

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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MAR 11 2004

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.

OCD-ARTESIA

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-95662
2. Name of Operator Threshold Development Company		6. If Indian, Allottee or Tribe Name
3a. Address 777 Taylor St. - Penthouse II Fort Worth, TX 76102	3b. Phone No. (include area code) 817-870-1483	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 1525' FWL of Section 28-T25S-R18E Unit C, NENW		8. Well Name and No. Mescalero 28 Fed #1
		9. API Well No. 30-035-20033
		10. Field and Pool, or Exploratory Area Wildcat Exploratory
		11. County or Parish, State Otero Co., NM

**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 Spud, surface casing & cement
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 14-3/4" hole with rotary tools at 6:00 AM 9-6-2003. NOTE: 16" conductor pipe set at 40' and cemented to surface (date unknown).

TD 628'. Reached TD at 1:00 PM 9-7-2003. Ran 15 joints of 11-3/4" 42# J-55 (628') of casing set at 628'. 1-standard guide shoe set at 628'. Stand float shoe set at 585'. Cemented with 200 sacks Premium Plus, 1% thixset, .25% thickset 13 (yield 1.51, weight 14.0), 250 sacks Howco Lite with .25% flocele, 5#/sack gilsonite and 2% CaCl<sub>2</sub> (yield 1.99, weight 12.5). Tailed in with 200 sacks Premium Plus and 2% CaCl<sub>2</sub> (yield 1.34, weight 14.8) and 185 sacks Premium Plus (yield 1.32, weight 14.8). PD 5:00 PM 9-7-2003. Bumped plug to 348 psi for 5 minutes, held okay. Cement did not circulate. WOC 6 hours. Ran Temperature Survey and found top of cement at 220'. Ran 1". Tagged cement at 214'. Spotted 35 sacks Premium Plus with 2% CaCl<sub>2</sub>. PD 3:15 AM 9-8-2003. WOC 2 hours. Ran 1". Tagged cement at 195'. Spotted 50 sacks Premium Plus with 2% CaCl<sub>2</sub>. PD 5:55 AM 9-8-2003. WOC 2 hours. Ran 1". tagged cement at 120'. Spotted 95 sacks Premium Plus

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

Rusty Klein

Signature

Title Agent

Date November 30, 2003

CONTINUED ON NEXT PAGE:

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

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.

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

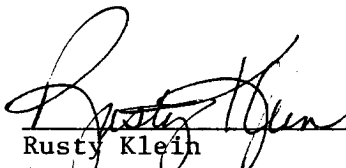
Mescalero 28 Federal #1

Section 28-T25S-R18E

Otero County, New Mexico

SUNDRY NOTICE CONTINUED:

with 2% CaCl<sub>2</sub>. PD 8:48 AM 9-8-2003. Cement circulated to surface. WOC. Drilled out at 4:00 AM 9-9-2003. WOC 35 hours. Reduced hole to 10-5/8". Resumed drilling. NOTE: Casing and cement job witnessed by J. R. Hogwood w/BLM-Roswell.

  
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Rusty Klein  
Agent  
November 30, 2003