

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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 Street, Penthouse II-D Fort Worth, Texas 76102		² OGRID Number 23032
		³ API Number 30-025-36615
³ Property Code 33551	⁵ Property Name TDC Alma "33" State	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	33	13S	35E		1871'	FNL	1954'	FWL	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UL 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

Wildcat, Miss.

¹⁰ Proposed Pool 2

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code OK - 8	¹⁵ Ground Level Elevation 4058'
¹⁶ Multiple N	¹⁷ Proposed Depth 14,000	¹⁸ Formation Lower Mississippi	¹⁹ Contractor Grey Wolf	²⁰ Spud Date April 1, 2004

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	NA-Conductor	60'	Ready Mix	Surface
17 1/2"	13 3/8"	48#	450'	545	Surface
12 1/4"	9 5/8"	40#	4,800'	1156	Surface
8 1/4"	5 1/2"	17#	14,000'	355	9,000'

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.

See Attached

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

OIL CONSERVATION DIVISION

Approved by:

Chris Williams

Title:

DISTRICT SUPERVISOR/GENERAL MANAGER

Conditions of Approval:

Attached ☐

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Debbie McKelvey

Printed name:

Debbie McKelvey

Title:

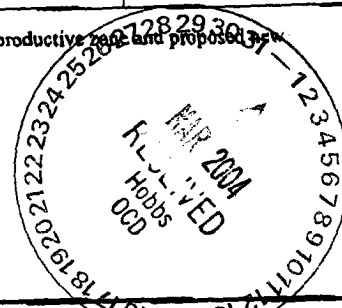
Agent for Threshold Development

E-mail Address:

Date:

2/27/04

Phone: 505-392-3575



Blowout Preventer Program

Threshold Development Company

TDC Alma "33" State #1

1871' FNL, 1954' FWL,

Section 33, T-13S, Range 35E,

Lea County, New Mexico

From Depth	To Depth	Size	Min. Stack W.P.	Tested	Comments
0'	500'	NA	N/A	N	None installed on conductor pipe while drilling surface hole
500'	4800'	13 3/8"	5,000#	Y	BOP stack and manifold tested after installation on 13 3/8" starting casing head
4800'	14,000'	13 3/8"	5,000#	Y	BOP stack and manifold tested every 15 days after initial installation

0' — 500' No BOP stack will be installed on the conductor pipe while drilling the 17 1/2" surface hole.

500' — 4800' Subsequent to cementing of the 13 3/8" surface casing, a 13 5/8" x 13 3/8" SOW 3M casing head will be installed and tested to 1,500#. The BOP stack and choke manifold will be installed and tested by with the rig pump prior to drilling out from under the surface casing shoe. Test pressure for the BOP stack will be to industry recognized standards.

4800'—13,900' Subsequent to cementing of the 9 5/8" intermediate casing, a 13 5/8" 3M x 11" 5M casing spool will be installed and tested to 2,500#. The BOP stack and choke manifold will be re-installed and again tested by an independent contractor prior to drilling out from under the intermediate casing shoe. Test pressure for the BOP stack will be to industry recognized standards. In addition, an Equivalent Mud Weight test will be run to test the integrity of the intermediate casing shoe. The EMW test will be run to test the shoe to a maximum expected mud weight of 10.5 ppg by pressuring testing the shoe and 25' of new formation to 550# and holding it for 15 minutes.

The following page depicts a typical BOP stack arrangement and choke manifold arrangement as might be expected on the subject well.

Unless otherwise specified by the New Mexico Oil Conservation Division Threshold Development Company will install the BOP stack with the blind rams installed as the upper set of rams the pipe rams will be installed as the lower set of rams, and there will be no shear rams installed. An annular preventer will be installed above the ram type preventer.

BLOWOUT PREVENTION EQUIPMENT IADC Recommended BOP Stacks

TABLE K1-2
IADC RECOMMENDED BOP STACKS

IADC Service Class	Service Condition	Stack W.P. (psi)	Stack Components
2	Lt. Duty	2,000	Two ram preventers* or one annular preventer capable of closing on open hole. Two outlets.
3	Low Pres.	3,000	Two ram preventers* and one annular preventer. Two outlets.**
5	Med. Pres.	5,000	Two ram preventers* and one annular preventer. Two outlets.**
10	High Pres.	10,000	Three ram preventers* and one annular preventer.*** Two outlets.** Annular preventers of any size may be 5,000 psi.
15	Extreme Pressure	15,000	Three ram preventers* and one annular preventer, (minimum 10,000 psi)

