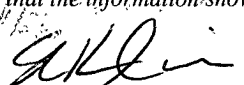
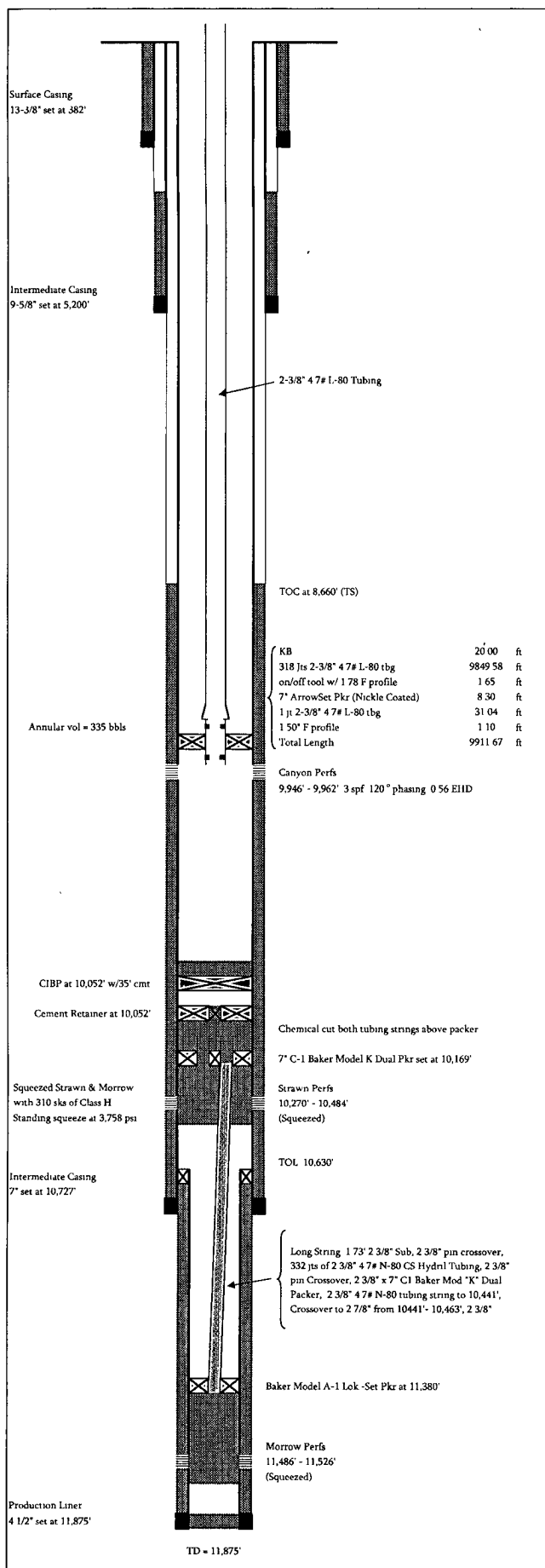


