

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Tuesday, November 07, 2006 6:24 PM
To: 'shannon.klier@boldenergy.com'
Cc: 'Denise'; joseph.castillo@boldenergy.com; 'Joe Thomas'; Ezeanyim, Richard, EMNRD
Subject: RE: Bold Energy ARU #4 - Approved Injection Permit

Hello:
We received the water analysis and test information.
Thank you for the complete compliance with the terms of this order.
Note that on October 30, I sent an email with assurance that the permit is now valid.

Regards,

William V. Jones Engineering Bureau Oil Conservation Division Santa Fe

From: Shannon Klier [mailto:shannon.klier@boldenergy.com]
Sent: Thursday, October 26, 2006 1:43 PM
To: Jones, William V., EMNRD
Cc: 'Denise'; joseph.castillo@boldenergy.com; 'Joe Thomas'
Subject: RE: Bold Energy ARU #4 - Approved Injection Permit

William,

We very much appreciate your timely response. Our field foreman Joe Thomas will inform the OCD of our schedule for the pressure test.

Shannon

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Thursday, October 26, 2006 2:30 PM
To: shannon.klier@boldenergy.com
Cc: Ezeanyim, Richard, EMNRD; Wink, Gary, EMNRD; Sanchez, Daniel J., EMNRD
Subject: RE: Bold Energy ARU #4 - Approved Injection Permit

Shannon:

Item 1:
The wellbore diagram which you attached shows that you are now adequately cemented. I'm sure the CBL will confirm.

Item 2:
You can do this after stimulating. The best test of hydrocarbons will be after stimulating.

Item 3:
The OCD inspector will witness this and let you know what to pressure the annulus to. I think they do 500 psi for 30 minutes but sometimes 15 minutes.

Please consider this email as written confirmation that you have completed the required cementing work.

11/7/2006

Jones, William V., EMNRD

From: Denise [denise@graysurfacespecialties.com]
Sent: Tuesday, November 07, 2006 1:44 PM
To: Ezeanyim, Richard, EMNRD; Jones, William V., EMNRD
Cc: Linda.Denniston@nm.blm.gov; Mull, Donna, EMNRD; DWAIN MOORE; LEEANN ROLLINS
Subject: FW: water analysis ARU #4 - SWD Order #1049
Attachments: H11760.pdf

Gentlemen, attached is the water analysis for the Antelope Ridge Unit #4.

All completion sundries were Fed-Ex'd to you and the BLM overnight last night.

Please confirm that all obligations of SWD Oder #1049 have been met and Bold Energy can commence injection operations. Thank you.

Denise Menoud
Regulatory Specialist, Gray Surface Specialties
Phone: 432-685-9158; Fax: 432-218-7396
denise@graysurfacespecialties.com

-----Original Message-----

From: Shannon Klier [mailto:shannon.klier@boldenergy.com]
Sent: Tuesday, November 07, 2006 2:35 PM
To: 'Denise'
Subject: FW: water analysis

Denise,

Here is the water analysis. My understanding is that once this is received it will fulfill our obligations for conversion and we should receive approval to begin injection. Will you confirm this?

Thanks
Shannon

-----Original Message-----

From: Nick Fullerton [mailto:cardinallaboratories@hotmail.com]
Sent: Tuesday, November 07, 2006 1:34 PM
To: shannon.klier@boldenergy.com
Subject: water analysis

11/7/2006

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-025-21037

5. Indicate Type of Lease **Federal**
STATE ☐ FEE ☐

6. State Oil & Gas Lease No.
BLM NM021422

7. Lease Name or Unit Agreement Name
Antelope Ridge Unit
#91008492C

8. Well Number 4

9. OGRID Number 233545

10. Pool name or Wildcat: #96802
SWD; Bell Canyon – Cherry Canyon

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well: Oil Well ☐ Gas Well ☐ Other: SWD

2. Name of Operator

Bold Energy, LP

3. Address of Operator 415 W. Wall, Suite 500
Midland, TX 79701

4. Well Location

Unit Letter B : 990 feet from the North line and 2310 feet from the East line
Section 4 Township 24S Range 34E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3562' DF

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Sqz & Perf to complete in Delaware

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.

