

**Jones, William V., EMNRD**

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**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

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**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

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**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.

**Jones, William V., EMNRD**

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**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

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

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

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 recomplate 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 recompletion 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'.

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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.

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 <b>Federal</b> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. BLM NM021422

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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		7. Lease Name or Unit Agreement Name Antelope Ridge Unit #91008492C
2. Name of Operator Bold Energy, LP		8. Well Number 4
3. Address of Operator 415 W. Wall, Suite 500 Midland, TX 79701		9. OGRID Number 233545
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>		10. Pool name or Wildcat: #96802 SWD; Bell Canyon - Cherry Canyon
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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <b>Stimulation Program</b>	
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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

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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**

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**990' 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  
**SWD; BELL Antelope Ridge (Atoka) CANYON-CHERRY CANYON #96802**

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 <u>Stimulation program</u>
	<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 recomplete 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 recompletion 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.)

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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**

Signature *Denise Menoud*

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

Date **10/30/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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.

Title

Office

Date

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
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 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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 SWD; Bell Canyon – Cherry Canyon
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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> Swab testing after completion of SWD OTHER: <input checked="" type="checkbox"/>	
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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 NMOCDC 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): \_\_\_\_\_

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 District IV  
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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  FEE

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.)

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 \_\_\_\_\_

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

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

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 (bbbls)	Cumm. Vol (bbbls)	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 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

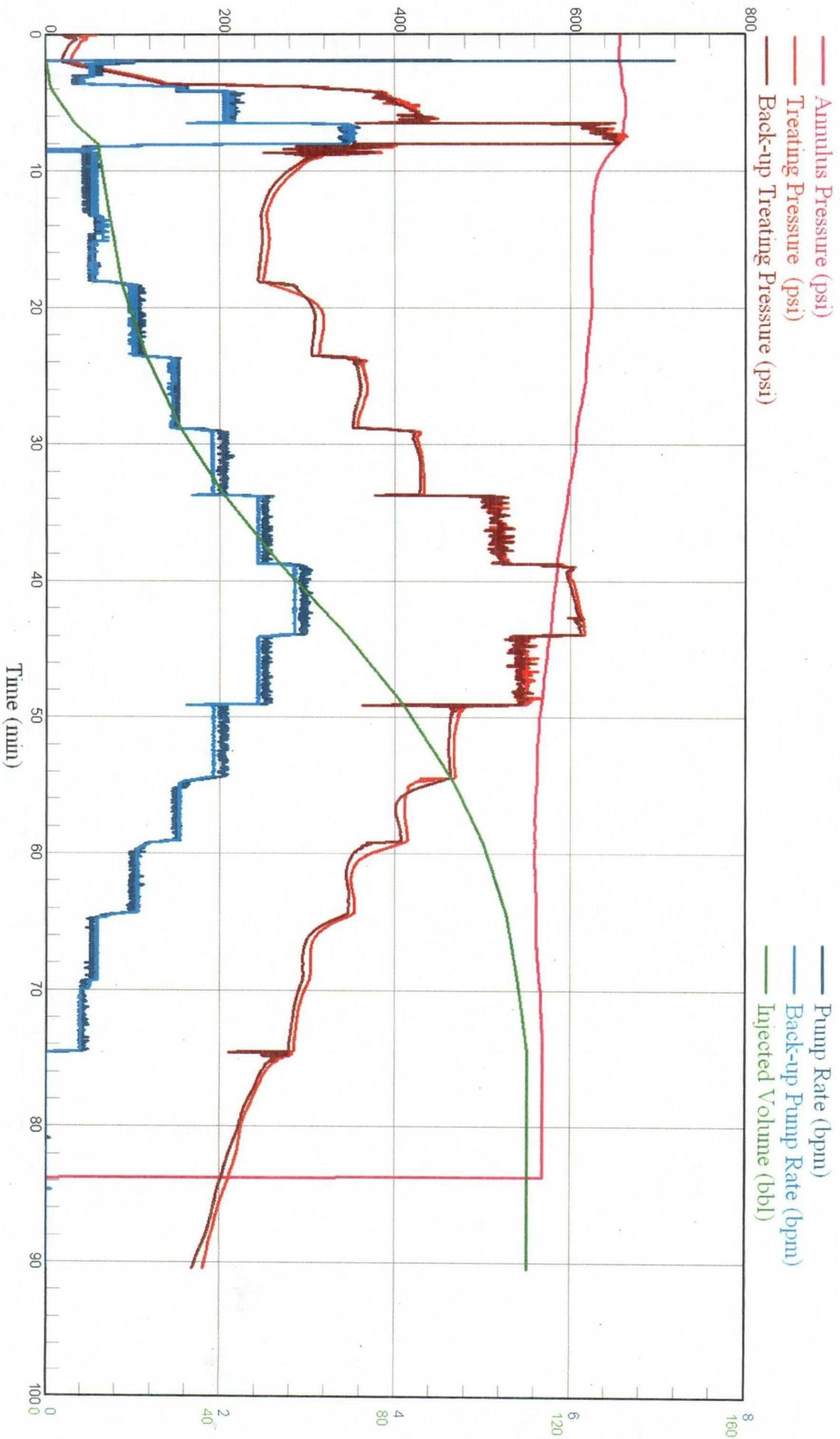
Type or print name : Denise Menoud E-mail address: denise@graysurfacespecialties.com Telephone No.: 432-685-9158

**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

### 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 STATE <input type="checkbox"/> FEDERAL <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

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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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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.

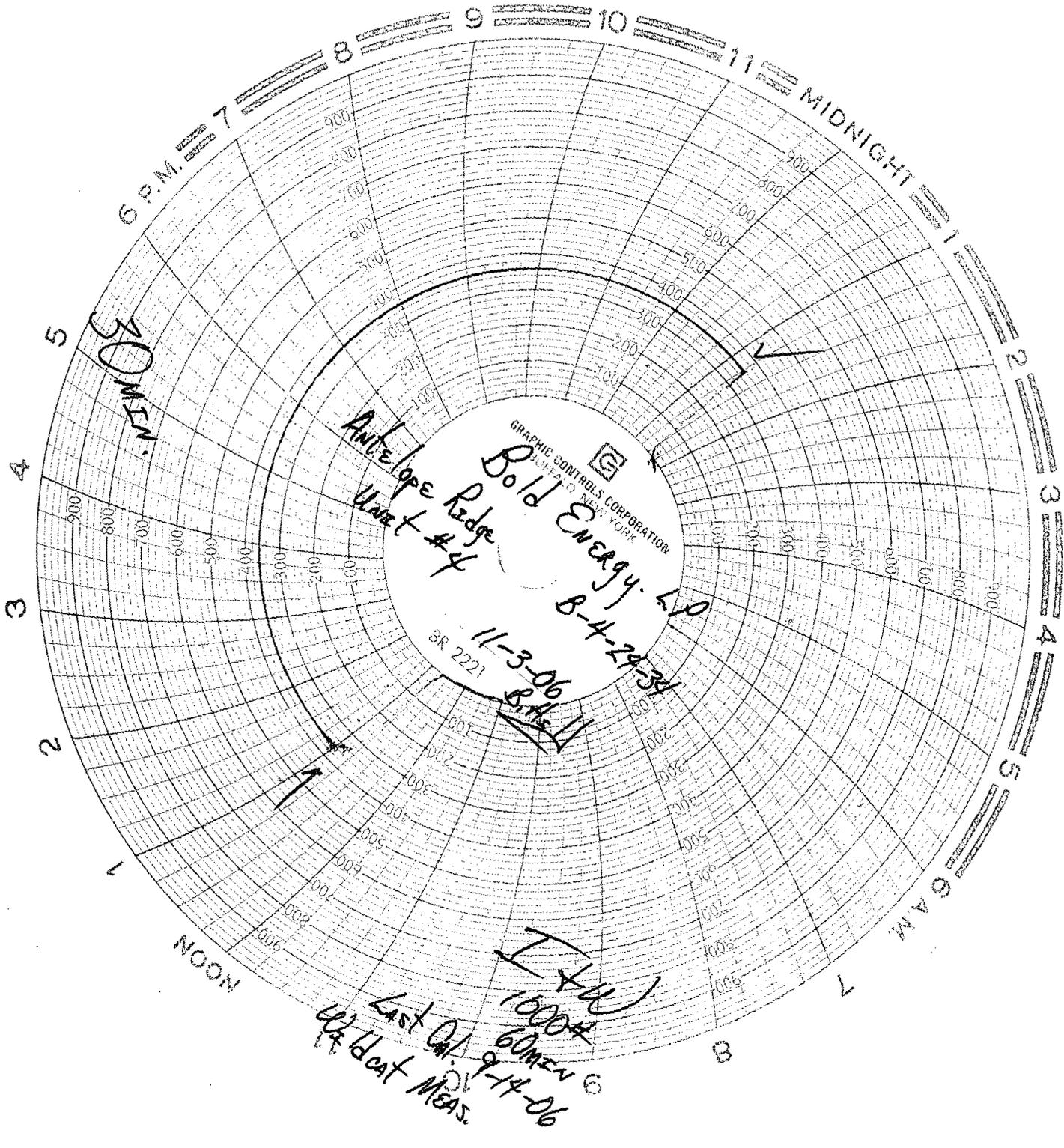
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

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](mailto:denise@graysurfacespecialties.com) Telephone No.: 432-685-9158

**For State Use Only**

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



60 MEN

GRAPHIC CONTROLS CORPORATION  
 BUREAU NEW YORK  
 Antelope Ridge  
 Unit #4  
 Bold Energy, LP  
 B-4-24-34  
 11-3-06  
 BR 2221  
 B. HELL

Last Cal. 9-14-06  
 60 MEN  
 60 MEN



# CARDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 79603 101 East Marland, Hobbs, NM 88240  
(915) 673-7001 Fax (915) 673-7020 (505) 393-2326 Fax (505) 393-2476

# CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Page \_\_\_\_\_ of \_\_\_\_\_

Company Name: <i>Bold Energy LP</i>		P.O. #:		ANALYSIS REQUEST																											
Project Manager: <i>Ronnie Heady Donny Money</i>		Company:																													
Address: <i>415 W. WILK</i>		Attn: <i>Sub 500</i>																													
City: <i>Midland</i>		State: <i>X</i>		Zip: <i>79701</i>																											
Phone #: <i>394-0056</i>		Fax #: <i>394-9030</i>																													
Project #: _____		Project Owner: _____																													
Project Name: _____																															
Project Location: _____																															
Sampler Name: _____																															
FOR LAB USE ONLY																															
Lab I.D. <i>Sample I.D.</i>		(G)RAB OR (C)OMP.		# CONTAINERS		GROUNDWATER		WASTEWATER		SOIL		CRUDE OIL		SLUDGE		OTHER:		ACID/BASE:		ICE/COOL		OTHER:		PRESERV		SAMPLING		DATE		TIME	
<i>H11760-1 Antelope # 4 Cust</i>																															



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

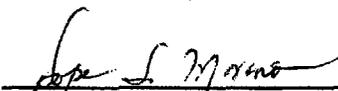
LAB NUMBER	SAMPLE ID	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)	Conductivity ( $\mu$ S/cm)	T-Alkalinity (mgCaCO <sub>3</sub> /L)
ANALYSIS DATE:		11/07/06	11/06/06	11/06/06	11/07/06	11/06/06	11/06/06
H11760-1	ANTELOPE #4 CWA	58482	20040	17010	1535	*274800	160
Quality Control		NR	48.1	48.6	1.79	1424	NR
True 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
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	Cl <sup>-</sup> (mg/L)	SO <sub>4</sub> (mg/L)	CO <sub>3</sub> (mg/L)	HCO <sub>3</sub> (mg/L)	pH (s.u.)	TDS (mg/L)
ANALYSIS DATE:		11/06/06	11/07/06	11/06/06	11/06/06	11/07/06
H11760-1	ANTELOPE #4 CWA	175945	1178	0	195	5.83
Quality Control		500	23.9	NR	976	7.05
True Value QC		500	25	NR	1000	7
% Recovery		100	96	NR	98	101
Relative Percent Difference		2	7.6	NR	0.0	0.4

METHODS:	SM4500-Cl-B	375.4	310.1	310.1	150.1	160.1
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\* Conductivity performed on a 1:1 dilution.

  
 \_\_\_\_\_  
 Chemist

11-07-06  
 \_\_\_\_\_  
 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 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.