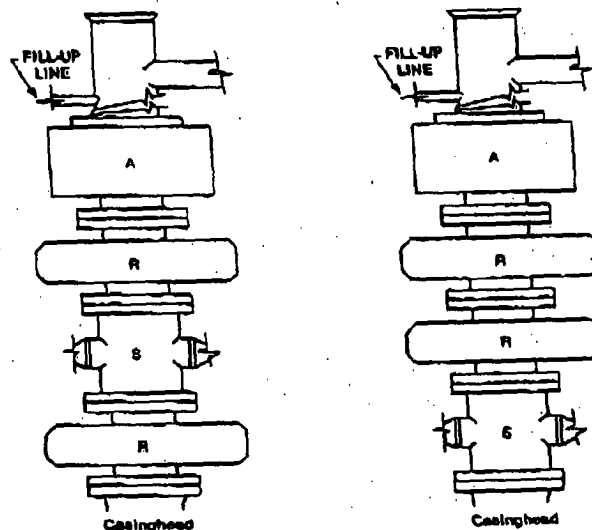


FIGURE K1-2. Recommended IADC Class 3(3000 psi WP) and 5(5000 psi WP) stacks. Either RSRA (left) or SRRA (right) is acceptable and drilling spool is optional if side outlets on rams are utilized.

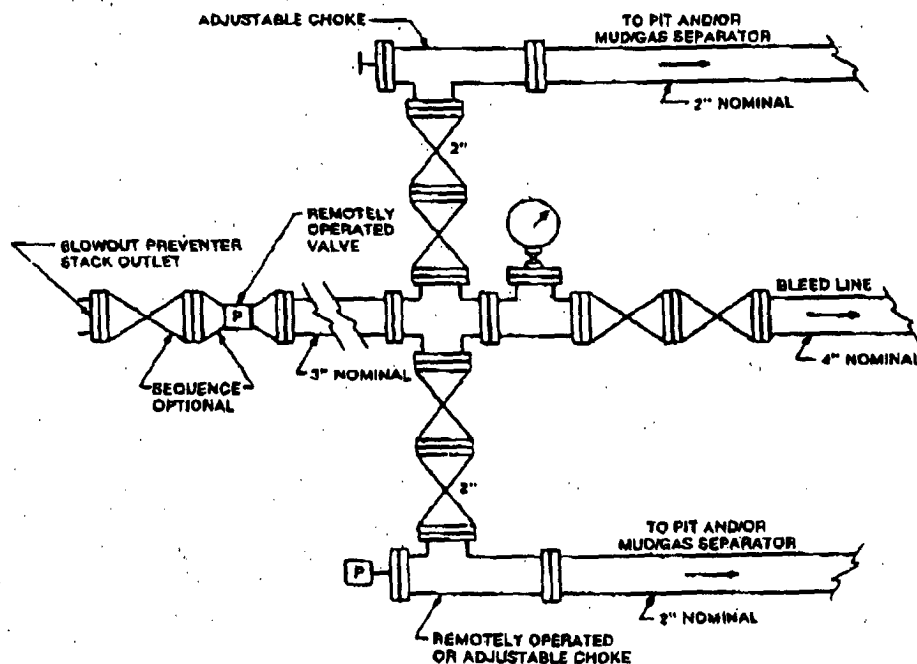


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36615	Pool Code ✓	Pool Name Wildcat Mississippian
Property Code 33551	Property Name TDC ALMA "33" STATE	Well Number 1
OGRID No. 23032	Operator Name THRESHOLD DEVELOPMENT CORPORATION	Elevation 4058'

Surface Location

UL or lot No. F	Section 33	Township 13 S	Range 35 E	Lot Idn	Feet from the 1871	North/South line NORTH	Feet from the 1954	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

Per GT

	OPERATOR CERTIFICATION	
	I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.	
	Signature Debbie McKelvey	
	Printed Name Debbie McKelvey	
	Title Agent	
	Date 2/27/04	
	SURVEYOR CERTIFICATION	
	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
	FEBRUARY 26, 2004	
	Date Surveyed	
	Signature & Seal of GARY L. JONES Professional Surveyor	
	W.O. No. 4026	
	Certificate No. Gary L. Jones 7977	
	BASIC SURVEYS	

SECTION 13, TOWNSHIP 13 SOUTH, RANGE 35 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

100' NORTH
□ OFF SET
4057.5'

