

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Threshold Development Company 777 Taylor St. - Penthouse II Fort Worth, TX 76102		² OGRID Number 023032
³ Property Code 19125	⁵ Property Name Conoco 10 State	⁴ API Number 30-015-23066
		⁶ Well No. 1

⁷ Surface Location

LL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	10	19S	29E		1980	South	660	East	Eddy

⁸ Proposed Bottom Hole Location If Different From Surface

LL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
⁹ Proposed Pool 1 Undesignated Wolfcamp					¹⁰ Proposed Pool 2				

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary Pulling Unit	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3375' GR
¹⁶ Multiple N	¹⁷ Proposed Depth PBDT 10700'	¹⁸ Formation Wolfcamp	¹⁹ Contractor Unknown	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	437'	In place	
11"	8-5/8"	24# & 32#	2700'	In place	
7-7/8"	5-1/2"	17#	11,750'	In place	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

Threshold Development Company respectfully requests permission to abandon perforations 11420-11456' (Morrow) and recomple to Wolfcamp as follows:

1. Load tubing and casing as necessary. Nipple down tree & nipple up BOP and test.
2. TOOH with tubing and packer.
3. Wireline set CIBP at 10700' and cap with 35' of cement. Load casing with 2% KCL water. Test casing to 1500 psi.

CONTINUED ON NEXT PAGE:

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief		OIL CONSERVATION DIVISION	
Signature: <i>Rusty Klein</i>		Approved by: ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR	
Printed name: Rusty Klein		Title:	
Title: Agent for Threshold Development Co.		Approval Date: AUG 2 2002	Expiration Date: AUG 2 2003
Date: July 30, 2002	Phone: 505-746-6565	Conditions of Approval: Attached <input checked="" type="checkbox"/> *	

* Operator to set CIBP w/35' cement or 100' cement plug. Tag above Morrow Perfs.