

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, 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-101  
May 27, 2004

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

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Submit to appropriate District Office

☐ AMENDED REPORT

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

|  |   |  |
|--|---|--|
| <sup>1</sup> Operator Name and Address<br><b>BOLD ENERGY, LP<br/>415 W. Wall, Suite 500<br/>Midland, Texas 79701</b> |   | <sup>2</sup> OGRID Number<br><b>233545</b>         |
|  |   | <sup>3</sup> API Number<br><b>30 - 015 - 34427</b> |
| <sup>3</sup> Property Code<br><b>35477</b>   | <sup>5</sup> Property Name<br><b>Mara State</b> | <sup>6</sup> Well No.<br><b>1</b>                  |
| <sup>9</sup> Proposed Pool 1<br><b>Wildcat; Wolfcamp Gas</b>   |   | <sup>10</sup> Proposed Pool 2                      |

**7 Surface Location**

| UL or lot no. | Section  | Township   | Range      | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County      |
|---------------|----------|------------|------------|---------|---------------|------------------|---------------|----------------|-------------|
| <b>N</b>      | <b>6</b> | <b>19S</b> | <b>23E</b> |         | <b>770</b>    | <b>South</b>     | <b>1880</b>   | <b>West</b>    | <b>Eddy</b> |

**8 Proposed Bottom Hole Location If Different From Surface**

| UL or lot no. | Section  | Township   | Range      | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County      |
|---------------|----------|------------|------------|---------|---------------|------------------|---------------|----------------|-------------|
| <b>C</b>      | <b>6</b> | <b>19S</b> | <b>23E</b> |         | <b>660</b>    | <b>North</b>     | <b>1880</b>   | <b>West</b>    | <b>Eddy</b> |

**Additional Well Information**

|   |   |   |   |  |
|---|---|---|---|--|
| <sup>11</sup> Work Type Code<br><b>N</b>  | <sup>12</sup> Well Type Code<br><b>G</b>                  | <sup>13</sup> Cable/Rotary<br><b>Rotary</b>                 | <sup>14</sup> Lease Type Code<br><b>S</b>     | <sup>15</sup> Ground Level Elevation<br><b>4058'</b>     |
| <sup>16</sup> Multiple<br><b>No</b>   | <sup>17</sup> Proposed Depth<br><b>4375' TVD 8150' MD</b> | <sup>18</sup> Formation<br><b>Wolfcamp</b>                  | <sup>19</sup> Contractor<br><b>Patriot #1</b> | <sup>20</sup> Spud Date<br><b>Continued Operation</b>    |
| Depth to Groundwater<br><b>&gt; 100'</b>  |   | Distance from nearest fresh water well<br><b>&gt; 1000'</b> |   | Distance from nearest surface water<br><b>&gt; 1000'</b> |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 10,000 bbls Drilling Method:<br>Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> |   |   |   |  |


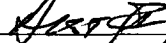
**21 Proposed Casing and Cement Program**

| Hole Size      | Casing Size   | Casing weight/foot      | Setting Depth            | Sacks of Cement | Estimated TOC           |
|----------------|---------------|-------------------------|--------------------------|-----------------|-------------------------|
| <b>12 1/4"</b> | <b>9.625"</b> | <b>36.0#</b>            | <b>1722'</b>             | <b>900</b>      | <b>Circulated</b>       |
| <b>8 3/4"</b>  | <b>7.000"</b> | <b>23.0 &amp; 26.0#</b> | <b>4350' TVD - 4550'</b> | <b>850</b>      | <b>1500'</b>            |
| <b>6 1/8"</b>  | <b>4.500"</b> | <b>11.6#</b>            | <b>8110' MD</b>          | <b>500</b>      | <b>Tie into 7" shoe</b> |

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Drilled to 7700' TD on 3/29/06, evaluation of Morrow log data determined this zone to be non-commercial. BOLD Energy, LP proposes to plug back and drill a Wolfcamp horizontal using the following procedure: (1) set 100' plug (50 sx) from 7402' - 7302' (top of Morrow = 7402') WOC & tag; (2) set 100' plug (50 sx) from 5976' - 5876', WOC & tag; (3) set 300' plug from 4600' - 4300' (160 sx) to serve as base plug for final KO plug, WOC & tag prior to setting KO plug; (4) set KO plug (175 sx) from 4100' - 3800'. Drill Wolfcamp horizontal as follows: (1) WOC dress off cmt to 3924' KOP & run gyro survey; (2) build curve @ 12° - 14° per 100' w/ azimuth of 0°; (3) set 7" csg in curve between 70° - 80° & cement back to 1500'; (4) continue drilling w/ 6 1/8" bit, build to horizontal with a target TVD of 4375'; drill Wolfcamp horizontal wellbore to BHL as listed above; (5) final casing and completion operations to be determined following evaluation of drilling results.

**BOP:** a 3000 psi double ram preventer w/ annular will be utilized; if needed, a rotating head will be added to this stack.

|   |                              |   |  |
|---|------------------------------|---|--|
| <sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . |                              | <b>OIL CONSERVATION DIVISION</b>  |  |
| Printed name: <b>D. C. Dodd</b>   |                              | Approved by:  |  |
| Title: <b>Agent for BOLD ENERGY, LP</b>   |                              | Title:        |  |
| E-mail Address: <b>ddodd@sierra-engineering.net</b>   |                              | Approval Date: <b>3/31/06</b> Expiration Date:  |  |
| Date: <b>3/30/06</b>  | Phone: <b>432 / 683-8000</b> | Conditions of Approval Attached <input type="checkbox"/>  |  |

|  |  |
|--|--|
| <b>Mara State #1</b><br>Undes. Runyan Ranch; Morrow                    |  |
| API No. 30-015-34427   |  |
| 770' FSL & 1880' FWL<br>Sec 6 - T19S - R23E<br>Eddy County, New Mexico |  |

|           |         |
|-----------|---------|
| Spud      | 2/27/06 |
| Morrow TD | 3/29/06 |

### Proposed Plugback Procedure