| | | |
|--|---|---|
| Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 | State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 | Form C-105 Revised June 10, 2003 WELL API NO. 30-015-20573 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. K-6290 |
| WELL COMPLETION OR RECOMPLETION REPORT AND LOG | | |
| 1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input checked="" type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER _____ | | 7. Lease Name or Unit Agreement Name <div style="text-align: center;">Grace Carlsbad</div> |
| 2. Name of Operator <div style="text-align: center;">BOLD ENERGY, LP</div> | | 8. Well No. <div style="text-align: center;">001</div> |
| 3. Address of Operator <div style="text-align: center;">415 W. Wall Street, Suite 500 Midland, Texas 79701</div> | | 9. Pool name or Wildcat <div style="text-align: center;">Carlsbad; Canyon, South (Gas)</div> |
| 4. Well Location Unit Letter I : 1980 Feet From The South Line and 660 Feet From The East Line Section 36 Township 22S Range 26E NMPM Eddy County | | |
| 10. Date Spudded 2/11/72 | 11. Date T.D. Reached 4/2/72 | 12. Date Compl. (Ready to Prod.) 6/27/07 |
| 13. Elevations (DF& RKB, RT, GR, etc.) 3207.8' (GR) | | 14. Elev. Casinghead |
| 15. Total Depth 11,875' | 16. Plug Back T.D. 10,015' | 17. If Multiple Compl. How Many Zones? |
| 18. Intervals Drilled By | | Rotary Tools |
| 19. Producing Interval(s), of this completion - Top, Bottom, Name 9,946' - 9,962' Canyon | | 20. Was Directional Survey Made |
| 21. Type Electric and Other Logs Run Gamma Ray CCL Correlation Log | | 22. Was Well Cored |
| 23. CASING RECORD (Report all strings set in well) | | |
| CASING SIZE | WEIGHT LB./FT. | DEPTH SET |
| 17.5" | 13.375" | 48# |
| 12.25" | 9.625" | 36/40# |
| 8.75" | 7" | 23/26# |
| 24. LINER RECORD | | 25. TUBING RECORD |
| SIZE | TOP | BOTTOM |
| 6.125" | 10,630' | 11,875' |
| SACKS CEMENT | | SCREEN |
| 200 | | |
| SIZE | DEPTH SET | PACKER SET |
| 2.375" | 9,912' | 9,871' |
| 26. Perforation record (interval, size, and number) 9,946' - 9,962' 3 spf 48 holes 120° phasing 0.56" EHD | | |
| 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. | | |
| DEPTH INTERVAL | | AMOUNT AND KIND MATERIAL USED |
| 10,270' - 10,484' | | 310 sks Class H cmt (squeeze) |
| 11,486' - 11,526' | | Included with 310 sks listed above (squeeze) |
| 9,946' - 9,962' | | 4,000 gal 15% NEFE + 50 1.3 SG ball sealers |
| 28. PRODUCTION | | |
| Date First Production 7/10/07 | Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing | Well Status (Prod. or Shut-in) Producing |
| Date of Test 7/11/07 | Hours Tested 24 | Choke Size 48/64" |
| Prod'n For Test Period | Oil - Bbl 3 | Gas - MCF 1343 |
| Water - Bbl. 9 | Gas - Oil Ratio 448 mcf/bbl | |
| Flow Tubing Press. 550 | Casing Pressure 500 | Calculated 24-Hour Rate |
| Oil - Bbl. 3 | Gas - MCF 1343 | Water - Bbl. 9 |
| Oil Gravity - API - (Corr.) Not Available | | |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold | | Test Witnessed By Donny Money |
| 30. List Attachments Halliburton Gamma Ray CCL Correlation Log | | |
| 31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief | | |
| Signature  | | Printed Name Shannon L. Klier Title Operations Engineering Manager Date 7/25/07 |
| E-mail Address shannon.klier@boldenergy.com | | |



BOLD ENERGY, LP

Grace Carlsbad #1

WI: 100.0%
Elevation: 3,208' GL
KB: 3,228'
Meas. TD: 11,875'
TVD: 11,875'
PBD: 11764
Zone: Canyon

NRI: 80.0%
API: 30-015-20573
Surface Location: 1980' FSL & 660' FEL
Legal Description: Section 36 - T22S - R26E
Field: South Carlsbad
County: Eddy County
State: New Mexico

| Casing | Hole | Weight | Grade | Top | Bottom | Burst | 80% Burst | TOC |
|---------|---------|--------|-----------------|---------|---------|-------|-----------|---------------|
| 13-3/8" | 17-1/2" | 48# | H-40 | 0' | 382' | 2,730 | 2,184 | Surface (unc) |
| 9-5/8" | 12-1/4" | 36#40# | K-55 | 0' | 5,200' | 3,520 | 2,816 | 1,451' (1S) |
| 7" | 8 3/4" | 23#26# | N-80/S-95/P-110 | 0 | 10,727' | 6,340 | 5,072 | 8,660' (1S) |
| 4 1/2" | 6 1/4" | 11.6# | N-80 | 10,630' | 11,875' | 7,780 | 6,224 | TOL |

Date: 2/11/1972
Event: Spud
4/2/1972
TD'd well
DST (1) Interval 9910-9970 Tool opened and had gas to surface in 6 min on 1/2" choke Rate 1780 MCFD at 260 psi
Opened 1.5 hours on 1/4" choke Rate 850 MCFD at 585 psi Recovered 21 bbls of gas-distillate ISIP 4858,
IF 483 psi FF 1156 psi FSIP 4422 psi
DST (2) Interval 10255-465 Tool opened had gas to surface in 9 min on 1/2" choke Rate 4,382 MCFD at 700 psi
ISIP 4796 psi, IF 1,153 psi, FF 1,370 psi, FSIP 4783 psi
DST (3) Interval 10755-11,073 Tool opened, weak blow to surface of air No gas
4/4/1972 Perforate Strawn as follows: 10,270-77, 10,385-89, 10,411-14, 10,421-24, 10,444-58, and 10,484-92
2spf Thru-tbg Gun Specs unknown
6/14/1972 Perforate Morrow as follows: 11,486-88, 11,490-96, 11,498-11,505, 11,507-09, 11,511-14, 11,516-22, and
11,524-26, 2spf Thru-Tbg Gun Specs unknown

