

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

CEMENT TO COVER ALL OIL,
GAS AND WATER BEARING
ZONES

Form C-101

May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address BOLD ENERGY, LP 415 W. Wall, Suite 500 Midland, Texas 79701		² OGRID Number 233545	
³ Property Code 35608		⁵ Property Name Delilah State	
⁹ Proposed Pool 1 Wildcat; Wolfcamp Gas		¹⁰ Proposed Pool 2 OCU-ARTEZIA	

RECEIVED

30-015-34794

FEB 09 2006

1H

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	18S	21E		660	South	660	West	Eddy

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
D	36	18S	21E		660	North	660	West	Eddy

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4061'
¹⁶ Multiple No	¹⁷ Proposed Depth 4800' TVD 8267' MD	¹⁸ Formation Wolfcamp	¹⁹ Contractor N/A	²⁰ Spud Date Rig Availability
Depth to Groundwater > 100'		Distance from nearest fresh water well > 1000'		Distance from nearest surface water > 1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 10,000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13.375"	48.0#	300'	495	Circulated
12 1/4"	9.625"	36.0#	1760' 1300'	800	, Circulated
8 3/4"	5.500"	17.0#	8267' MD	750	Set, Plugback

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.

Drill 17 1/2" hole to 300' using FW spud mud, set 13 3/8" casing and cmt to surface w/ 270 sx 35:65 POZ-Class "C" w/ additives followed by 225 sx Class "C" w/ 2% CaCl. If necessary, use 1" tbg for top job to bring cmt to surface. Install BOP and test BOP & csg. Drill 12 1/4" hole to 1700' w/ FW and sweeps, set 9 5/8" casing and cmt w/ 450 sx 35:65 POZ-Class "C" w/ additives followed by 350 sx Class "C" w/ 2% CaCl. If necessary, use 1" tbg for top job to bring cmt to surface. Install & test BOP & csg. Drill 8 3/4" hole to 4800' TVD w/ cut brine, adjusting MW - VIS - WL as needed to maintain hole stability and well control. Log and determine optimum depth for lateral into Wolfcamp zone. Plug back wellbore to desired KOP, build curve to 90° (at approx 4500' TVD and an azimuth of 0°) and drill +/- 4000' lateral into Wolfcamp producing interval. Set 5 1/2" production casing at TD (approx 8267' MD) and cmt with 400 sx 35:65 POZ-Class "C" w/ additives followed by 350 sx Class "C" cmt with additives (acid soluble); expected TOC @ 1500'. Completion procedure will be based upon drilling results and log evaluation.

BOP: a 3000 psi double ram preventer w/ annular will be utilized; if needed, a rotating head will be added to this stack.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: **D. C. Dodd**Title: **Agent for BOLD ENERGY, LP**E-mail Address: **ddodd@sierra-engineering.net**Date: **2/7/06**Phone: **432 / 686-1100**

Conditions of Approval

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: **APR 19 2006**Expiration Date: **APR 19 2007**

NOTIFY OCD OF SPUD &
TIME TO WITNESS
CEMENTING OF SURFACE &
INTERMEDIATE CASING

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name Wildcat; Wolfcamp Gas
⁴ Property Code	⁵ Property Name Delilah State	⁶ Well Number 1H
⁷ OGRID No. 233545	⁸ Operator Name BOLD ENERGY, LP	⁹ Elevation 4061'

