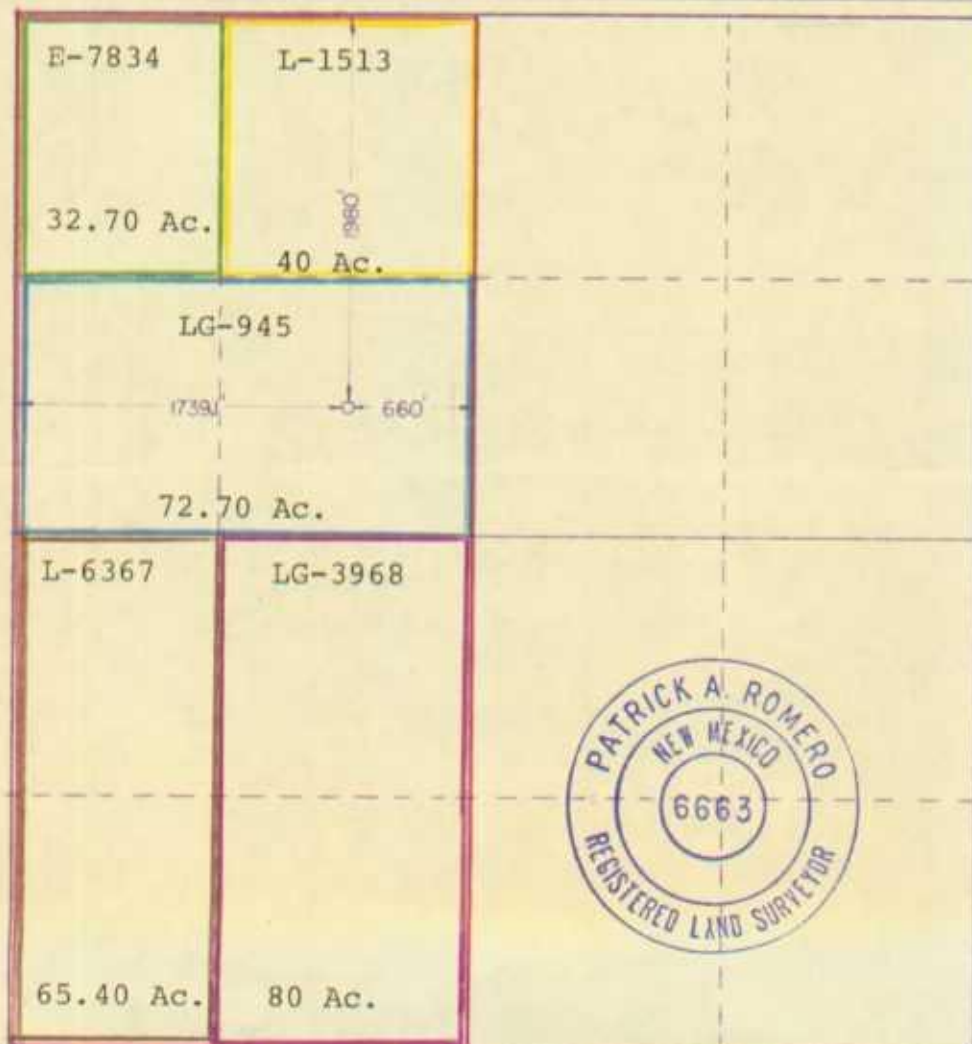
Operator Threshold Development Co.		Lease Flag "TD"		State COM		Well No. 1
Unit Letter F	Section 18	Township 19 South	Range 29 East	County Eddy		
Actual Footage Location of Well: 1980 feet from the north line and 1739 feet from the west line						
Ground Level Elev. 3381.0	Producing Formation Morrow		Pool Undes. Turkey Track		Dedicated Acreage: 290.8 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization agreement

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Signature: David H. Pace

Position: Exploration Manager

Company: Threshold Development Co.