10/16/06: Perforated @ 6493'-6498' 20 holes w/ 0.42" EHD shots, hit collar. 10/17/06: Squeezed perfs 6493'-6498' w/ 100 sx Cl C + 1% D-174 + D-167 + 0.5% D-65 + 0.2% D-46. WOC. 10/18/06: DO cmt, perf'd 5345'-5350' 20 holes w/ 0.42" EHD shots. 10/19/06: Squeezed perfs 5345'-5350' w/ 154 sx Cl C + 1% D-174 + 0.15% D-167 + 0.5% D-65 + 0.2% D-46. WOC. 10/20/06: DO Cmt. Ran Combo CCL & CBL 6700'-5000', TOC @ 6280'. 10/23/06: Perf'd 5265'-5270' 20 holes. Squeezed perfs w/ 200 sx Cl C w/ 1% D-174 + 0.15% D-167 + 0.5% D-65 + 0.2% D-46. WOC. 10/24/06: DO cmt. Tested casing to 625# for 10 minutes, tested good. Ran CBL 5500'-4500', TOC @ 4555'.

10/25/06: Set CIBP @ 6450'. Perforated the Delaware w/ 6 SPF, 120 degree phasing, 0.42" EHD shots as follows: 5200'-5212' (72 holes), 5230'-5240' (60 holes), 5290'-5305' (90 holes), 5599'-5606' (42 holes), 5612'-5618' (36 holes), 5680'-5720' (240 holes), 5728'-5740' (72 holes), 5795'-5811' (96 holes), 6038'-6062' (144 holes), 6106'-6126' (120 holes), 6152'-6164' (72 holes), 6232'-6254' (132 holes), and 6280'-6296' (96 holes).

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 below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Denise Menoud TITLE: Agent for Bold Energy, LP DATE: 11/06/2006

Type or print name: Denise Menoud E-mail address: denise@graysurfacespecialties.com Telephone No.: 432-685-9158

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No. **NM021422**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE -- Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Bold Energy, LP

3a. Address

415 W. Wall, Suite 500
Midland, TX 79701

3b. Phone No. (include area code)

432-686-1100

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

890' FNL & 2310 FEL, Unit B, Sec 4, T24S, R34E

7. If Unit of CA/Agreement, Name and/or No.
91008492C

8. Well Name and No.
Antelope Ridge Unit #4

9. API Well No.
30-025-21037

10. Field and Pool or Exploratory Area
Antelope Ridge (Atoka)

11. Country or Parish, State
Lea County, New Mexico

12. CHECK THE 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 Sqz and Perf to
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	complete in Delaware
	<input checked="" type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Bond #NMB000314

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 recompleate 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

10/16/06: Perforated @ 6493'-6498' 20 holes w/ 0.42" EHD shots, hit collar. 10/17/06: Squeezed perfs 6493'-6498' w/ 100' sx Cl C + 1% D-174 + D-167 + 0.5% D-65 + 0.2% D-46. WOC. 10/18/06: DO cmt, perf'd 5345'-5350' 20 holes w/ 0.42" EHD shots. 10/19/06: Squeezed perfs 5345'-5350' w/ 154' sx Cl C + 1% D-174 + 0.15% D-167 + 0.5% D-65 + 0.2% D-46. WOC. 10/20/06: DO cmt. Ran Combo CCL & CBL 6700'-5000', TOC @ 6280'. 10/23/06: Perf'd 5265'-5270' 20 holes. Squeezed perfs w/ 200' sx Cl C w/ 1% D-174 + 0.15% D-167 + 0.5% D-65 + 0.2% D-46. WOC. 10/24/06: DO cmt. Tested casing to 625# for 10 minutes, tested good. Ran CBL 5500'-4500', TOC @ 4555'.

