

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners**
- [B] ☐ Offset Operators, Leaseholders or Surface Owner**
- [C] ☐ Application is One Which Requires Published Legal Notice**
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO**
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,**
- [F] ☐ Waivers are Attached**

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name _____

Signature _____

Title _____

Date _____

 e-mail Address

THRESHOLD DEVELOPMENT COMPANY

FORT WORTH CLUB TOWER
PENTHOUSE II, SUITE D
777 TAYLOR STREET
FORT WORTH, TEXAS 76102

TELEPHONE
(817) 870-1483
FACSIMILE
(817) 870-1504

RECEIVED

August 27, 2004

SEP 07 2004

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
Attn: Tim Gum
1301 W. Grand Avenue
Artesia, NM 88210

OIL CONSERVATION
DIVISION

RECEIVED

AUG 30 2004

000-ARTESIA

Dear Mr. Gum:

Please find enclosed the Application for Authorization to Inject along with required exhibits for the TDC State Section 8 #1

If you have any questions, please call Gary Tidmore at your earliest convenience.

Respectfully,
Threshold Development Company

Gary Tidmore & Threshold Development
Co.

Linda Brown

Linda Brown
Regulatory Assistant

Enclosures

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: ☒ Secondary Recovery ☐ Pressure Maintenance ☐ Disposal ☐ Storage
Application qualifies for administrative approval? ☒ Yes ☐ No
- II. OPERATOR: Threshold Development Company
ADDRESS: 777 Taylor Street, Suite II-D, Fort Worth, Texas 76102
CONTACT PARTY: Morris Keith PHONE: 817-870-1483
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? ☐ Yes ☒ No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Gary Timmone TITLE: VP
SIGNATURE: [Signature] DATE: 08-26-04
E-MAIL ADDRESS: _____
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

RECEIVED

AUG 30 2004

000-ARTESIA

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

APPLICATION FOR AUTHORITY TO INJECT

Threshold Development Company – TDC State Section 8 #1
Unit Letter L, Section 8, T19S, R29E
1650' FSL & 330' FWL. 30-015-32898
Eddy County, New Mexico

- (I) Threshold plans to convert the above mentioned well into an injection well in the Queen Formation.
- (II) Operator: Threshold Development Company
777 Taylor Street, Suite II-D
Fort Worth, Texas 76102

Attention: Morris Keith (817) 870-1483
- (III) Well Data: See Exhibit "A" ✓
- (IV) This is not an expansion of an existing project. ✓
- (V) See Exhibit "B" ✓
- (VI) See Exhibit "C" ✓
- (VII) 1) Proposed average daily injection volume: 400 BWPD/well
Proposed maximum daily injection volume: 2000 BWPD/well

2) System will be a closed system.

3) Proposed average injection pressure: 200 PSI
Proposed maximum injection pressure: 400 PSI

4) Injection water would be produced from the TDC State Section 8 #2 well located on the same lease, in the Grayburg and Queen Formations. One or more future wells will be drilled in Section 8. Injection fluid analysis (Exhibit "D"). ✓

5) Formation water analysis (Exhibit "E"). *still need Penrose water*
- (VIII) 1) The proposed injection interval is the portion of the Queen and Penrose consisting of porous sand and dolomite.

2) Very limited fresh water zones overlie the proposed injection zone at estimated 150' from surface.
- (IX) The proposed injection interval may be acidized with 15% HCl acid.
- (X) Well logs and test data are on file at the OCD and copies of pertinent log section are included with the application.
- (XI) Fresh water Analysis from fresh water wells (Not Applicable)
- (XII) Geological and engineering data have been examined and no evidence of open faults or any other hydrological connection between the injection zone and any fresh water aquifer has been found.
- (XIII) A) Certified letter have been sent to offset operators (Exhibit "F"). Surface is owned by the State of New Mexico.

B) Affidavit of publication (Exhibit "G").

(EXHIBIT # D, E are SAME)

OPERATOR:

Threshold Development Company

WELL NAME & NUMBER:

TDC State Section 8 #1

WELL LOCATION:

1650' FSL & 330' FWL
FOOTAGE LOCATION

L

UNIT LETTER

8

SECTION

19

TOWNSHIP

29E

RANGE

WELLBORE SCHEMATIC

Threshold Development Company

TDC State 8 #1

1,650' FSL, 330' FWL

Section 8 T19S R28E

Eddy County, New Mexico

3K orbit valve

12 1/4" hole

8 5/8" 24# J-55 8R casing @ 311'.

cemented with 185 sls Class C + 2% CaC2 + 150 sls Class C
circulated to surface., TO

2 7/8" used J-55 ELUE plastic lined tbg - 67' js

SN @ 2,130' KB adj.

Annulus loaded with packer fluid

7 7/8" hole

plastic lined AD-1 tension packer @ 2,144' KB adj.

Frac with 72,500 gallons Xthred Borate carrying 151,500# 1620 Brady

Percuss 2,160' - 2,210' 48 shots total. Addicta w 3,000 gal. ISIP - 940, 15 min - 520 ppg

Percuss 2,271' - 2,308' 70 shots total. Addicta w 1,000 gal. ISIP - 850 ppg, 15 min - 520 ppg

Produced 528 bbls oil, 14,003 bbls wtr - 60 days 3.5% oil cut

5 1/2" J-55 15.5# LTC casing @ 3,044'. IF @ 3,002'

Cement - 380 sls 35.95% lile + 310 sls 15.61:11 Super C.
circulated 5 sls to pit.

TD - 3,050'

PBTD - 2,890'

TD - 3,050'

not to scale

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 12 1/4" Casing Size: 8 5/8"

Cemented with: 345 sx. *or* ft³

Top of Cement: Surface Method Determined: Visual

Intermediate Casing

Hole Size: Casing Size: ft³

Cemented with: sx. *or* ft³

Top of Cement: Method Determined:

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2"

Cemented with: 670 sx. *or* ft³

Top of Cement: surface Method Determined: Visual

Total Depth: 3,044

Injection Interval

2,190' to 2,306' feet

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET**Exhibit "A"**Tubing Size: 2 7/8" Lining Material: Composite (plastic)Type of Packer: AD-1 (tension)Packer Setting Depth: 2144'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____ Yes X No _____
 If no, for what purpose was the well originally drilled? Production

2. Name of the Injection Formation: Penrose

3. Name of Field or Pool (if applicable): _____

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

HALLIBURTON

Exhibit "D"

PERMAIN BASIN OPERATIONS LABORATORY
WATER ANALYSIS REPORT
HOBBS, NEW MEXICO

COMPANY	TDC Inc.	REPORT	W04-166
		DATE	August 26, 2004
		DISTRICT	Hobbs

SUBMITTED BY _____

WELL	St. 8 #2	DEPTH		FORMATION	
COUNTY		FIELD		SOURCE	

SAMPLE

Sample Temp.	84	°F		°F		°F		°F
RESISTIVITY	0.063							
SPECIFIC GR.	1.100							
pH	6.57							
CALCIUM	6,500	mpl		mpl		mpl		mpl
MAGNESIUM	4,500	mpl		mpl		mpl		mpl
CHLORIDE	84,767	mpl		mpl		mpl		mpl
SULFATES	high	mpl		mpl		mpl		mpl
BICARBONATES	519	mpl		mpl		mpl		mpl
SOLUBLE IRON	0	mpl		mpl		mpl		mpl
KCL	Negative							
Sodium		mpl	0	mpl	0	mpl	0	mpl
TDS		mpl	0	mpl	0	mpl	0	mpl
OIL GRAVITY	@	°F	@	°F	@	°F	@	°F

REMARKS

Fax: 817-870-1504

Attn: Morris Keith

MPL = Milligrams per liter

Resistivity measured in: Ohm/m2/m

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Co.

ANALYST: MA

Water To Be injected?

HALLIBURTONPERMAIN BASIN OPERATIONS LABORATORY
WATER ANALYSIS REPORT
HOBBS, NEW MEXICO

Exhibit "E"

SAME OF "D"

COMPANY TDC Inc.

_____REPORT W04-166
DATE August 26, 2004
DISTRICT Hobbs

SUBMITTED BY _____

WELL St. 8 #2 DEPTH _____ FORMATION _____
COUNTY _____ FIELD _____ SOURCE _____

SAMPLE

Sample Temp.	<u>84</u>	°F	_____	°F	_____	°F	_____	°F
RESISTIVITY	<u>0.063</u>		_____		_____		_____	
SPECIFIC GR.	<u>1.100</u>		_____		_____		_____	
pH	<u>6.57</u>		_____		_____		_____	
CALCIUM	<u>6,500</u>	mpl	_____	mpl	_____	mpl	_____	mpl
MAGNESIUM	<u>4,500</u>	mpl	_____	mpl	_____	mpl	_____	mpl
CHLORIDE	<u>84,767</u>	mpl	_____	mpl	_____	mpl	_____	mpl
SULFATES	<u>high</u>	mpl	_____	mpl	_____	mpl	_____	mpl
BICARBONATES	<u>519</u>	mpl	_____	mpl	_____	mpl	_____	mpl
SOLUBLE IRON	<u>0</u>	mpl	_____	mpl	_____	mpl	_____	mpl
KCL	<u>Negative</u>		_____		_____		_____	
Sodium	_____	mpl	<u>0</u>	mpl	<u>0</u>	mpl	<u>0</u>	mpl
TDS	_____	mpl	<u>0</u>	mpl	<u>0</u>	mpl	<u>0</u>	mpl
OIL GRAVITY	<u>@</u>	°F	<u>@</u>	°F	<u>@</u>	°F	<u>@</u>	°F

REMARKS Fax: 817-870-1504
Attn: Morris Keith

_____MPL = Milligrams per liter
Resistivity measured in: Ohm/m2/m

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ANALYST: MA

THRESHOLD DEVELOPMENT COMPANY

Fort Worth Club Tower, Penthouse II, Suite D

777 Taylor Street

Fort Worth, Texas 76102

Gary Tidmore, Vice President-Land

Telephone: (817) 870-1483

Facsimile: (817) 870-1504

E-Mail: g_tidmore@thresholddevelopment.com

August 26, 2004

VIA CERTIFIED MAIL 7002 20300003 6842 3901

OXY USA WTP LIMITED PARTNERSHIP

P.O. Box 50250

Midland, Texas 79710

Re: Application For Authorization to Inject
TDC State Section 8 #1
Eddy County, New Mexico

Gentlemen:

Enclosed is a copy of an application filed with the New Mexico Oil Conservation Division, requesting authority to convert the referenced well to an injection well. Should you have any questions concerning this application, please contact the undersigned.

Respectfully yours,

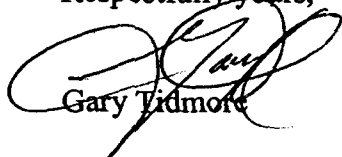

Gary Tidmore

Exhibit "F"

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.75
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.80
Postmark Here	
Sent To: OXY USA	
Street, Apt. No., or PO Box No. P.O. Box 50250	
City, State, ZIP+4 Midland TX	
PS Form 3800, June 2002 See Reverse for Instructions	

7002 20300003 6842 3901

THRESHOLD DEVELOPMENT COMPANY

Fort Worth Club Tower, Penthouse II, Suite D

777 Taylor Street

Fort Worth, Texas 76102

Gary Tidmore, Vice President-Land

Telephone: (817) 870-1483

Facsimile: (817) 870-1504

E-Mail: g_tidmore@thresholddevelopment.com

August 26, 2004

VIA CERTIFIED MAIL 7002 2030 0003 6842 3536

Melrose Operating Company

5813 Northwest Grand Blvd., Suite "B"

Oklahoma City, OK 73118

Re: Application For Authorization to Inject
TDC State Section 8 #1
Eddy County, New Mexico

Gentlemen:

Enclosed is a copy of an application filed with the New Mexico Oil Conservation Division, requesting authority to convert the referenced well to an injection well. Should you have any questions concerning this application, please contact the undersigned.

Respectfully yours,

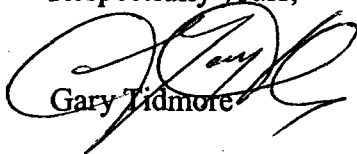

Gary Tidmore

Exhibit "F"

U.S. Postal Service TM	
CERTIFIED MAIL TM RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.75
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.80
Postmark Here	
Sent To Melrose Op Co	
Street, Apt. No., or PO Box No. 5813 Northwest Grand	
City, State, ZIP+4 Oklahoma City OK	
PS Form 3800, June 2002 See Reverse for Instructions	

7002 2030 0003 6842 3536

THRESHOLD DEVELOPMENT COMPANY

Fort Worth Club Tower, Penthouse II, Suite D

777 Taylor Street

Fort Worth, Texas 76102

Gary Tidmore, Vice President-Land

Telephone: (817) 870-1483

Facsimile: (817) 870-1504

E-Mail: g_tidmore@thresholddevelopment.com

August 26, 2004

VIA CERTIFIED MAIL 7002 2030 0003 6842 3259

State of New Mexico

Commissioner of Public Lands

310 Old Santa Fe Trail

Santa Fe, New Mexico 87504-1148

Re: Application For Authorization to Inject
TDC State Section 8 #1
Eddy County, New Mexico

Gentlemen:

Enclosed is a copy of an application filed with the New Mexico Oil Conservation Division, requesting authority to convert the referenced well to an injection well. Should you have any questions concerning this application, please contact the undersigned.

Respectfully yours,

Gary Tidmore

Exhibit "F"

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.75
Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.80
Postmark Here	
Sent To State of NM	
Street, Apt. No., or PO Box No. 310 Old Santa Fe Trail	
City, State, ZIP+4 Santa Fe NM	

RECEIVED

AUG 26 2004

THRESHOLD DEVELOPMENT

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Dawn Higgins, being first duly sworn, on oath says:

That she is Business Manager of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

August 21 2004

2004

2004

2004

That the cost of publication is \$ 43.51
and that payment thereof has been made and will be
assessed as court costs.

Dawn Higgins

Subscribed and sworn to before me this

23 day of August, 2004

Stephanie Gibson

My commission expires 12-13-05

Notary Public

Taylor Street, Suite II-D,
Fort Worth, Texas 76102,
Contact: Morris Keith
(817)870-1483, is seeking
administrative approval
from the New Mexico Oil
Conservation Division to
complete the following
well located in Section 8,
T19S-R29E, Eddy County,
New Mexico, as an in-
jection well: TDC State
Section 8 #1. The pro-
posed injection zone is
the Queen Formation,
with the following perfora-
tions:

2190'-2210', 2223'-
2250', 2271'-2306'

Threshold Development
Company intends to inject
a maximum of 2000 bar-
rels of produced forma-
tion water per day at a
maximum injection pres-
sure of 400 PSI.

Interested parties must
file objections or re-
quest for hearing with
the Oil Conservation Di-
vision 2040 S. Pacheco,
Santa Fe, NM 87505
within 15 days of this
notice. Published in the
Carlsbad Current
-Argus, P.O. Box 1629,
Carlsbad, NM 88221-
1629, August 21, 2004.

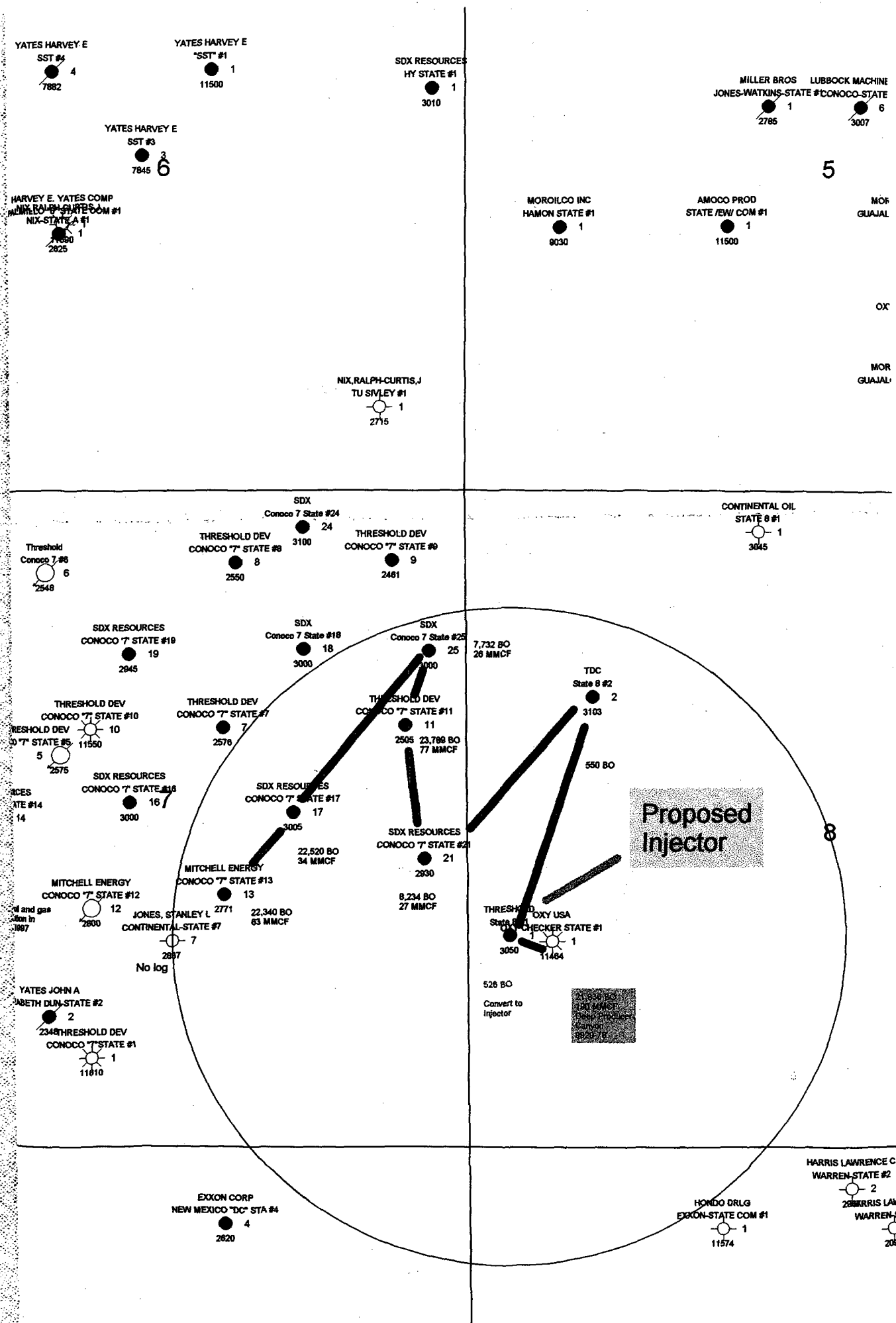
August 21, 2004

LEGAL NOTICE

NOTICE OF
APPLICATION FOR
FLUID INJECTION
WELL PERMIT.

Threshold Development
Company, located at 777

Exhibit "G"



Wells within 1/2 mile radius of proposed injector (Threshold Development State 8 #1)													
API#	Original Operator	Current Operator	Lease	Well#	Legal	Spud Date	completion date	TD		Last Prod	Cumulative Oil	Cumulative Gas	current perfs
30-015-03566	Jones, Stanley L.	N/A	Continental State	7	S.07, T.19 S., R.29 E	4/9/1962		2832	Dry Hole		BO	MCF	
30-015-24157	THRESHOLD DEVELOPMENT CO.	MELROSE OPERATING COMPANY	CONOCO 7 STATE	11	S.07, T.19 S., R.29 E	5/24/1982	6/23/1982	2505	producer	Apr-04	23,789	77,887	1898-1900, 2149.5-53.5, 2230-43, 64-72, 77-91.
30-015-25161	Mitchell Energy	MELROSE OPERATING COMPANY	CONOCO 7 STATE	13	S.07, T.19 S., R.29 E	1/6/1986	2/26/1986	2771		Apr-04	22,340	63,697	2224-30, 2242-68, 2332-2358, 2412-38, 2556-81, 2602-42
30-015-29199	SDX Resources	MELROSE OPERATING COMPANY	CONOCO 7 STATE	17	S.07, T.19 S., R.29 E	12/6/1996	1/18/1997	3005		Apr-04	22,520	34,270	2237, 41, 52, 68, 72, 86, 98, 2323, 67, 69, 2408, 22, 24, 56, 61, 78, 80, 2534, 46, 52, 90, 2606, 8, 2610, 2770-88
30-015-29439	SDX Resources	MELROSE OPERATING COMPANY	CONOCO 7 STATE	21	S.07, T.19 S., R.29 E	6/3/1997	7/8/1997	2978		Apr-04	8,234	27,066	2270, 72, 2312, 27, 28, 39, 44, 64, 74, 77, 89, 90, 98, 2446, 48, 60, 62, 70, 72, 2514, 18, 23, 34, 2600, 03, 06
30-015-29886	SDX Resources	MELROSE OPERATING COMPANY	CONOCO 7 STATE	25	S.07, T.19 S., R.29 E	12/3/1997	2/4/1998	2860		Apr-04	7,732	26,464	2198, 2216, 18, 27, 70, 78, 2322, 30, 48, 57, 80, 94, 2438, 54, 76, 82, 98, 2503, 07, 24, 32, 59, 63, 65, 73, 86, 90
30-015-29463	OXY USA WTP LIMITED PARTNERSHIP	OXY USA WTP LIMITED PARTNERSHIP	OXY CHECKER STATE COM	1	S.08, T.19 S., R.29 E	4/5/1997	6/18/1997	11470	producer	Mar-04	21,836	190,119	Canyon 9920-38, 9954-64, 9969-78
30-015-32898	THRESHOLD DEVELOPMENT CO.	THRESHOLD DEVELOPMENT CORP	TDC State 8	1	S.08, T.19 S., R.29 E	8/6/2003	9/6/2003	3060	proposed injector	Nov-04	526	0	Permase member of Queen Formation; 2190-2210, 2223-2250, 2271-2306; Permit to make a water injection well.
30-015-33289	THRESHOLD DEVELOPMENT CO.	THRESHOLD DEVELOPMENT CORP	TDC State 8	2	S.08, T.19 S., R.29 E	3/15/2004	4/9/2004	3100	producer	Aug-04	550	2,200	1222-1244, 2614-24

