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L CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

3-NMOCC - Artesia
1-J. L. Conquest-Fort Worth
1-File

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

SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT - 1" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER <input type="checkbox"/> 2. Name of Operator Threshold Development Company 3. Address of Operator 114 N. Big Spring St., Suite 1400, Midland, Tx 79701-4558 4. Location of Well UNIT LETTER <u>F</u> <u>2180</u> FEET FROM THE <u>north</u> LINE AND <u>1740</u> FEET FROM <u>west</u> LINE, SECTION <u>7</u> TOWNSHIP <u>19S</u> RANGE <u>29E</u> NMPM. 15. Elevation (Show whether DF, RT, GR, etc.) 3377.1' GR	FEB 12 1982 O. C. D. ARTESIA, OFFICE 7. Unit Agreement Name -- 8. Farm or Lease Name Conoco "7" State 9. Well No. 5 10. Field and Pool, or Wildcat E. Millman Queen-Grayburg 12. County Eddy
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16. 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 checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	
		OTHER <input type="checkbox"/>	

17. 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.

- 1) MI&RU Bud Vinson Drlg Co. Rig #1. Spudded 12-1/4" hole at 4:20 p.m. 2-2-82.
- 2) Drilled to 381'. Lost circulation at 170'. Drilled dry 170' to 381'.
- 3) Set 9 jts. (363.68') new 8-5/8" OD 8RD 24# ERW L.S. casing at 372' KB. BJ Hughes cemented w/400 sacks Class "C", 2% CaCl and 1/4# Celloflakes per sack, no returns. Dumped 5 yards pea gravel down backside. RIH w/1" pipe down backside. Cemented w/400 sacks Class "C", 3% CaCl and 1/4# Celloflakes per sack. Circulated 30 sacks cement to pit. P.D. at 1:30 p.m. 2-3-82.
- 4) WOC 18 hrs. Tested 8-5/8" OD casing to 1000 psi for 30 min., held okay.
- 5) Drilling 7-7/8" hole at 453'.

18. 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 Feb. 10, 1982

APPROVED BY Mike Williams TITLE OIL AND GAS INSPECTOR DATE FEB 15 1982

CONDITIONS OF APPROVAL, IF ANY: