

BOLD LETTERHEAD

September 20, 2005

Mr. Bryan Arrant
Via email bryan.arrant@state.nm.us

Re. Bold Energy, LP
Lazarus Federal #1
Buffalo Valley (Penn) Field
1980' FSL & 660' FWL
Sec 25, T15S – R27E
Chaves County, New Mexico

30-015-34346

Dear Sir:

This is to advise you that Bold Energy, LP does not expect to encounter any formation drilled by the captioned well to contain hydrogen sulphide (H₂S) and accordingly does not plan to file an H₂S Contingency Plan. Our research of offsetting wells has failed to identify any H₂S in the vicinity.

We do intend, however, to have fully functioning H₂S monitors on the rig and should the monitors indicate a formation bearing H₂S is penetrated, will immediately take actions to initiate safety measures, including notification of appropriate regulatory agencies.

Please advise if you have questions regarding this matter or desire additional information.

Sincerely,

David L. Cox
VP Engineering
Bold Energy, LP
432-686-1100