10/25/06: Set CIBP @ 6450'. Perforated the Delaware w/ 6 SPF, 120 degree phasing, 0.42" EHD shots as follows: 5200'-5212' (72 holes), 5230'-5240' (60 holes), 5290'-5305' (90 holes), 5599'-5608' (42 holes), 5612'-5618' (36 holes), 5680'-5720' (240 holes), 5728'-5740' (72 holes), 5795'-5811' (96 holes), 6038'-6062' (144 holes), 6106'-6126' (120 holes), 6152'-6164' (72 holes), 6232'-6254' (132 holes), and 6280'-6296' (96 holes).

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Denise Menoud

Title **Agent for Bold Energy, LP; (432) 685-9158**

Signature

Denise Menoud

Date **10/26/2006**

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.

(Instructions on page 2)

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., 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-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-21037
5. Indicate Type of Lease Federal STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. BLM NM021422

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		7. Lease Name or Unit Agreement Name Antelope Ridge Unit #91008492C
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: SWD		8. Well Number 4
2. Name of Operator Bold Energy, LP		9. OGRID Number 233545
3. Address of Operator 415 W. Wall, Suite 500 Midland, TX 79701		10. Pool name or Wildcat: #96802 SWD; Bell Canyon - Cherry Canyon
4. Well Location Unit Letter B : 990 feet from the North line and 2310 feet from the East line Section 4 Township 24S Range 34E NMPM County Lea		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3562' DF		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Stimulation Program

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.

10/26/06: Acidized Delaware formation in three stages via 2-7/8" tubing with RBP and treating packer as follows:

Perfs 6038'-6296': 195 bbls 15% HCL acid w/ 116 bbls FW flush. APR = 15.2 bpm, ATP = 2847 psi. ISIP = 760 psi. 5 min SIP = 728 psi, 10 min SIP = 709 psi, 15 min SIP = 696 psi.

Perfs 5599'-5811': 145 bbls 15% HCL acid w/ 100 bbls FW flush. APR = 15.6 bpm, ATP = 2688 psi. ISIP = 850 psi. 5 min SIP = 693 psi, 10 min SIP = 636 psi, 15 min SIP = 590 psi.

Perfs 5200'-5305': 155 bbls 15% HCL acid w/ 100 bbls FW flush. APR = 16.4 bpm, ATP = 2934 psi. ISIP = 780 psi. 5 min SIP = 780 psi, 10 min SIP = 733 psi, 15 min SIP = 723 psi, 12 hour SIP = 320 psi.

Total load to recover = 841 bbls. No communication above packer observed during treatments.

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 below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Denise Menoud TITLE: Agent for Bold Energy, LP DATE: 11/06/2006

Type or print name: Denise Menoud E-mail address: denise@graysurfacespecialties.com Telephone No.: 432-685-9158
For State Use Only

APPROVED BY: _____ TITLE: _____ DATE: _____
Conditions of Approval (if any): _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No.
NM021422

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Bold Energy, LP

3a. Address

415 W. Wall, Suite 500
Midland, TX 79701

3b. Phone No. (include area code)

432-686-1100

7. If Unit of CA/Agreement, Name and/or No.
91008492C

8. Well Name and No.
Antelope Ridge Unit #4

9. API Well No.
30-025-21037

10. Field and Pool or Exploratory Area
Antelope Ridge (Atoka)

SWD; BELL
CANYON-CHERRY
CANYON
#96802

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

980' FNL & 2310' FEL, Unit B, Sec 4, T24S, R34E

11. Country or Parish, State
Lea County, New Mexico

12. CHECK THE 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 Stimulation program
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" 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 recompletable 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

10/26/2006: Acidized Delaware formation in three stages via 2-7/8" tubing with RBP and treating packer as follows:

Perfs 6,038' - 6,296': 195 bbls 15% HCL acid w/ 116 bbls FW flush. APR = 15.2 bpm, ATP = 2,847 psi. ISIP = 760 psi. 5 min SIP = 728 psi, 10 min SIP = 709 psi, 15 min SIP = 696 psi.