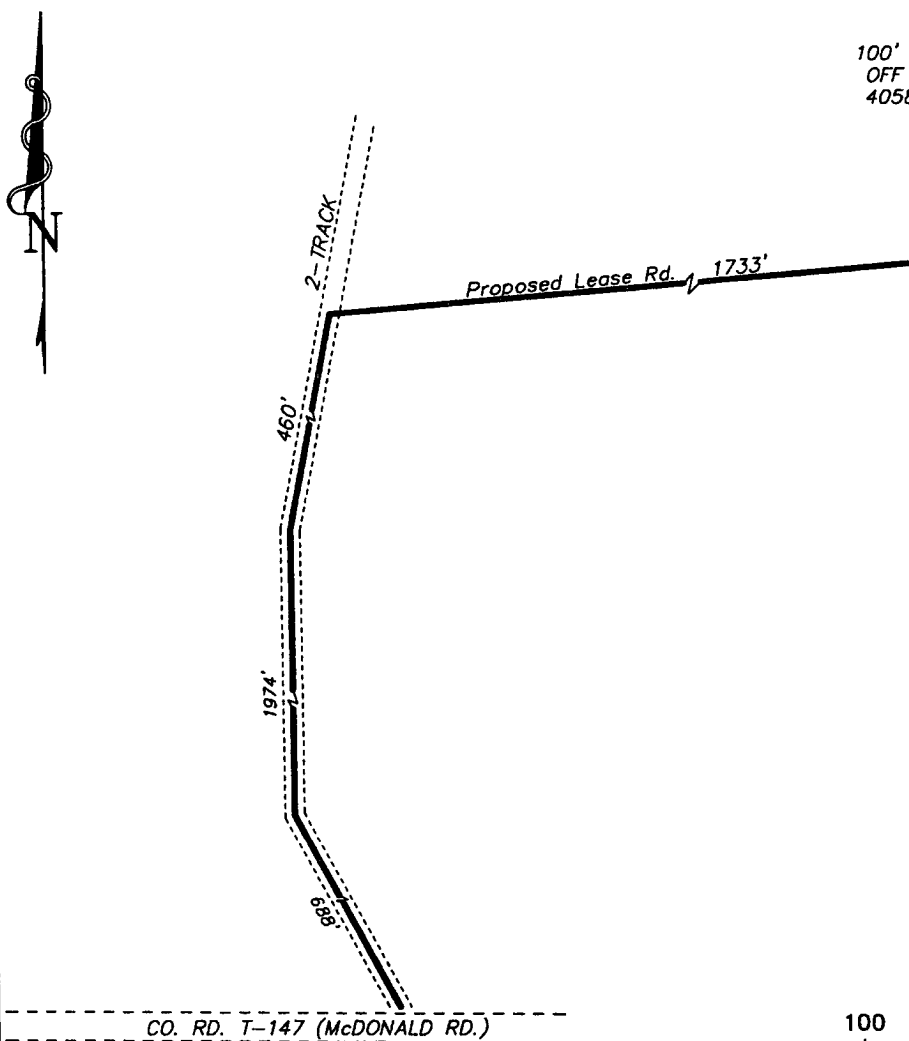
THRESHOLD DEVELOPMENT CORP.
TDC ALMA "33" STATE #1
ELEV. - 4058'

□ 100' WEST
OFF SET
4058.7'

LAT - N33°09'01.0"
LONG - W103°24'53.2"

□ 100' EAST
OFF SET
4056.7'

□ 100' SOUTH
OFF SET
4058.2'



100 0 100 200 FEET
SCALE: 1" = 100'

DIRECTIONS:

FROM THE JUNCTION OF CO. RD. T-147(HIGHTOP RD.)
AND CO. RD. T-147(McDONALD RD.), GO EAST ON
McDONALD RD. FOR APPROX. 2.0 MILES TO A
2-TRACK ROAD; THENCE NORTHERLY ALONG 2-TRACK
ROAD FOR 0.6 MILE TO A PROPOSED LEASE ROAD.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 4026

