

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
Energy, Minerals and Natural Resources  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-103  
Permit 30826

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)<br>1. Type of Well:G<br>2. Name of Operator<br>BOLD ENERGY, L.P.<br>3. Address of Operator<br>415 WEST WALL , , SUITE 500 MIDLAND , TX 79701<br>4. Well Location<br>Unit Letter <u>A</u> : <u>1090</u> feet from the <u>N</u> line and <u>990</u> feet from the <u>E</u> line<br>Section <u>7</u> Township <u>19S</u> Range <u>29E</u> NMPM <u>Eddy</u> County |  | WELL API NUMBER<br>30-015-34698 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  | 5. Indicate Type of Lease<br>S  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  | 6. State Oil & Gas Lease No.    |
| 7. Lease Name or Unit Agreement Name<br>JOEL STATE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                 |
| 8. Well Number<br>001                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                 |
| 9. OGRID Number<br>233545                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |                                 |
| 10. Pool name or Wildcat                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                 |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3376 GR.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |                                 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>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 OF PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐  
CASING/CEMENT JOB ☐  
Other: **Drilling/Cement** ☒

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.  
Drld to 7 7/8" hole to 11,410' TD on 5/9/06. Halliburton ran GR-N Spectral Density & DLL Micro-Guard logs. Ran 5 1/2" 17# P-110 LTC csg w/ FS & FC, landed @ 11,410' TD w/ FC @ 11,365' & Schlumberger cmt'd w/ 800 sx "CEMCRETE" (10.2 ppg, 2.36 yield) followed by 481 sx TXI lightweight cmt cont'g 1.33% salt, 0.3% D167 FLA, 0.2% D65 dispersant and 0.5% D13 retarder (13.0 ppg, 1.41 yield). Bumped plug w/ 2560 psi @ 7:00 PM on 5/11/06, floats held OK - circ'd est 53 sx to surface. Set slips, cut csg & installed WH equip w/ dry-hole cap. RR @ 1:30 AM on 5/13/06. WO completion operations.

**Casing and Cement Program**

| Date     | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class   | 1" Dpth | Pres Held | Pres Drop | Open Hole |
|----------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|---------|---------|-----------|-----------|-----------|
| 04/07/06 | Surf   | FreshWater | 17.5      | 13.375   | 48           | H-40  | 0       | 385      | 715   | 1.32  | "C"     |         | 500       | 0         | Y         |
| 04/12/06 | Int1   | Brine      | 11        | 8.625    | 32           | J-55  | 0       | 3005     | 1195  | 1.32  | POZ & C |         | 1500      | 0         | Y         |
| 05/12/06 | Prod   | Mud        | 7.875     | 5.5      | 17           | P-110 | 0       | 11410    | 1281  |       |         |         | 8000      | 0         | Y         |

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 Electronically Signed TITLE Vice President DATE 6/14/2006  
Type or print name Peggy Kerr E-mail address peggy.kerr@boldenergy.com Telephone No. 432-686-1100

**For State Use Only:**

APPROVED BY: Bryan Arrant TITLE Geologist DATE 6/15/2006 7:11:20 AM