¹⁰ Surface Location

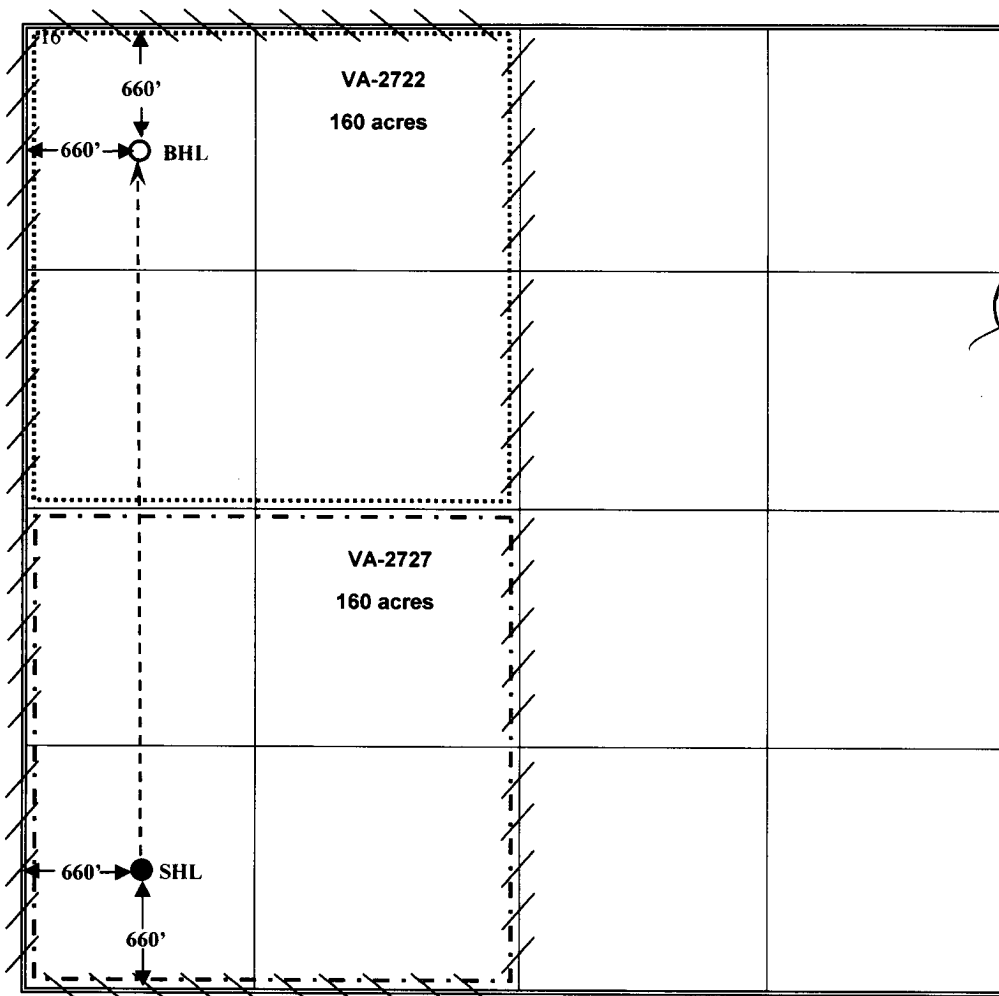
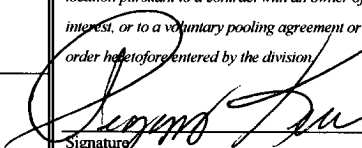
UL or lot no. M	Section 36	Township 18S	Range 21E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line West	County Eddy
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. D	Section 36	Township 18S	Range 21E	Lot Idn	Feet from the 660	North/South line North	Feet from the 660	East/West line West	County Eddy
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¹² Dedicated Acres 320	¹³ Joint or Infill N	¹⁴ Consolidation Code P	¹⁵ Order No.
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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.

	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p> 2/7/06 Signature Date</p> <p>Peggy Kerr, Vice President - Land Printed Name</p> <p>peggy.kerr@boldenergy.com</p>
	<p>¹⁸ 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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

DISTRICT I

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DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name DELILAH STATE	Well Number 1
OGRID No.	Operator Name BOLD ENERGY, LP	Elevation 4061'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	18-S	21-E		660	SOUTH	660	WEST	EDDY

