

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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

5. Lease Serial No.
NM-99009

If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Chiricahua R 21 Fed #1

9. API Well No.
30-035-20034

10. Field and Pool, or Exploratory Area
Wildcat Exploratory

11. County or Parish, State
Otero Co., NM

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

2. Name of Operator
Threshold Development Company

3a. Address
777 Taylor St. - Penthouse II
Fort Worth, TX 76102

3b. Phone No. (include area code)
817-870-1483

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1115' FNL & 660' FWL of Section 21-T24S-R18E
Unit D, NWNW

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Other <u>Rat Hole Spud,</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Rotary tools,</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>surf. casing & cement</u>

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 recompleat 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 recompleat 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.)

Spudded a 26" hole with rat hole machine at 9:30 AM 7-1-2003. Drilled to 40'. Set 40' of 16" conductor pipe. Cemented to surface.

TD 40'. Waiting on rotary tools.

Resumed drilling a 14-3/4" hole with rotary tools at 6:30 AM 8-3-2003. NOTE: J. R. Hogwood w/BLM-Roswell on location and witnessed resuming drilling.

TD 600'. Reached TD at 10:30 PM 8-3-2003. Ran 14 joints of 11-3/4" 42# H-40 (606.31') of casing set at 600'. 1-Texas Pattern guide shoe set at 600'. Insert float set at 558'. Cemented with 200 sacks Premium Plus, 1% thickset A, 1/4# thickset B (yield 1.51, weight 14.0) and 100 sacks Howco Lite, 1/4#/sack flocele, 5#/sack gilsonite and 2% CaCl2 (yield 1.99, weight 12.5). Tailed in with 200 sacks Premium Plus and 2% CaCl2 (yield 1.34, weight 14.8). PD 5:30 AM 8-4-2003. Bumped plug to 500 psi for 5 minutes.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Rusty Klein

Signature

Rusty Klein

CONTINUED ON NEXT PAGE:

Title Agent

Date August 15, 2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Date

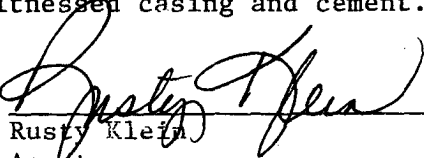
Office

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.

THRESHOLD DEVELOPMENT COMPANY
Chiricahua R 21 Federal #1
Section 21-T24S-R18E
Otero County, New Mexico

SUNDRY NOTICE CONTINUED:

OK. Cement did not circulate. WOC 8 hours. Ran Temperature Survey and found top of cement at 70'. Ran 1". Tagged cement at 89'. Spotted 50 sacks Class C with 2% CaCl₂. PD 2:00 PM 8-4-2003. WOC 2 hours. Ran 1". Tagged cement at 84'. Spotted 50 sacks Class C with 2% CaCl₂. PD 4:05 PM 8-4-2003. Circulated 25 sacks. WOC. Nippled up and tested to 1500 psi for 15 minutes, OK. Drilled out at 9:30 PM 8-6-2003. WOC 64 hours. Reduced hole to 10-5/8". Resumed drilling. NOTE: J. R. Hogwood w/BLM-Roswell on location and witnessed casing and cement.



Rusty Klein
Agent
August 15, 2003