Perfs 5,599' - 5,811': 145 bbls 15% HCL acid w/ 100 bbls FW flush. APR = 15.6 bpm, ATP = 2,688 psi. ISIP = 850 psi. 5 min SIP = 693 psi, 10 min SIP = 636 psi, 15 min SIP = 590 psi.

Perfs 5,200' - 5,305': 155 bbls 15% HCL acid w/ 100 bbls FW flush. APR = 16.4 bpm, ATP = 2,934 psi. ISIP = 780 psi. 5 min SIP = 780 psi, 10 min SIP = 733 psi, 15 min SIP = 723 psi. 12 hour SIP = 320 psi.

Total load to recover = 841 bbls. No communication above packer observed during treatments.

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Denise Menoud

Title Agent for Bold Energy, LP; (432) 685-9158

Signature

Denise Menoud

Date 10/30/2006

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.

(Instructions on page 2)

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., 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-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-21037	
5. Indicate Type of Lease	Federal <input checked="" type="checkbox"/>
STATE <input type="checkbox"/>	FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. BLM NM021422	
7. Lease Name or Unit Agreement Name Antelope Ridge Unit, #91008492C	
8. Well Number	4
9. OGRID Number	233545
10. Pool name or Wildcat SWD; Bell Canyon - Cherry Canyon	

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: SWD	
2. Name of Operator Bold Energy, LP	
3. Address of Operator 415 W. Wall, Suite 500 Midland, TX 79701	
4. Well Location Unit Letter <u>B</u> : <u>990</u> feet from the <u>North</u> line and <u>2310</u> feet from the <u>East</u> line Section <u>4</u> Township <u>24S</u> Range <u>34E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3562' DF	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

Swab testing after completion of SWD
OTHER: ☒

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.

Total injected during stimulation = 841 bbls (includes initial tubing volume).
Total recovered while bleeding pressure & moving tools = 48 bbls.

10/27/2006 Following acidizing work, POOH with tubing, PKR & RBP. RIH w/ PKR & set at 5,150'
Swabbed with PU. SFL = 300'. FFL = 1,200'. Recovered 52 bbls.
Rigged up Reeco swabbing unit.
Swabbed w/swab rig. SFL = 1,200'. FFL = 2,800'. Recovered 99 bbls
10/28/2006 Swabbed w/swab rig. SFL = 300'. FFL = 1,200'. Recovered 338 bbls.
10/29/2006 Swabbed w/swab rig. SFL = 250'. FFL = 1,500'. Recovered 322 bbls.
Water salty. No gas or oil in samples.
Total load recovered = 859 bbls. Recovered 18 bbls over load.
10/30/2006 Two 1 gallon jugs of last swabbed fluid picked up by Omega Chemical for analysis.
Released packer and tripped out of hole with tubing & packer.

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 below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Denise Menoud TITLE: Agent for Bold Energy, LP DATE: 11/06/2006

Type or print name : Denise Menoud E-mail address: denise@graysurfacespecialties.com Telephone No.: 432-685-9158
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., 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-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-21037	
5. Indicate Type of Lease <input checked="" type="checkbox"/> Federal STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. BLM NM021422	
7. Lease Name or Unit Agreement Name Antelope Ridge Unit, #91008492C	
8. Well Number 4	
9. OGRID Number 233545	
10. Pool name or Wildcat SWD; Bell Canyon - Cherry Canyon	

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: SWD	
2. Name of Operator Bold Energy, LP	
3. Address of Operator 415 W. Wall, Suite 500 Midland, TX 79701	
4. Well Location Unit Letter B : 990 feet from the North line and 2310 feet from the East line Section 4 Township 24S Range 34E NMPM County Lea	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3562' DF	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

Injection test after completion of SWD X
OTHER: _____

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.

