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NEW MEXICO OIL CONSERVATION COMMISSION
MAR 06 1981
O. C. D.
ARTESIA, OFFICE

30-015-23694
Form C-101
Revised 1-1-85

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. B-8096	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name --
2. Name of Operator Threshold Development Company		8. Farm or Lease Name Conoco "7" State		9. Well No. 3
3. Address of Operator 1100 Gihls Tower West, Midland, Texas 79701		10. Field and Pool, or Wildcat Undes. N. Millman (SA)		
4. Location of Well UNIT LETTER <u>E</u> LOCATED <u>1980</u> FEET FROM THE <u>north</u> LINE AND <u>542</u> FEET FROM THE <u>west</u> LINE OF SEC. <u>7</u> TWP. <u>19S</u> RGE. <u>29E</u> NMPM		12. County Eddy		
19. Proposed Depth 3500'		19A. Formation San Andres		20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 3379.1 GL	21A. Kind & Status Plug. Bond Active Blanket	21B. Drilling Contractor Megargel Drlg. Rig#2	22. Approx. Date Work will start March 9, 1981	

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	25#	400'±	400	Surface
7-7/8"	4-1/2"	9.5#	3500'±	1200	1500'

This well will be spudded with a 12-1/4" 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 pressure tested a minimum of once every 10 days). A 7-7/8" hole will be drilled to a total depth of 3500'±. If the well is deemed productive, 4-1/2" OD casing will be run and cemented with 1200 sacks cement.

NOTE: A Single Ram Regan 8" 900 ASA BOP will be used.

Gas is dedicated.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 9-9-81
UNLESS DRILLING UNDERWAY

IN 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 Peggy A. Redman Title Engineer Assistant Date March 6, 1981
(This space for State Use)

APPROVED BY W. A. Gressett TITLE SUPERVISOR, DISTRICT IV DATE MAR 09 1981
CONDITIONS OF APPROVAL, IF ANY: