Submit 3 Copies To Appropriate District Form C-103 State of New Mexico Office Energy, Minerals and Natural Resources May 27, 2004 District 1 WELL API NO. 1625 N French Dr , Hobbs, NM 882 30-015-34643 District II OIL CONSERVATION DIVISION 1301 W Grand Ave, Artesia, NI 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE 🖂 1000 Rio Brazos Rd, Aztec, NM 87 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S St Francis Dr, Santa Fe, NN SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Solomon State DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number 1. Type of Well: Oil Well Gas Well Other 2. Name of Operator 9. OGRID Number JUL 3 0 2007 **BOLD ENERGY, LP** 233545 10. Pool name or Wildcat 3. Address of Operator OCD-ART 415 W. Wall, Suite 500 Midland, Texas 79701 Turkey Track; Morrow 86480 4. Well Location Unit Letter H: 1980 feet from the North line and 840 feet from the East line Range Section Township 198 29E **NMPM** County Eddy 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3378' GR Pit or Below-grade Tank Application 🔲 or Closure 🔲 Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water ___ Pit Liner Thickness: Below-Grade Tank: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **CHANGE PLANS** TEMPORARILY ABANDON COMMENCE DRILLING OPNS. □ P AND A PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB OTHER: OTHER Abandon Location 13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Pre-set 20" conductor pipe @ 40' w/ 20 yds redi-mix. Completed MIRU Nabors Drilling Rig #142 on 7/19/07 and prepped to spud. Ran bit to base of conductor and attempted to establish circulation no returns to surface. Simultaneous to this operation, two large sinkholes developed in freshwater section of reserve pit and approximately 7600 bbls of freshwater were lost into ground. Notified Tim Gum with NMOCD of problems and suspended rig operations overnight to evaluate conditions. Recovered brine water from inner-reserve pit (no losses to ground) and transported to frac tanks for storage. Decision made to abandon location and move 560' due north of this site. On 7/21/07, BJ Services filled conductor casing through use of LCM, pea gravel and a total of 125 sx Class "C" cement pumped in 50 - 50 - 25 sack stages. Cut conductor 3' below GL and installed regulation Dry Hole Marker - location abandoned as to drilling operations as of 7/22/07. I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines 🖾, a general permit 🗋 or an (attached) alternative OCD-approved plan 🗀. SIGNATURE TITLE Agent for BOLD ENERGY, LP DATE Dan C. Dodd Type or print name E-mail address: _ddodd@sierra-engineering.net Telephone No. 432 / 683-8000

Gerry Guye

Deputy Field Inspector

District II - Artesia

2007

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Conditions of Approval (if any):

APPROVED BY: