Maria and Andreas									- Nara-	
ad the			- NAW RAON	Ena Cher a	~					
orm 3160-3 (July 1992)			-New Mex		jonservat)	en Divisio	10. j. j. j.	the last B		
old Energy, 🙀		UNIT	ED STATES	162	S N. Frenc	h Drive	1			
	DE	EPARTMEN	T OF THE INT	ERIOR	dbs, NM	和空动	<u> </u>			
*		BUREAU OF	LAND MANAGEM	IENT -		68 KU (86 M2 48	5. L	EASE DESIGNA しこの	TION AND	SERIAL NO.
APPI			RMIT TO DE		DEEPEN					
. TYPE OF WORK							6. 1	FINDIAN, ALLOT	TEE OR TR	UBE NAME
	DRILL	X	DEEPEN	٦			7.1	INIT AGREEMEN		
. TYPE OF WELL		—	L	-						
	GAS	1		SINGLE	—	MULTIPLE	8. F	ARM OR LEASE	NAME, W	ELL NO. 2 354 ON
NAME OF OPERATOR	WELL	X OTHER		ZONE	X	ZONE			cob Fed	eral #1
Bold Energy, LP					122-	TUN	9. A	PI WELL NO.		
ADDRESS AND TELEPHON	NE NO.		·····			<u>>>45></u>		26/20	225	- 37674
415 W. Wall, Suite 5	00, Midland, T	Гехаз 79701, (432) 686-1100				10.1	FIELD AND POO		DCAT enn Gas)
LOCATION OF WELL (REP	ORT LOCATION C	CLEARLY AND IN A	CCORDANCE WITH ANY	STATE REQU	REMENTS)	· · · ·	11.	Sec., T., R., M., o		
AT SURFACE		660' FSL & 66	50'FWL Sec	tion 3	T19S-R33	E Lea Co	•			•
AT PROPOSED PROD. ZON	Æ	SAME						Section 3 -		
	-	or the	Uni	i + M	2			COUNTY OR PAP	RISH	13. STATE
. DISTANCE IN MILES AND			OR POST OFFICE				I			New Mexico
Approximately nine		alfway		·						
5. DISTANCE FROM PROPO LOCATION TO NEAREST	SED			16. NO. OF A	CRES IN LEASE	1		ACRES ASSIGN	ED	
PROPERTY OR LEASE LIN	NE. FT.						TO THIS	WELL		
(Also to nearest drig. unit i	-		660'		320				220	
B. DISTANCE FROM PROPOS	SED LOCATION			19. PROPOSE		2	0. ROTAR	Y OR CABLE TO	320 OLS	
TO NEAREST WELL DRILL		Ð,				-	• • •			
OR APPLIED FOR, ON THI			No wells		13,620'			RO	TARY	
1. ELEVATIONS (Show wheth 3714'GL	ner DF, RI, GR, el	tc.)					APP	ROX. DATE WO		
3.			PROPOSED CASI	IG AND CE	MENTING PRO	GRAM		150	QT - 20	U6
						010411	<u>C</u>	niiton Cem	an Rod	Water Bash
SIZE OF HOLE		IZE OF CASING	WT PER FT	SETTI	NG DEPTH			QUANTITY C	F CEMEN	
<u> </u>		onductor	N/A		'40'	Cement to	surface	with Redi-M	ix	·····
	40.0									
11"		/8" H-40	48		475'	525 sx - cir	rculate to			
	8 5/8	/8" H-40 3" J-55 ? & HCP-110	48 32 17		475' 3000' 3,620'	525 sx - cir 725 sx - cir	rculate to rculate to	o surface		WITHESS
<u>11"</u> 7 7/8"	8 5/8 5 1/2" P	3" J-55 % HCP-110	32 17		3000'	525 sx - cir 725 sx - cir	rculate to rculate to			
11" 7 7/8" LL CASING WILL BE 1	8 5/8 5 1/2" P NEW, OR USE	3" J-55 2 & HCP-110 D MEETING B	32 17 LM SPECS. PR(11	3000' 3,620' JD PROGRAM	525 sx - cir 725 sx - cir	culate to culate to FOC esti	o surface Imated @ 28		
11" 7 7/8"	8 5/8 5 1/2" P NEW, OR USE	3" J-55 2 & HCP-110 D MEETING B	32 17 LM SPECS. PR(8.	2000 2000 2000 2000 2000 2000 2000 200	3000' 3,620' JD PROGRAM 32 - 36 vis	525 sx - cir 725 sx - cir	culate tr culate to TOC esti No filtra	o surface Imated @ 28 te control		
11" 7 7/8" LL CASING WILL BE 1 0' - 475' 475' - 1465' 1465' - 5200'	8 5/8 5 1/2" P NEW, OR USE	3" J-55 2 & HCP-110 D MEETING Be 6 ter mud	32 17 LM SPECS. PR(8. d 8.	11	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis	525 sx - cir 725 sx - cir	culate tr culate tr FOC esti No filtra No filtra	o surface Imated @ 28		
11" 7 7/8" LL CASING WILL BE M 0' - 475' 475' - 1465' 1465' - 5200' 5200' - 10,500'	8 5/8 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa	3" J-55 & HCP-110 D MEETING B ter mud ter - native mu ter-Cut Brine	32 17 LM SPECS. PR(8. d 8. 10 8.	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis	525 sx - cir 725 sx - cir	Culate tr Culate tr COC esti No filtra No filtra No filtra	o surface Imated @ 28 te control te control		
11" 7 7/8" LL CASING WILL BE 1 0' - 475' 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620'	8 5/8 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine	3" J-55 A HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer &	32 17 LM SPECS. PR(8. d 8. 10 8. Starch 9.	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis	525 sx - cir 725 sx - cir	No filtra No filtra No filtra No filtra No filtra	o surface mated @ 28 te control te control te control	00,	
11" 7 7/8" LL CASING WILL BE 1 0' - 475' 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620'	8 5/8 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine	3" J-55 A HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer &	32 17 LM SPECS. PR(8. d 8. 10 8. Starch 9.	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg .0 - 10.2 ppg 4 - 9.6 ppg	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis	525 sx - cir 725 sx - cir	No filtra No filtra No filtra No filtra No filtra	o surface Imated @ 28 te control te control te control te control te control	00,	
11" 7 7/8" LL CASING WILL BE 1 0' - 475' 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT	8 5/8 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine	3" J-55 A HCP-110 D MEETING Bi b ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co	32 17 LM SPECS. PR(8. d 8. 10 8. Starch 9. ONDITIONS	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis	525 sx - cir 725 sx - cir 1275 sx - 1	Culate tr Culate tr TOC esti No filtra No filtra No filtra 30 & Iow	o surface Imated @ 28 te control te control te control te control te control rered to < 8cc	000,	
11" 7 7/8" LL CASING WILL BE I CASING WILL BE I 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT ABOVE SPACE DESCR IBE	8 5/6 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine TO CHANGE (PROPOSED PROP	3" J-55 A HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co GRAM: If proposal	32 17 LM SPECS. PR(8. d 8. 10 10 8. Starch 9. ONDITIONS is to deepen, give data o	DPOSED Mi 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis	525 sx - cir 725 sx - cir 1275 sx - 1	No filtra No filtra No filtra No filtra No filtra 30 & low	o surface Imated @ 28 te control te control te control te control te control rered to < 8cc	000,	
11" 7 7/8" LL CASING WILL BE 1 CASING WILL BE 1 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT ABOVE SPACE DESCR IBE	8 5/6 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine TO CHANGE (PROPOSED PROP	3" J-55 2 & HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Cit GRAM: M proposal maurface locations	32 17 LM SPECS. PR(8 d 8 10 10 8 Starch 9 CNDITIONS is to deepen, give data o and measured anquirue v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths.	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis	525 sx - cir 725 sx - cir 1275 sx - 1	No filtra No filtra No filtra No filtra No filtra 30 & low	o surface mated @ 28 te control te control te control te control rered to < 8cc e. If proposal is	to drill or	
11" 7 7/8" LL CASING WILL BE 1 0' - 475' 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT ABOVE SPACE DESCR IBE sepen directionally, give perf	8 5/8 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub	3" J-55 2 & HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co GRAM: If proposal yourface locations	32 17 LM SPECS. PR(8. d 8. 10 10 8. Starch 9. ONDITIONS is to deepen, give data o	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths.	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis 30 - 40 vis	525 sx - cir 725 sx - cir 1275 sx - 1	No filtra No filtra No filtra No filtra No filtra 30 & low	o surface mated @ 28 te control te control te control te control rered to < 8cc e. If proposal is	000,	
11" 7 7/8" LL CASING WILL BE 1 LL CASING WILL BE 1 LL CASING WILL BE 1 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT BABOVE SPACE DESCRIBE SIGNED	8 5/8 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub	3" J-55 2 & HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co GRAM: If proposal yourface locations	32 17 LM SPECS. PR(8 d 8 10 10 8 Starch 9 CNDITIONS is to deepen, give data o and measured anquirue v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths.	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis 30 - 40 vis	525 sx - cir 725 sx - cir 1275 sx - 1	No filtra No filtra No filtra No filtra No filtra 30 & low	o surface mated @ 28 te control te control te control te control rered to < 8cc e. If proposal is	to drill or	
11" 7 7/8" LL CASING WILL BE 1 LL CASING WILL BE 1 LL CASING WILL BE 1 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT BABOVE SPACE DESCRIBE SIGNED HIS SPACE FOR FEDERAL C	8 5/8 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub	3" J-55 2 & HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co GRAM: If proposal yourface locations	32 17 LM SPECS. PR(8 d 8 10 10 8 Starch 9 CNDITIONS is to deepen, give data o and measured anquirue v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths. TITLE	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro Give blowout prev Agent	525 sx - cir 725 sx - cir 1275 sx - 1	No filtra No filtra No filtra No filtra No filtra 30 & low	o surface mated @ 28 te control te control te control te control rered to < 8cc e. If proposal is	to drill or	
11" 7 7/8" LL CASING WILL BE 1 0' - 475' 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT ABOVE SPACE DESCRIBE SIGNED	8 5/8 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub	3" J-55 2 & HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co GRAM: If proposal yourface locations	32 17 LM SPECS. PR(8 d 8 10 10 8 Starch 9 CNDITIONS is to deepen, give data o and measured anquirue v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths.	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro Give blowout prev Agent	525 sx - cir 725 sx - cir 1275 sx - 1	No filtra No filtra No filtra No filtra No filtra 30 & low	o surface mated @ 28 te control te control te control te control rered to < 8cc e. If proposal is	to drill or	
11" 7 7/8" LL CASING WILL BE I 0' - 475' 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT ABOVE SPACE DESCRIBE SIGNED HIS SPACE FOR FEDERAL C	8 5/6 5 1/2" P NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine TO CHANGE I ROPOSED PROD Ment data on sub Cut Brine FROPOSED PROD Ment data on sub	3" J-55 2 & HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co GRAM: If proposal psurface locations	32 17 LM SPECS. PR(8. d 8. 10 8. Starch 9. ONDITIONS is to deepen, give data o and measured and true v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 6 - 10.5 ppg 6 - 10.5 ppg 7 m present prod ertical depths. 7 TITLE	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro- Give blowout prev Agent	525 sx - cir 725 sx - cir 1275 sx - 1 275 sx - 1	No filtra No filtra No filtra No filtra No filtra 30 & low	o surface mated @ 28 te control te control te control te control te control te control cered to < 8cc	00'	/05
11" 7 7/8" ALL CASING WILL BE I ALL CASING WILL BE I AT5' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' IUD PROGRAM SUBJECT A BOVE SPACE DESCRIBE Depen directionally, give pert A. SIGNED HIS SPACE FOR FEDERAL C ERMIT NO.	8 5/6 5 1/2" P NEW, OR USE Freshwa Brine Freshwa Cut Brine Freshwa Cut Brine TO CHANGE I PROPOSED PROD Ment data on sub Cut Brine FROPOSED PROD Ment data on sub	3" J-55 2 & HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co GRAM: If proposal psurface locations	32 17 LM SPECS. PR(8. d 8. 10 8. Starch 9. ONDITIONS is to deepen, give data o and measured and true v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 6 - 10.5 ppg 6 - 10.5 ppg 7 m present prod ertical depths. 7 TITLE	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro- Give blowout prev Agent	525 sx - cir 725 sx - cir 1275 sx - 1 275 sx - 1	No filtra No filtra No filtra No filtra No filtra 30 & low	o surface mated @ 28 te control te control te control te control te control te control cered to < 8cc	00'	/05
11" 7 7/8" ALL CASING WILL BE I ALL CASING WILL BE I AT5' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' IUD PROGRAM SUBJECT A BOVE SPACE DESCRIBE Depen directionally, give pert A. SIGNED HIS SPACE FOR FEDERAL C ERMIT NO.	8 5/6 5 1/2" P NEW, OR USE Freshwa Brine Freshwa Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub Cut Brine FROPOSED PROM Ment data on sub	3" J-55 2 & HCP-110 D MEETING BI 6 10 10 10 10 10 10 10 10 10 10	32 17 LM SPECS. PR(8. d 8. 10 8. Starch 9. ONDITIONS is to deepen, give data o and measured and true v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 6 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths. F TITLE	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro- Give blowout prev Agent ATE HE SUBJECT LEASE WHICH	525 sx - cir 725 sx - cir 1275 sx - 1 1275 sx - 1 2000	No filtra No filtra No filtra No filtra No filtra 30 & Iow uctive zond any.	o surface mated @ 28 te control te control te control te control te control te control cered to < 8cc	00'	/05
11" 7 7/8" NLL CASING WILL BE 1 NLL CASING WILL BE 1 475' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' NUD PROGRAM SUBJECT ABOVE SPACE DESCR IBE EEPEN directionally, give pert 4.	8 5/6 5 1/2" P NEW, OR USE Freshwa Brine Freshwa Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub Cut Brine FROPOSED PROM Ment data on sub	3" J-55 2 & HCP-110 D MEETING BI 6 10 10 10 10 10 10 10 10 10 10	32 17 LM SPECS. PR(8. d 8. 10 8. Starch 9. ONDITIONS is to deepen, give data o and measured and true v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 6 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths. F TITLE	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro- Give blowout prev Agent ATE HE SUBJECT LEASE WHICH	525 sx - cir 725 sx - cir 1275 sx - 1 1275 sx - 1 2000	No filtra No filtra No filtra No filtra No filtra 30 & Iow uctive zond any.	o surface mated @ 28 te control te control te control te control te control te control cered to < 8cc	00°	/05
11" 7 7/8" ALL CASING WILL BE N ALL CASING WILL BE N ATS' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT ABOVE SPACE DESCRIBET SIGNED HIS SPACE FOR FEDERAL C ERMIT NO. PLICATION APPROVAL DOES NOT WAR DNDITIONS OF APPROVAL IN	8 5/6 5 1/2" P NEW, OR USE Freshwa Brine Freshwa Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub Cut Brine TO CHANGE I PROPOSED PROM Ment data on sub Cut Brine FROPOSED PROM Ment data on sub	3" J-55 2 & HCP-110 D MEETING Bi 6 ter mud ter - native mu ter-Cut Brine e w/ Polymer & DUE TO HOLE Co GRAM: If proposal psurface locations	32 17 LM SPECS. PR(8. d 8. 10 8. Starch 9. ONDITIONS is to deepen, give data o and measured and true v	DPOSED MI 6 - 9.2 ppg 5 - 9.2 ppg 6 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths. F TITLE	3000' 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro- Give blowout prev Agent	525 sx - cir 725 sx - cir 1275 sx - 1 1275 sx - 1 2000	No filtra No filtra No filtra No filtra No filtra 30 & Iow uctive zond any.	o surface mated @ 28 te control te control te control te control te control te control cered to < 8cc	00°	/05
11" 7 7/8" ILL CASING WILL BE N ILL 1455' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' ILD PROGRAM SUBJECT ILL BOVE SPACE DESCRIBET SIGNED ILL SPACE FOR FEDERAL CO ERMIT NO. PLICATION APPROVAL DOES NOT WAR DNDITIONS OF APPROVAL IN PPROVED BY TLE 18 U.S.C. SECTION '	8 5/6 5 1/2" NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine Favorosed Proce DR STATE OFFICE BRANT OR CERTIFY THA FANY: /S/ JOC 1001, MAKES IT	ST J-55 A HCP-110 D MEETING BI A A A A A A A A A A A A A A A A A A A	32 17 LM SPECS. PRO 8 d 8 10 8 11 8 10 10 10 10 10 10 10 10 10 10	DPOSED MI 5 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths. TITLE APPROVAL D/ TMOSE RIGHTS IN T ACTIN TITLE	JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro Give blowout prev Agent Agent MILLEULLY TO A	525 sx - cir 725 sx - cir 1275 sx - 1 1275 sx - 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	No filtra No filtra No filtra No filtra No filtra 30 & Iow uctive zonu any.	DATE	11/27 2005 THEREO JA VAL	<u>/05</u>
11" 7 7/8" LL CASING WILL BE I 0' - 475' 475' - 1485' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT ABOVE SPACE DESCRHEET repen directionally, give perf SIGNED HIS SPACE FOR FEDERAL C ERMIT NO. PLCATION APPROVAL DOES NOT WAR DNDITIONS OF APPROVAL II PPROVED BY TLE 18 U.S.C. SECTION *	8 5/6 5 1/2" NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine Favorosed Proce DR STATE OFFICE BRANT OR CERTIFY THA FANY: /S/ JOC 1001, MAKES IT	ST J-55 A HCP-110 D MEETING BI A A A A A A A A A A A A A A A A A A A	32 17 LM SPECS. PRO 8 d 8 10 8 11 8 10 10 10 10 10 10 10 10 10 10	DPOSED MI 5 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths. TITLE APPROVAL D/ TMOSE RIGHTS IN T ACTIN TITLE	JD PROGRAM 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro- Give blowout prev Agent Agent Agent MILLEULLY TO A	525 sx - cir 725 sx - cir 1275 sx - 1 1275 sx - 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	No filtra No filtra No filtra No filtra No filtra 30 & Iow uctive zonu any.	DATE	11/27 2005 THEREO JA VAL	<u>/05</u>
11" 7 7/8" LL CASING WILL BE I 0' - 475' 475' - 1485' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' UD PROGRAM SUBJECT ABOVE SPACE DESCRIBET epen directionality, give perf SIGNED HIS SPACE FOR FEDERAL C ERMIT NO. PLCATION APPROVAL DOES NOT WAR DNDITIONS OF APPROVAL II PPROVED BY TLE 18 U.S.C. SECTION	8 5/6 5 1/2" NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brine FROPOSED PROV Ment data on sub Ceff OR STATE OFFICE BRANT OR CERTIFY THA F ANY: /S/ JOC 1001, MAKES IT Serence Things	THE ASPLICANT HOLDE TA CRIME FOR A OF FRANCULE	32 17 17 LM SPECS. PR(8. d 8. 10 8. Starch 9. ONDITIONS is to deepen, give data o and measured and true v MULECAL OR EQUITABLE TITLE TO ALEGAL OR EQUITABLE TITLE TO	DPOSED MI 5 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths. TITLE APPROVAL D/ TMOSE RIGHTS IN T ACTIN TITLE	JD PROGRAM 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro- Give blowout prev Agent Agent Agent MILLEULLY TO A	525 sx - cir 725 sx - cir 1275 sx - 1 1275 sx - 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	No filtra No filtra No filtra No filtra No filtra 30 & Iow uctive zonu any.	DATE	11/27 2005 THEREO JA VAL	<u>/05</u>
11" 7 7/8" ILL CASING WILL BE N ILL 1455' - 1465' 1465' - 5200' 5200' - 10,500' 10,500' - 13,620' ILD PROGRAM SUBJECT ILL BOVE SPACE DESCRIBET SIGNED ILL SPACE FOR FEDERAL CO ERMIT NO. PLICATION APPROVAL DOES NOT WAR DNDITIONS OF APPROVAL IN PPROVED BY TLE 18 U.S.C. SECTION '	8 5/6 5 1/2" NEW, OR USE Freshwa Freshwa Brine Freshwa Cut Brinne Freshwa Cut Brinne Freshwa Cut Brinne Freshwa Cut Brinne FOPOSED PROD Ment data on sub Ceff Droc OR STATE OFFICE BRANT OR CERTIFY THA FANY: /S/ JOC 1001, MAKES IT SEQUER	The Applicant Holds The Appl	32 17 17 LM SPECS. PR(8. d 8. 10 8. Starch 9. ONDITIONS is to deepen, give data o and measured and true v MULECAL OR EQUITABLE TITLE TO ALEGAL OR EQUITABLE TITLE TO	DPOSED MI 5 - 9.2 ppg 5 - 9.2 ppg 0.0 - 10.2 ppg 4 - 9.6 ppg 6 - 10.5 ppg n present prod ertical depths. TITLE APPROVAL D/ TMOSE RIGHTS IN T ACTIN TITLE	JD PROGRAM 3,620' JD PROGRAM 32 - 36 vis 28 - 32 vis 30 - 34 vis 28 - 30 vis 30 - 40 vis uctive zone and pro- Give blowout prev Agent Agent Agent MILLEULLY TO A	525 sx - cir 725 sx - cir 1275 sx - 1 1275 sx - 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	No filtra No filtra No filtra No filtra No filtra 30 & Iow uctive zonu any.	DATE	11/27 2005 THEREO JA VAL	<u>/05</u>