Drawn By: K. GOAD

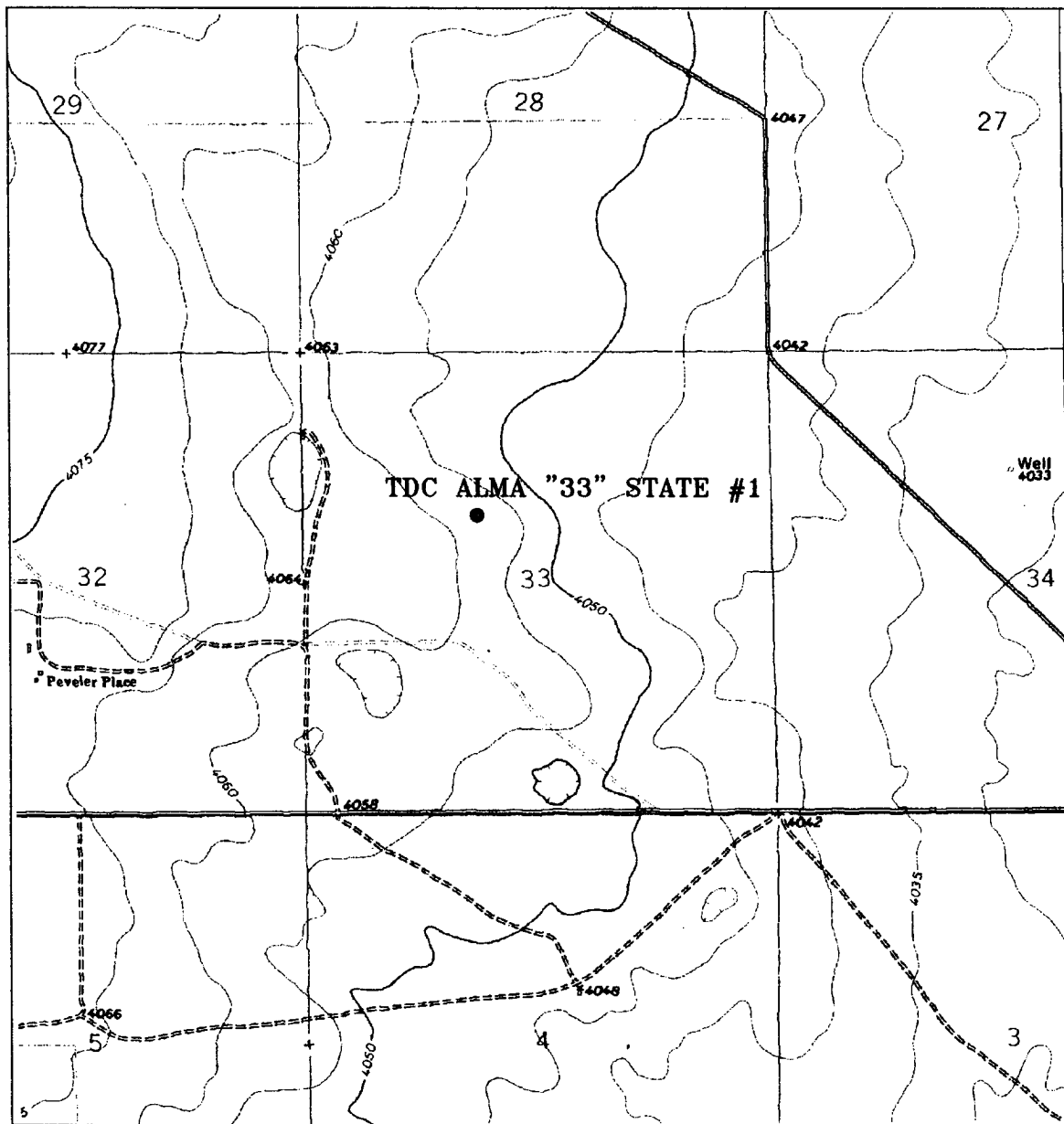
DATF: 02-26-2004 Disk: KJG CD#6 - 4026A.DWG

THRESHOLD DEVELOPMENT CORP.

REF: TDC ALMA "33" STATE No. 1 / Well Pad Topo

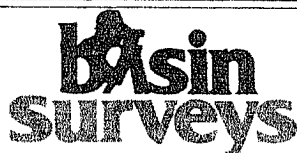
THE TDC ALMA "33" STATE No. 1 LOCATED 1871' FROM
THE NORTH LINE AND 1954' FROM THE WEST LINE OF
SECTION 33, TOWNSHIP 13 SOUTH, RANGE 35 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 02-26-2004 Sheet 1 of 1 Sheets



TDC ALMA "33" STATE #1

Located at 1871' FNL and 1954' FWL
 Section 33, Township 13 South, Range 35 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

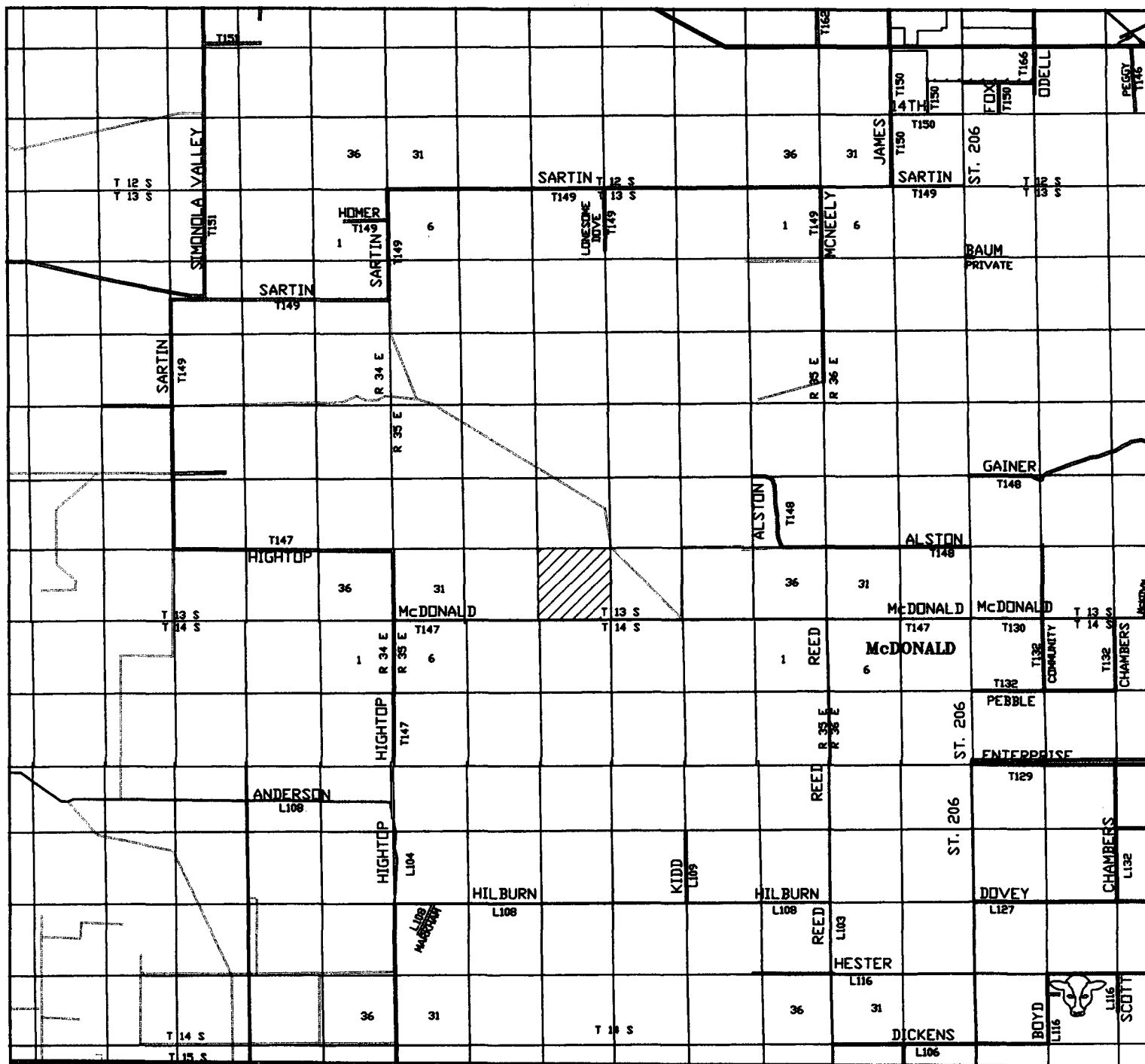
W.O. Number: 4026AA - KJG CD#5

Survey Date: 02-26-2004

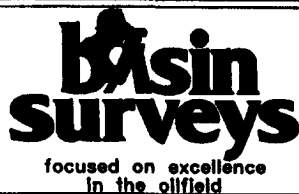
Scale: 1" = 2000'

Date: 02-26-2004

**THRESHOLD
 DEVELOPEMENT
 COMPANY**



TDC ALMA "33" STATE #1
 Located at 1871' FNL and 1954' FWL
 Section 33, Township 13 South, Range 35 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
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 Hobbs, New Mexico 88241
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 basinsurveys.com

W.O. Number: 4026AA - KJG CD#5

Survey Date: 02-26-2004

Scale: 1" = 2 miles

Date: 02-26-2004

THRESHOLD
 DEVELOPEMENT
 COMPANY