

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

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

1. Operator Name and Address BOLD ENERGY, L.P. 415 WEST WALL MIDLAND, TX 79701		2. OGRID Number 233545
4. Property Code 35494		3. API Number 30-015-34689
5. Property Name BOAZ STATE		6. Well No. 001

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	10	19S	29E	M	660	S	660	W	EDDY

**8. Pool Information**

TURKEY TRACK MORROW (GAS)	86480
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**Additional Well Information**

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3367
14. Multiple N	15. Proposed Depth 11800	16. Formation Morrow	17. Contractor	18. Spud Date
Depth to Ground water 120		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 miles thick Clay <input type="checkbox"/> Pit Volume: 10000 bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input checked="" type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	275	400	0
Int1	11	8.625	32	2700	725	0
Prod	7.875	5.5	17	11800	900	7000

**Casing/Cement Program: Additional Comments**

Production casing weight / grade subject to change due to actual wellbore conditions or pipe availability.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	2500	N/A
Double Ram	5000	5000	N/A

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. <b>I further certify that the drilling pit will be constructed according to NMOCB guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCB-approved plan <input type="checkbox"/>.</b>	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by Peggy Kerr	Approved By: Bryan Arrant
Title: Vice President	Title: Geologist
Email Address: peggy.kerr@boldenergy.com	Approved Date: 3/14/2006   Expiration Date: 3/14/2007
Date: 1/16/2006   Phone: 432-686-1100	Conditions of Approval Attached

**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

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**Santa Fe, NM 87505**

Form C-102  
 Permit 20960

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-34689	2. Pool Code 86480	3. Pool Name TURKEY TRACK;MORROW (GAS)
4. Property Code 35494	5. Property Name BOAZ STATE	6. Well No. 001
7. OGRID No. 233545	8. Operator Name BOLD ENERGY, L.P.	9. Elevation 3367

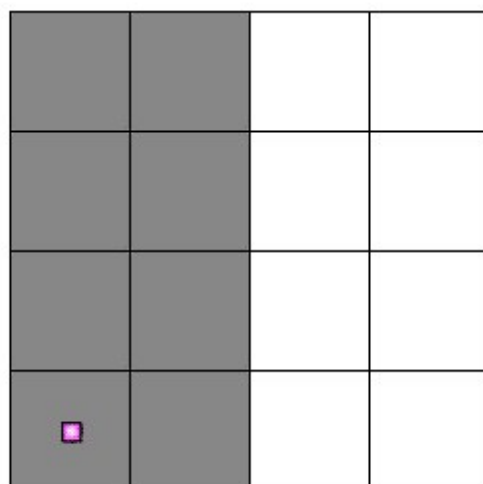
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00	13. Joint or Infill	14. Consolidation Code	15. 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**



**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(s) 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.*

E-Signed By: Peggy Kerr  
 Title: Vice President  
 Date: 1/16/2006

**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.*

Surveyed By: Ronald Eidson  
 Date of Survey: 12/17/2005  
 Certificate Number: 3239

## Permit Comments

Operator: BOLD ENERGY, L.P. , 233545

Well: BOAZ STATE #001

API: 30-015-34689

Created By	Comment	Comment Date
DDDDD	A check of the database of the office of the NM State Engineer found no records of water wells in Section 10; estimate it to be approx 120' to water.	1/15/2006
DDDDD	Hydrogen Sulfide gas monitoring equipment will be operational after setting surface casing.	1/15/2006

# Permit Conditions of Approval

Operator: BOLD ENERGY, L.P. , 233545

Well: BOAZ STATE #001

API: 30-015-34689

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted, operator to drill surface hole with fresh ater mud.
BArrant	Cement to cover all oil, gas and water bearing zones.