

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Bruzos Rd., 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-103
Revised May 08, 2003

WELL API NO.	30-015-33059
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	V-5654
7. Lease Name or Unit Agreement Name	TDC Cowtown State
8. Well Number	1
OGRID Number	23032
10. Pool name or Wildcat	Undesignated Cisco
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	4056' GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG OR FOR SUCH DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-103) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator Threshold Development Company

3. Address of Operator 777 Taylor St. - Penthouse II - Ft. Worth, TX 76102

4. Well Location
Unit Letter P : 660 feet from the South line and 660 feet from the East line
Section 6 Township 19S Range 23E NMPM Eddy County

12. 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 type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Squeeze Cisco perforations <input checked="" type="checkbox"/>	

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4-27-2004 - Opened well and flared well down to pit. Loaded tubing with 40 bbls 2% KCL water. Nipped down tree and nipped up BOP. Released packer. TOOH with tubing and packer. Rigged up wireline. RIH with CCL and tagged PBTD at 7080'. TOOH with CCL and rigged down wireline. Shut well in for night.

4-28-2004 - RIH with RBP, packer and tubing. Set RBP at 6420' and packer at 6325'. Tested tools to 2000 psi, OK. Reset packer at 6294', 6263' and 6231'. Each setting could be circulated from tubing to annulus at 2 BPM at 200 psi. Set packer at 6175'. Pumped via tubing at 2 BPM at 1700 psi. Pressured annulus to 2000 psi - no communication. TOOH. RIH with cement retainer on tubing and set retainer at 6145'. Pressured annulus to 1500 psi. Established injection rate and squeezed perforations 6178-6296' (Cisco) with 125 sacks Class C cement (weight 14.8). Obtained running squeeze to 3900 psi. Sting out of retainer. Reversed 10 sacks out of tubing. Shut well in for night.

4-29-2004 - WOC. TOOH and lay down stinger. Prep to drill out.

CONTINUED ON NEXT PAGE:

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

SIGNATURE Rusty Klein TITLE Agent DATE 5/5/04

Type or print name Rusty Klein Telephone No. (505) 513-0318

(This space for State use)

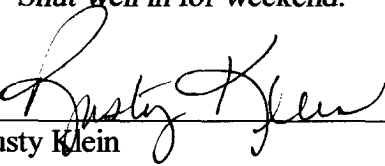
APPROVED BY FOR RECORDS ONLY DATE JUL 14 2004

Conditions of approval, if any:

THRESHOLD DEVELOPMENT COMPANY
TDC Cowtown State #1
Section 6-T19S-R23E
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

4-30-2004 – Rigged up reverse unit. RIH with bit, drill collars and tubing and tagged top of cement at 6135'. Drilled hard cement and retainer to top of perforations at 6178'. Drilled hard cement through perforations. Drilled out to 6250'. Circulated casing clean with 2% KCL water. Pressure tested casing to 1000 psi for 10 minutes, OK. Rigged down reverse unit and released all rentals. Shut well in for weekend.



Rusty Klein
Agent
May 5, 2004