7/3-4/1973

| Four Point Tests | | | |
|------------------|--------|-------|---------|
| Morrow | | | |
| Choke | Rate | BHP | WH Pres |
| 5/64 | 1181.2 | 4,289 | 3383 |
| 10/64 | 2726.1 | 4084 | 3234 |
| 14/64 | 4482.5 | 3820 | 2924 |
| 26/64 | 7870.5 | 3224 | 1834 |

| Strawn | | | |
|--------|--------|-------|---------|
| Choke | Rate | BHP | WH Pres |
| 9/64 | 1000.2 | 4,255 | 3121 |
| 12/64 | 1627 | 3726 | 2682 |
| 14/64 | 2209.2 | 3173 | 2254 |
| 18/64 | 2669 | 2472 | 1716 |

7/5/1972 Acidize Strawn with 5,000 gals of Mod 202 + N2 No details on treatment
7/11/1985 RU C1U on Morrow String Jet well Had fill at 10,700' Clean out to 11,200'
8/13/1985 CT Foamed acid on Morrow Pump 2,000 gals 7.5% HCL with N2 ISIP 4,380 psi 15 min 3,110 psi

| SITP Pressure Data | | |
|--------------------|--------|--------|
| | Strawn | Morrow |
| 9/15/1978 | 962 | |
| 9/20/1979 | 1018 | 300 |
| 7/16/1982 | 600 | 328 |
| 6/3/1983 | 872 | |
| 8/3/1984 | 798 | 393 |
| 7/22/1985 | 491 | 355 |
| 9/15/1986 | | 495 |
| 8/10/1987 | 448 | 457 |
| 9/11/1989 | 442 | 336 |
| 9/17/1990 | 470 | 325 |
| 12/6/1999 | 154 | 74 |
| 8/21/2000 | 153 | 160 |
| 10/6/2001 | 238 | 165 |
| 9/9/2002 | 160 | 130 |

9/25/2006 CSI compressor swapped out for Hanover compressor
6/18/2007 Begin operations to recompleat to Canyon
MIRU PU and F/B tank Pumped FW to kill both tubing strings
6/19/2007 Shot equalizing holes in long string Found collar stop at 10,055' in short string Shot equalizing holes in SS
Worked to release seal assembly on short string Would not release Cut SS at 10,054' LD SS
6/20/2007 Cut LS at 10,150' LD LS
6/21/2007 Ran casing scraper to 10,052' IHH w/ CR
6/22/2007 Finish RIH with CR and set at 10,052' Pumped 310 ska Class H + 0.3% D-167 + 0.2% D-65 + 0.2% DB
(Yield = 65.7 bbls at 15.6 ppg) Standing squeeze at 3,758 psi
6/25/2007 Ran correlation log and perforated Canyon 9,946' - 9,962' at 3 spf w/ 120" phasing and 0.56" EIID
Ran completion assembly as follows

| | | |
|---------------------------------|------------|--------------------------------|
| KB | 20.00 ft | |
| 318 Jts 2-3/8" 47# L-80 tbg | 9849.58 ft | |
| on/off tool w/ 178 F profile | 1.65 ft | |
| 7" ArrowSet Pkr (Nickel Coated) | 8.30 ft | Pkr set w/ 12K LRS compression |
| 1jt 2-3/8" 47# L-80 tbg | 31.04 ft | |
| 1 50' F profile | 1.10 ft | |
| Total Length | 9911.67 ft | |

6/26/2007 Blew well down - flowed 30 bbls and died SI for 9 hrs SITP = 2,800 psi Blew well down - flowed 2 bbls and died
Acidized as follows: 4,000 gallons 15% HCL acid + 50 1.3 SG BS at 7.3 bpm at 3,600 psi Final pressure = 5,136 psi
ISIP = 2400 psi 5 min SIP = 1881 psi 10 min SIP = 1695 psi 15 min SIP = 1556 psi LTR = 183 bbls
Opened well with SITP = 1100 psi Pressure increased to 2200 psi on 20/64" ck Recovered 50 BLW Gassing heavily
6/27/2007 SITP = 3075 psi Duke changed orifice plate and obtained gas sample SI well until D Money returns from vacation
7/10/2007 First Sales