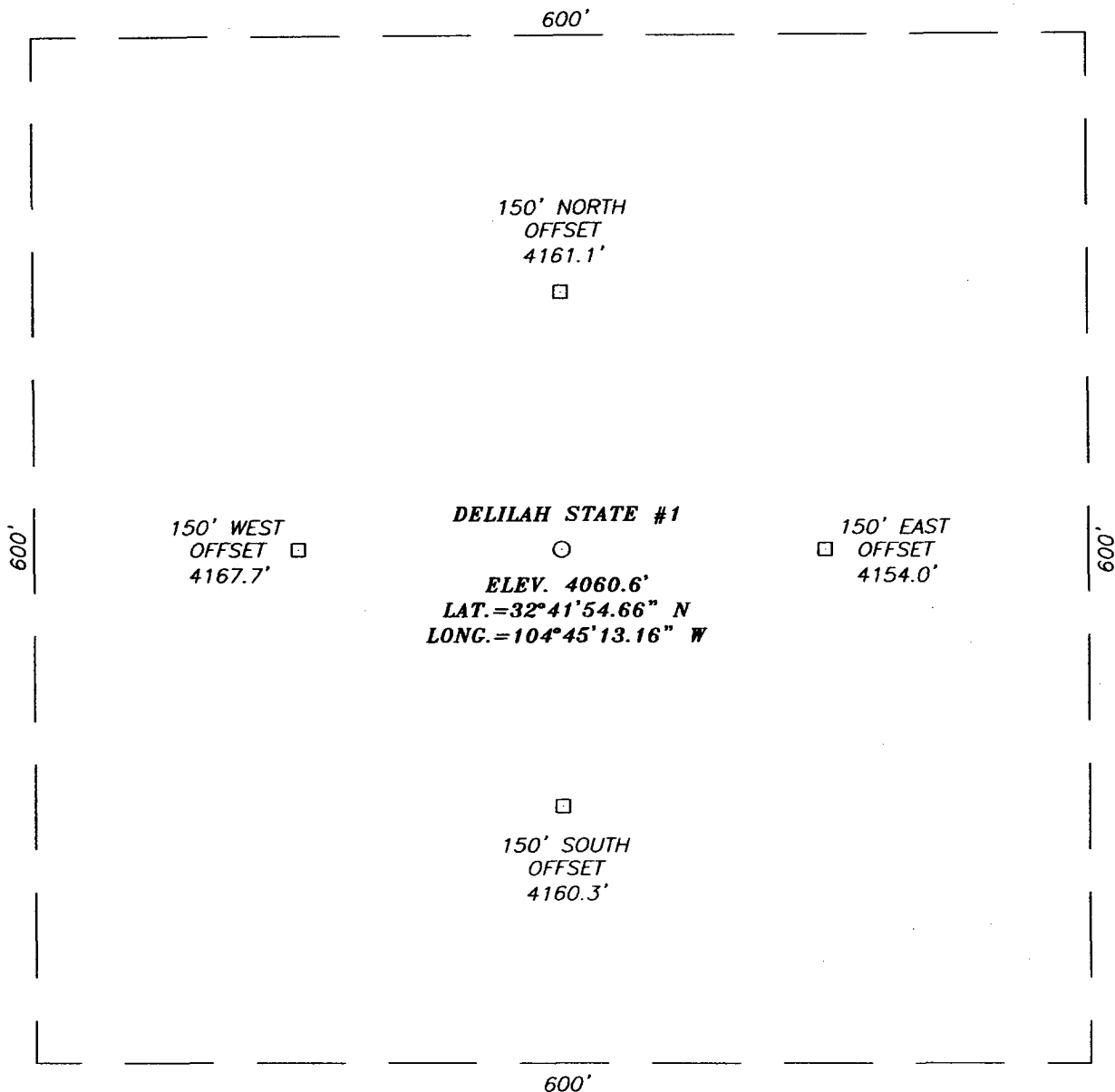
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	36	18-S	21-E		660	NORTH	660	WEST	EDDY
Dedicated Acres 32c	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

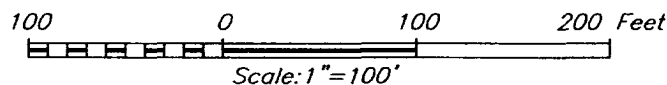
<p>660'</p> <p>660'</p> <p>B.H.</p> <p>Y=622067.1 N X=370737.3 E</p> <p>GR. AZ=N00°33'00"E HD.=3980.3'</p> <p>S.L.</p> <p>Y=618088.2 N X=370699.1 E</p> <p>LAT.=32°41'54.66" N LONG.=104°45'13.16" W</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>D. C. Dodd</i> Signature</p> <p><i>D. C. Dodd</i> Printed Name</p> <p>AGENT Title</p> <p>2/7/06 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 17, 2005</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Ronald J. Eidson</i> 12/27/05</p> <p>05.11.1923</p> <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>
	<p>GEODETIC COORDINATES</p> <p>NAD 27 NME SURF. LOC.</p> <p>Y=618088.2 N X=370699.1 E</p> <p>LAT.=32°41'54.66" N LONG.=104°45'13.16" W</p>
	<p>BOTTOM HOLE LOC.</p> <p>Y=622067.1 N X=370737.3 E</p>

SECTION 36, TOWNSHIP 18 SOUTH, RANGE 21 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ARMSTRONG RD. AND BRONC RD. (SOUTH OF HOPE N.M.). GO NORTH ON ARMSTRONG RD. FOR APPROX. 0.1 MILES. THEN TURN LEFT, GO WEST ON RANCH RD. FOR APPROX. 1.0 MILE. THEN THE RD. BENDS TO THE LEFT CONTINUING ON SOUTH FOR APPROX. 0.9 MILES AND THIS LOCATION IS EAST OF RD. APPROX. 0.1 MILES.



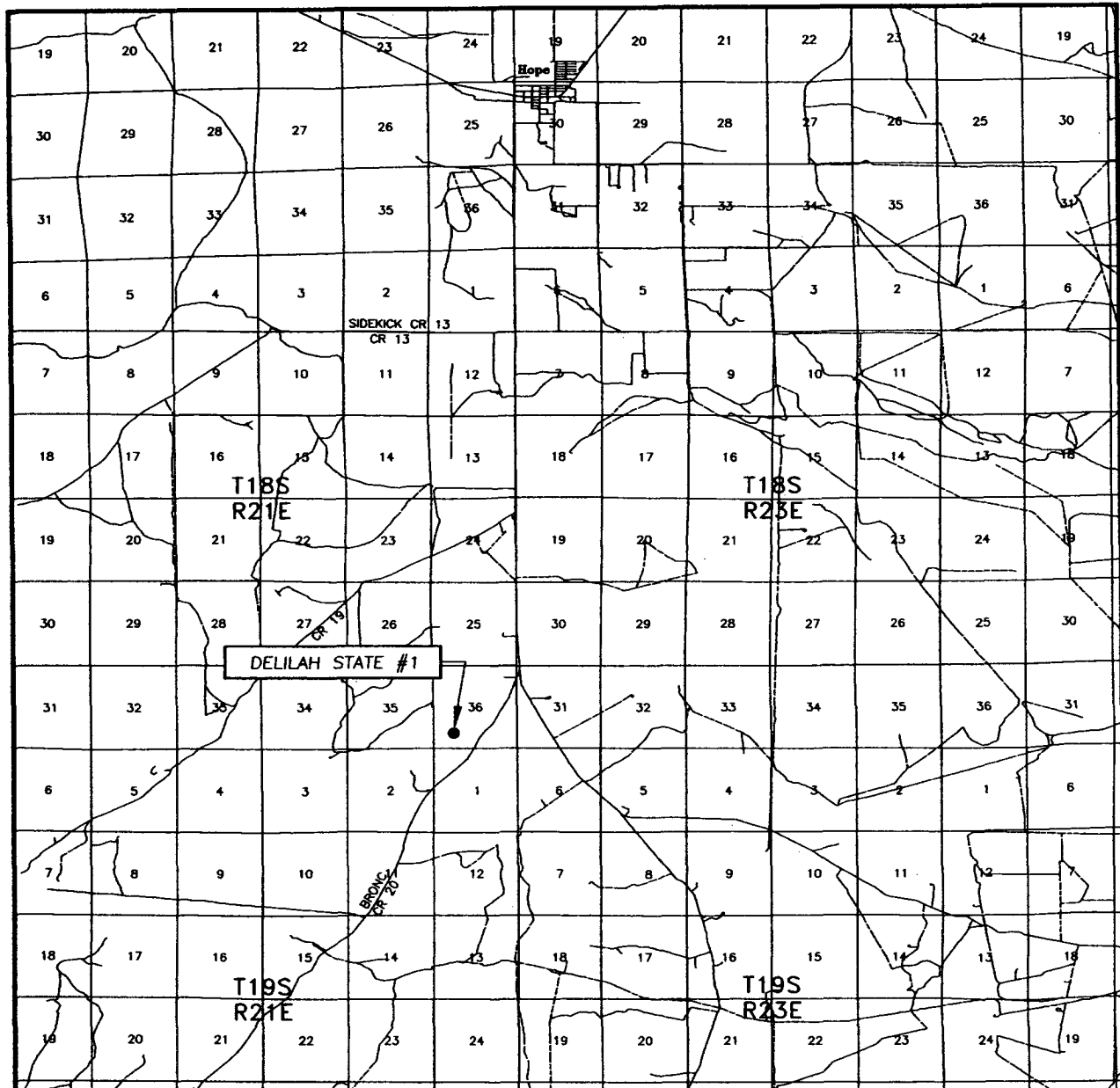
BOLD ENERGY, LP

DELILAH STATE #1 WELL
 LOCATED 660 FEET FROM THE SOUTH LINE
 AND 660 FEET FROM THE WEST LINE OF SECTION 36,
 TOWNSHIP 18 SOUTH, RANGE 21 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

Survey Date: 12/17/05	Sheet 1 of 1 Sheets
W.O. Number: 05.11.1923	Dr By: RZB
Date: 12/22/05	Disk: CD#4
05111923	Scale: 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 36 TWP. 18-S RGE. 21-E

SURVEY N.M.P.M.

