

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 32681

SUNDRY NOTICES AND REPORTS ON WELLS (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.) 1. Type of Well:G 2. Name of Operator BOLD ENERGY, L.P. 3. Address of Operator 415 WEST WALL , , SUITE 500 MIDLAND , TX 79701 4. Well Location Unit Letter <u>O</u> : <u>660</u> feet from the <u>S</u> line and <u>1980</u> feet from the <u>E</u> line Section <u>10</u> Township <u>19S</u> Range <u>29E</u> NMPM <u>Eddy</u> County		WELL API NUMBER 30-015-34693
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SARAH STATE		
8. Well Number 001		
9. OGRID Number 233545		
10. Pool name or Wildcat		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3368 GR.		
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 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.

Drd 7 7/8" hole to 11,670' TD on 6/16/06. Halliburton ran GR-N, SDL, DLL-MicroGuard & CSNG logs & rec 13 of 16 sidewall cores. Ran 5 1/2" 17# P-110 LTC csg w/ FS & FC, landed @ 11,670' TD w/ FC @ 11,624'. 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/ 2780 psi @ 7:30 AM on 6/19/06, floats held OK. Had good circ throughout job but no cmt to surface. Set slips, cut csg, installed WH equip w/ dry-hole cap. WO completion.

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
05/15/06	Surf	FreshWater	17.5	13.375	48	H-40	0	300	400	1.32	C	68	1250	0	Y
05/20/06	Int1	Brine	11	8.625	32	J-55	0	3020	904	1.32	POZ & C	2000	0	Y	
06/18/06	Prod	Mud	7.875	5.5	17	P-110	1060	11670	1281		See Above	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 6/29/2006

Type or print name Peggy Kerr

E-mail address peggy.kem@boldenergy.com

Telephone No. 432-686-1100

For State Use Only:

APPROVED BY: Bryan Arrant

TITLE Geologist

DATE 7/1/2006 9:39:09 AM