10/31/06: With PKR set at 5,126' performed injection test via plastic coated 2-7/8" tubing with 600 psi held on annulus:

ARJ #4 - Injection Test							
	Rate (bpm)	Time (min)	Cumm. Time (min)	Volume (bbls)	Cumm. Vol (bbls)	Pressure (psi)	Equivalent Rate (bpd)
Load Tubing	1.94	6.4	6.4	12.4	12.4	410	2790
Step Up 1	0.48	5	11.4	2.4	14.8	267	691.2
Step Up 2	0.53	5	16.4	2.7	17.5	251	763.2
Step Up 3	1.06	5	21.4	5.3	22.8	316	1526.4
Step Up 4	1.49	5	26.4	7.5	30.2	365	2145.6
Step Up 5	2.04	5	31.4	10.2	40.4	430	2937.6
Step Up 6	2.53	5	36.4	12.7	53.1	516	3643.2
Step Up 7	2.99	5	41.4	15.0	68.0	609	4305.6
Step Down 1	2.52	5	46.4	12.6	80.6	549	3628.8
Step Down 2	2.04	5	51.4	10.2	90.8	468	2937.6
Step Down 3	1.48	5	56.4	7.4	98.2	413	2131.2
Step Down 4	1.01	5	61.4	5.1	103.3	352	1454.4
Step Down 5	0.53	5	66.4	2.6	105.9	304	761.76
Step Down 6	0.41	5	71.4	2.0	107.9	287	586.08

ISIP = 270 psi. 5 min SIP = 223 psi 10 min SIP = 200 psi 15 min SIP = 180 psi.

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 below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Denise Menoud TITLE: Agent for Bold Energy, LP DATE: 11/06/2006

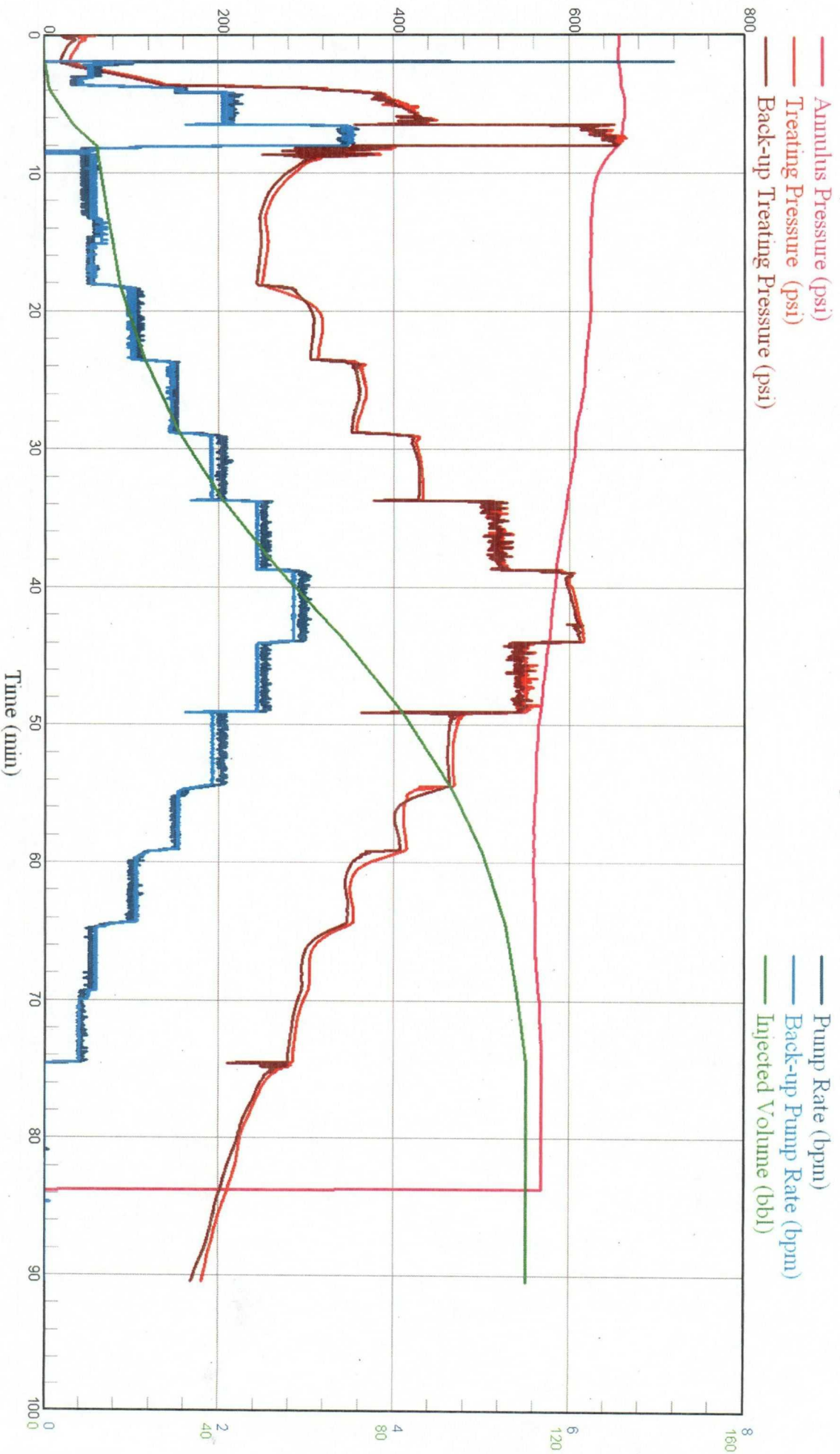
Type or print name : Denise Menoud E-mail address: denise@graysurfacespecialties.com Telephone No.: 432-685-9158