Date: February 26, 1981

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 supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: 1-24-81

Registered Professional Engineer and/or Land Surveyor

Signature: Patrick A. Romero

Certificate No. JOHN W. WEST 676
PATRICK A. ROMERO 6663
Ronald J. Eidson 3239

Lot 1 - State of New Mexico Lease E-7834

(1)- Royalty - State of New Mexico 12.5%
ORR - L. E. Gwaltney 1/32 of 8/8
T. K. Campbell 1/32 of 8/8
Working Interest - Surface to 2414'
Robert E. Ferguson 25%
Ward Investment Corp. 25%
H&S Oil Company 15.625%
John A. Yates 12.50%
C. E. Roach 9.375%
Leah F. Kennedy 5.250%
Wanda Porter 1.82292%
Faith Kennedy 1.82292%
Velda Gass 1.82292%
Joy Parsons .19531%
Sue Shepard .19531%
Roxanna Mills .19531%
Teresa Burnsides .19531%
Charlene M. Ward 1.0000%

(2) 2414' to 2500'
Same as above (1) except interest of Ward Investment Corp. is
J. S. Ward 12.5%
Charlene M. Ward 12.5%

Below 2500'
Same as above (2) except interest of C. E. Roach is owned
C. E. Roach 4.6875%
Dick Blenden 4.6875%

Lot 2 - SE/4 NE/4 State of New Mexico Lease LG-945
Royalty-State of New Mexico 12.5%
ORR - None
Working Interest - Flag-Redfern Oil Co. 87.5%

Lots 3 & 4 - State of New Mexico Lease L-6367
Royalty - State of New Mexico 12.5%
ORR - None
Working Interest - Pogo Producing Company (Read &
Stevens Farmout) 87.5%

NE/4 NW/4 State of New Mexico Lease L-1513
Royalty - State of New Mexico 12.5%
ORR - None
Working Interest - Pennzoil Company (Threshold
Development Co. Farmout) 87.5%

E/2 SW/4 State of New Mexico LG-3968
Royalty - State of New Mexico 12.5%
ORR - None
Working Interest - Pennzoil Company (Threshold
Development Co. Farmout) 87.5%

NO. AT OFFICE RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate type of Lease	
LEASE ☒ STATE ☒ FEDERAL ☐	
5. State Oil & Gas Lease No.	
LG-945	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL ☒ DEEPEN ☐ PLUG BACK ☐ OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐		8. Term or Lease Name	
2. Name of Operator Threshold Development Company		Flag "TD" State Com	
3. Address of Operator 1100 Gihls Tower West, Midland, Texas 79701		9. Well No. 1	
4. Location of Well UNIT LETTER <u>F</u> LOCATED <u>1980</u> FEET FROM THE <u>North</u> LINE AND <u>1739</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>18</u> TWP. <u>19S</u> R. <u>29E</u> MAP		10. Field and Pool, or Wildcat Undes. Turkey Track	
11. Elevation (show whether lift, H, etc.) 3381.0' G.L.		12. County Eddy	
15. Proposed Depth 11,800'		19A. Formation Morrow	
21A. Kind & Status Plug. Bond Active Blanket		21B. Drilling Contractor Landis Drlg. Co.	
22. Approx. Date Work will start March 4, 1981		23. Rotary	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48#	400'±	500	Surface
11"	8-5/8"	24#	3000'±	1200	Surface
7-7/8"	5-1/2"	17# & 20#	11,800'±	650	9000'

This well will be spudded with a 17-1/2" hole and drilled to 400'±. Surface casing will be run and cement circulated to surface. Casing will be tested to 1000 psi before drilling out of surface. BOP's will be installed and pressure tested to 3000 psi. (BOP's will be pressure tested a minimum of once every 10 days). An 11" hole will be drilled to 3000'± and 8-5/8" OD casing set and cemented to the surface. Casing will be tested to 1000 psi before drilling out. A 7-7/8" hole will be drilled to a total depth of 11,800'±. If the well is deemed productive, 5-1/2" OD casing will be run and cemented with 650 sacks cement.

Note: BOP that meets NMOCC requirements will be used. (See attached schematic).
Gas is not dedicated.

IF ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed David H. Pace Title Exploration Manager Date February 26, 1981

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

B.O.P. ARRANGEMENT RIG NO. 3

3000 LB. W.P. B.O.P.
 10" CAMERON TYPE-SS HYDRAULIC B.O.P. 3000 P.S.I.
 12" G.K. HYDRILL 3000 W.P.
 80 GALLON- STATION KOOMEY ACCUMULATOR
 3000 LB. W.P. CHOKE MANIFOLD

Landis Drilling Company.