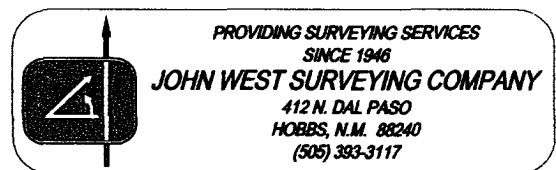
COUNTY EDDY

DESCRIPTION 660' FSL & 660' FWL

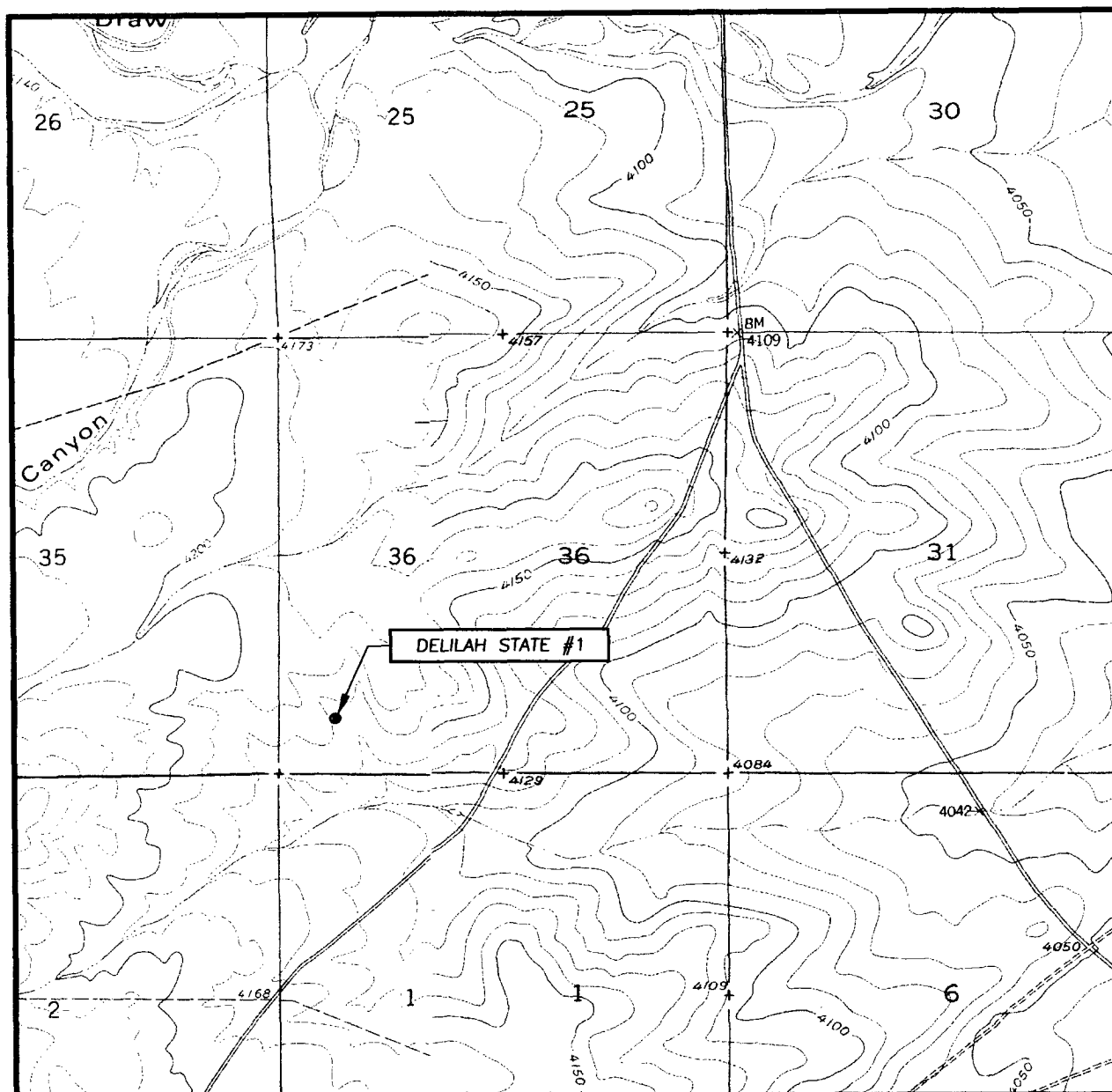
ELEVATION 4060.6'

OPERATOR BOLD ENERGY, LP

LEASE DELILAH STATE



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
ANTELOPE SINK, N.M. - 10'
HOLT TANK, N.M. - 10'

SEC. 36 TWP. 18-S RGE. 21-E

SURVEY N.M.P.M.

COUNTY EDDY

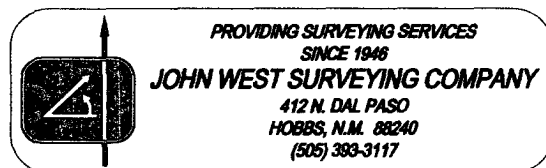
DESCRIPTION 660' FSL & 660' FWL

ELEVATION 4060.6'

OPERATOR BOLD ENERGY, LP

LEASE DELILAH STATE

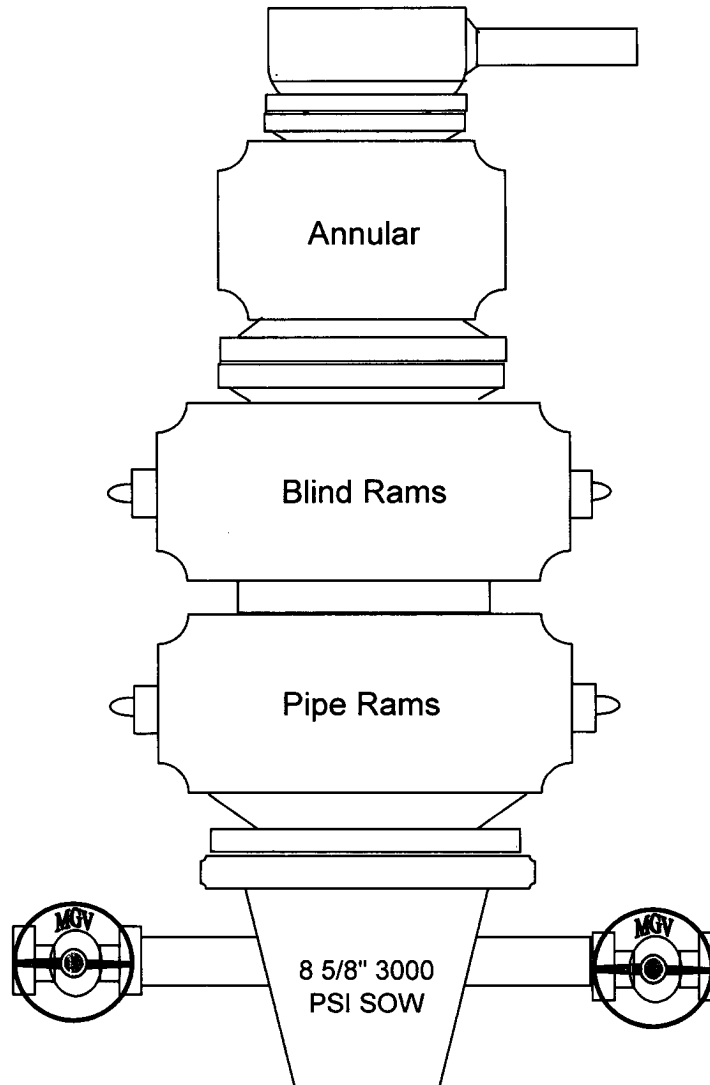
U.S.G.S. TOPOGRAPHIC MAP
ANTELOPE SINK, N.M.



BOLD ENERGY, LP

Delilah State #1H

9" - 3000 PSI Stack





February 7, 2006

**NMOCD
1301 W. Grand Avenue
Artesia, New Mexico 88210**

**Re: Bold Energy, LP
Delilah State #1H
Wildcat; Wolfcamp Gas Field
660' FSL & 660' FWL
Sec 36 - T18S - R21E
Eddy County, New Mexico**

Att: Bryan Arrant

Gentlemen:

This is to advise that Bold Energy, LP does not expect to encounter any formation drilled by the captioned well to contain hydrogen sulfide (H₂S) gas 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.

However, we do plan to have H₂S monitors on the rig and operational after cleaning out to the 85/8" shoe on this re-entry project. If the monitors indicate a formation bearing this gas is penetrated, we will immediately take the necessary actions to protect operations personnel and the public and notification of appropriate regulatory agencies will be immediate.

Please advise if you have questions regarding this matter or need additional information. I can be reached at 432 / 683-8000.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan C. Dodd".

**Dan C. Dodd
Sierra Engineering for Bold Energy, LP**

P. O. Box 50203

Midland, Texas 79710