M. Oil Cons. DiV-Dist. 2 Form 3160-5 (April 2004) DEPARTMENT OF THE INDERIOR. Grand Avenue BUREAU OF LAND MAN 5. Lease Serial No. NM0115465-A SUNDRY NOTICES AND REPORTS SNOWED 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. RECEIVED 1. Type of Well Öil Well Gas Well Other 8. Well Name and No. <del>FEB 1 3 2006</del> Lazarus Federal #1 2. Name of Operator Bold Energy, LP API Well No. UUU-ARTERIA 30-005-63780 3b. Phone No. (include area code) 3a. Address 432-686-1100 415 W. Wall, Suite 500, Midland, Texas 79701 10. Field and Pool, or Exploratory Area **Buffalo Valley Penn** 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec. 25-T15S-R27E, 1,980' FSL & 660' FWL Chaves, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete ✓ Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Water Disposal Convert to Injection 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) 01/06/06 -Hold safety meeting, RU & tst csg 1200# - O.K., RU Schlumberger log CBL/GR/F/6400'-8613', TOC @ 6500', run CNL/GR F/td to surface. RD SDON 01/17/06 - Unload 263 jts 2-3/8" 4.8# L-80 8rd tbg, PU 10X3 1/2" DC's bit 4-3/4" TCI & 231 jts 2-3/8" tbg, tag up @ 8628' 01/18/06 - Start foam drig, clean out cmt 8628-8720, drig new from 8720'-8728', pull back in csg SD 01/19/06 - Inastall Fisher 503 total flow meter, begin digging pipe line to sls mtr, SDFWE 01/23/06 - Drlg from 8728'-8868' 01/24/06 - POOH LD 10-3-1/2" DC's & 4-3/4" Bit, RIH W/ 2JTS 2-3/8" tbg & 2-3/8" SN & 264 jts 2-3/\*" tbg SN set @ 8710', bottom of TBF @ 8780', SD spool on swb line, RU Gauardian Test Unit. ACCEPTED FOR RECORD

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					and		
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Shelli Fincher	Title	Agant	ALEXIS C. SWOBODA PETROLEUM ENGINEER				
Shem Pinchel	Title				<del></del>		
Signature Judic Divorce	Date		0	1/30/2006			
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.							