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____

ARU #4 - Delaware Injection Test



Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., 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-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-21037	
5. Indicate Type of Lease	Federal
STATE <input type="checkbox"/>	FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. BLM NM021422	
7. Lease Name or Unit Agreement Name Antelope Ridge Unit, #91008492C	
8. Well Number	4
9. OGRID Number	233545
10. Pool name or Wildcat SWD; Bell Canyon - Cherry Canyon	

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: SWD	
2. Name of Operator	Bold Energy, LP
3. Address of Operator	415 W. Wall, Suite 500 Midland, TX 79701
4. Well Location Unit Letter <u>B</u> : <u>990</u> feet from the <u>North</u> line and <u>2310</u> feet from the <u>East</u> line Section <u>4</u> Township <u>24S</u> Range <u>34E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3562' DF	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type	Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water
Pit Liner Thickness:	mil 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 <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 type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		Injection test after completion of SWD	
		OTHER: <input checked="" type="checkbox"/>	

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.

11/3/2006: Casing / Packer Pressure tested to 1000# for 60 minutes. Held at 360 psi for 30 minutes.
Original chart attached. Copy mailed to BLM / Carlsbad.

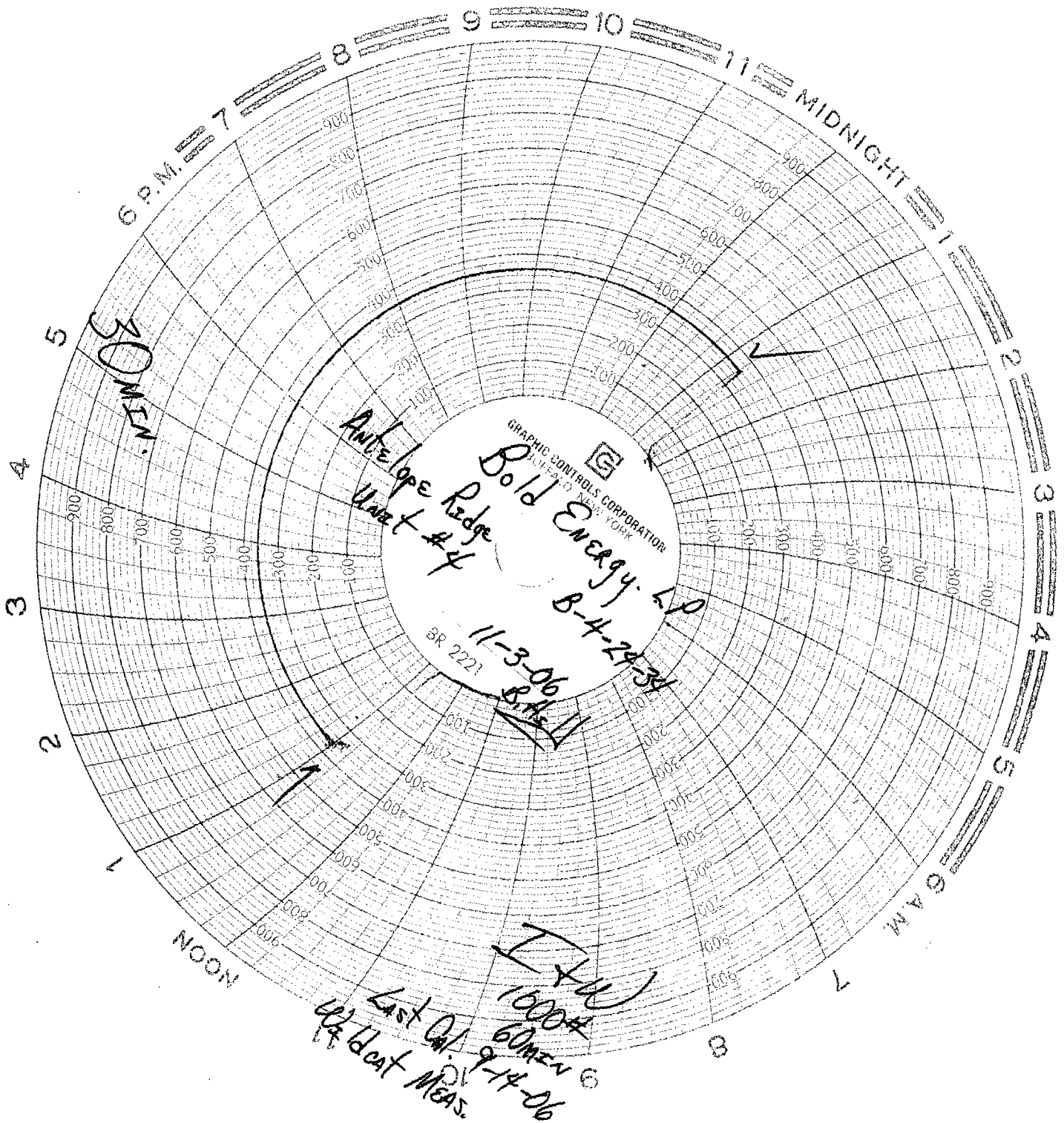
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Denise Menoud TITLE: Agent for Bold Energy, LP DATE: 11/06/2006

Type or print name : Denise Menoud E-mail address: denise@graysurfacespecialties.com Telephone No.: 432-685-9158

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____



ARDINAL LABORATORIES, INC.

22111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

Page _____ of _____

Company Name: <u>Bird Energy LP</u>		P.O. #:	
Project Manager: <u>Ronnie Heady Donny Money</u>		Company:	
Address: <u>415 W. WALKER SUITE 500</u>		Attn:	
City: <u>Midland</u> State: <u>TX</u> Zip: <u>79701</u>		Address:	
Phone #: <u>394-0056</u> Fax #: <u>394-9030</u>		City:	
Project #: _____ Project Owner:		State:	
Project Name:		Phone #:	
Project Location:		Fax #:	
Sampler Name:			
FOR LAB USE ONLY	MATRIX	PRESERV.	SAMPLING
Lab I.D. Sample I.D.	(G) RAB OR (COMP.	# CONTAINERS	GROUNDWATER
	WASTEWATER	CRUDE OIL	SLUDGE
	SOIL	ACID/BASE:	ICE / COOL
	OTHER:	OTHER:	
	DATE	TIME	

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising whether based in contract or tort, shall be limited to the amount paid by the client for the analyses. All claims including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within 30 days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including without limitation, business interruptions, loss of time, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above stated reasons or otherwise.

