

District II

District III

District IV

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

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

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 W. Wall, Suite 500, Midland, TX 79701

4. Well Location

Unit Letter O : 660 feet from the S line and 1980 feet from the E line
Section 10 Township 19S Range 29E NMPM Eddy County

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.

Drilled to 17 1/2" hole to 185', lost circ, dry-drilled to 305' at 1:00 AM on 5/15/06. Ran 7 jts 13 3/8" 48# H-40 STC csg, set @ 300' & Schlumberger cmt'd w/ 325 sx Class "C" cont'g 2% CaCl & .125 pps of poly flake. No circ while cmt'g. Bumped plug w/ 250 psi @ 6:30 AM 5/15/05. WOC 5 1/2 hrs, temp survey indicated TOC @ 90'. Ran 1" tbg & tagged cmt @ 68', Schlumberger pumped 75 sx of "C" cont'g 2% CaCl & .125 pps of poly flake, circ cmt to surface. Cut csg & installed WH & BOPE. Tested BOP w/ 1250 psi, OK. Ran bit to cmt @ 245', tested csg w/ 1250 psi after 29 hrs WOC, tested OK.

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

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 5/17/2006

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 5/17/2006 8:55:18 AM