Wells within 1/2 mile radius of proposed injector (Threshold)				
API#	Original Operator		Formation	
30-015-03666	Jones, Stanley L.	ran 300' of 10 3/4" casing; ran 2000' of 8 5/8" pulled both casing strings; cement plugs at TD (25 Sxs), 1600' (115 Sxs), 350' (10 Sxs) and top of hole (5 Sxs); ran 8 5/8" to 365 w/185 Sxs; ran 4 1/2" casing to 2905 and circ cmt to sfs w/ 575 Sxs; perf 2159-68 acidize w/1500 gals frac w/14,000 gals + 30,000# sand, squeezed perfs and perf 2143.5-53.5, acidize w/1500 gals tested 4 BO & 82 BW & 37 MCF; PBTD 2156; 10/67/1993, perf 1886-1907, acidize w/1000 gals 15% HCL w/additives, drill out cmt retainer at 2150'; 10/12/93, perf 2230-43, 64-72, 77-91, acidize w/1500 gals 15% HCL w/additives, frac w/33,600 gals gel w/65,000 # 16/30 & 24,000# 12/20 sand;	Queen, Grayburg	
30-015-24157	THRESHOLD DEVELOPMENT CO.	set 8 5/8" at 354' w/200 Sxs; set 5 1/2" at 2765 w/675 Sxs; 2/6/88 frac'd 1202-1307 w/1600 gals gelled 2% KCl w/ 35,000# 20/40 sand and 135,000 SCF N2; Squeezed perfs 1202-1307 on 2/20/88; 2/21/88 perf'd 2556-2642 acidized w/2500 gals 15% NeFe; frac'd w/45000 gals gelled 2% KCl & 15000 # 20/40 sand & 93000 # 12/20 sand; 2/23/88 perf'd 2332-2438 acidized w/2500 gals 15% NeFe; frac'd w/36000 gals gelled 2% KCl & 14000# 20/40 sand & 67000# 12/20 sand; 2/25/88 perf'd 2224-69, acidized w/2000 gals 15% NeFe; frac'd w/3000 gals gelled 2% KCl w/ 12000 20/40 sand & 57000# 12/20 sand. IPP 86 BOPD 20 MCFPD 490 BWPD	Grayburg	
30-015-25161	Mitchell Energy	set 8 5/8" to 355 w/350 Sxs; set 5 1/2" to 3002 w/800 Sxs; perf'd 2770-78', acidize w/ 3000 gals 15% NeFe; frac'd w/ 12600 gal 20# XL Borate gel + 28000# 16/30 sand; IPP 8 BOPD 30 BWPD 20 MCFPD; 4/2/87 perf 2237, 41, 52, 69, 72, 86, 98, 2323, 67, 69, 2408, 22, 24, 56, 61, 78, 80, 2334, 46, 52, 90, 2606, 08, & 26 10; acidized w/3500 gals 15% NeFe & 75 ball sealers; frac'd w/32466 gals Spectra frac & 30000# 20/40 sand + 90000# 12/20 sand. IPP 84 BOPD 52 MCFPD 40 BWPD	Queen, Grayburg	
30-015-29199	SDX Resources	set 8 5/8" to 365 w 350 Sxs; set 5 1/2 to 2925 w/800 Sxs; perf zones in column to the left, acidize w/3500 gal; frac'd w/37,500 gal Spectra gel + 69,660# 16/30 sand & 33,130# 12/20 Brady Sand; IPP 15 BOPD 39 MCFPD 45 BWPD	Grayburg	
30-015-29439	SDX Resources	set 8 5/8" to 361 w 350 Sxs; set 4 1/2" to 2859 w/850 Sxs; perf zones in column to the left, acidize w/ 58 bbls NeFe; Frac'd w/35550 gal Spectra Frac 30+ 79000# 12/40 12/20 Brady sand; IPP 28 BOPD 113 MCFPD 17 BWPD	Grayburg	
30-015-29898	SDX Resources	set 13 5/8" to 400' w/1185 Sxs, set 8 5/8" to 3000' w/1200 Sxs circ to pits; set 4 1/2" to 11,470 w/605 Sxs TOC at 8400; perf 11230-43, set CIBP at 11,210; 10/18-10/626, acidize w/3000 gal 15% HCL w/25% Methanol & 1000SCF CO2/BBI; acidize w/2750 gal 15% HCL w/25% Methanol & 1000SCF CO2/BBI; set CIBP at 10550 with 35' of cement on top; perf 9920-38, 9954-64, 9969-78 acidize w/13000 gal gelled 20% HCl; producing 9920-78 IPF 24 BO, 164 MCF, 0 BW	Canyon	
30-015-29463	OXY USA WTP LIMITED PARTNERSHIP	set 8 5/8" to 311' w/345 Sxs cmt and circ; set 5 1/2" to 3050 w/360 Sxs and circ; perf'd 2271-2306 and swabbed; perf'd 2190-2210' & 2223-50 and swabbed; acidized 2190-2250 w/1000gal 15% acid and ball sealers; re-acidize 2190-2250 w/3000 gals 15% acid and ball sealers; Perf 2271-2306; frac 2190-2306 w/73500 gals 25# Borate Viking crosslinked gel and 151500# 16/30 Brady Sand. IPP 10 BO+244 BW.	Queen	
30-015-32898	THRESHOLD DEVELOPMENT CO.	set 8 5/8" to 327' w/480 Sxs and circ; set 5 1/2 to 3100' w/725 Sxs and circ 2 Sxs to pits; perf 1222-44' acidize w/2000 gals 15% IC HCL with ball sealers; perf'd 2614-24; acidized w/2000 gals 15% IC HCL and ball sealers; frac'd 2614-24 w/18000 gals 30# Borate crosslinked water w/40000# 16/30 Ottawa sand. IPP 26 BO, 252 BW, 31 MCFPD.	Seven Rivers, Grayburn	
30-015-33289	THRESHOLD DEVELOPMENT CO.			