Relinquished By: Lee Roy Heady

Delivered By: (Circle One)

Sampler - UPS - Bus - Other:

Received By: _____

Date: _____

Time: _____

Received By: (Lab Staff) Donny Money

Date: 11-6-06

Time: 7:50

Checked By: _____

Initials: _____

Relinquished By: _____

Delivered By: _____

Sampler - UPS - Bus - Other:

Phone Result: ☐ Yes ☐ No **Add'l Phone #:** _____

Fax Result: ☐ Yes ☐ No **Add'l Fax #:** _____

REMARKS: _____

Terms and Conditions: Interest will be charged on all accounts more than 30 days past due at the rate of 2 1/2% per annum from the original date of invoice, and all costs of collections, including attorney's fees.

† Cardinal cannot accept verbal changes. Please fax written changes to 505-393-2476.



ARDINAL LABORATORIES

PHONE (325) 673-7001 • 2111 BEECHWOOD • ABILENE, TX 79603

PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR

BOLD ENERGY

ATTN: DONNY MONEY

415 W. WALL, SUITE 500

MIDLAND, TX 79701

FAX TO: (505) 394-9030

Receiving Date: 11/06/06
Reporting Date: 11/07/06
Project Number: NOT GIVEN
Project Name: NOT GIVEN
Project Location: NOT GIVEN

Sampling Date: NOT GIVEN
Sample Type: WATER
Sample Condition: COOL & INTACT
Sample Received By: HM
Analyzed By: AB/HM

LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity (μ S/cm)	T-Alkalinity (mgCaCO ₃ /L)
------------	-----------	--------------	--------------	--------------	-------------	-------------------------------	--

ANALYSIS DATE:	11/07/06	11/06/06	11/06/06	11/07/06	11/06/06	11/06/06
H11760-1 ANTELOPE #4 CWA	58482	20040	17010	1535	*274800	160
Quality Control	NR	48.1	48.6	1.79	1424	NR
True Value QC	NR	50.0	50.0	2.00	1413	NR
% Recovery	NR	96	97	90	101	NR
Relative Percent Difference	NR	0.0	0.0	4.6	0.4	NR

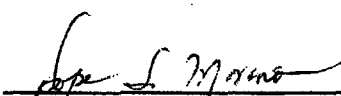
METHODS:	SM3500-Ca-D	3500-Mg E	8049	120.1	310.1
----------	-------------	-----------	------	-------	-------

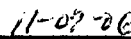
Cl ⁻ (mg/L)	SO ₄ (mg/L)	CO ₃ (mg/L)	HCO ₃ (mg/L)	pH (s.u.)	TDS (mg/L)
---------------------------	---------------------------	---------------------------	----------------------------	--------------	---------------

ANALYSIS DATE:	11/06/06	11/07/06	11/06/06	11/06/06	11/06/06	11/07/06
H11760-1 ANTELOPE #4 CWA	175945	1178	0	195	5.83	286224
Quality Control	500	23.9	NR	976	7.05	NR
True Value QC	500	25	NR	1000	7	NR
% Recovery	100	96	NR	98	101	NR
Relative Percent Difference	2	7.6	NR	0.0	0.4	NR

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
----------	-------------	-------	-------	-------	-------	-------

* Conductivity performed on a 1:1 dilution.


Chemist


Date

PLEASE NOTE: **Liability and Damages.** Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. Cardinal shall not be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client, its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.