				:	. :	were a strange
--	--	--	--	---	-----	----------------

		ŀ

BOLD ENERGY, LP. JACOB "3" FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM The second s

- 1. Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
- 2. Drill 17½" hole to 475'. Run and set 475' of le 3/8" 48# H-40 ST&C casing. Cement with 525 Sx. of Class "C" cement + 2% CaCl, + ½# Flocele/Sx., circulate cement to surface.
- 3. Drill 11" hole to 3000'. Run and set 3000' of 8 5/8" 32# J-55 ST&C casing. Cement with 725 Sx. of Class "C" cement + additives, circulate cement to surface.
- 4. Drill 7 7/8" hole to 13,620'. Run and set 13,620' of 5½" 17# HCP-110 on bottom and P-110 on top. Cement with 1275 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 2800' from surface.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Resource Area 620 East Greene Street Carlsbad, New Mexico 88220-6292

Statement Accepting Responsibilities for Operations

Operator Name:	Bold Energy, LP
Street or Box:	415 W. Wall, Suite 500
City, State:	Midland, Texas
Zip Code:	79701

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below.

Lease No. NM064153

ŧ.

Lease Name: Jacob Federal #1

Legal description of land: Section 3 - T19S - R33E Lea County, New Mexico 660' FSL & 660' FWL

Formation(s) (if applicable): Morrow

Bond Coverage: (State if individually bonded or another's bond): Statewide Bond

BLM Bond File No.:

	$\left(\begin{array}{c} 1 \end{array} \right)$
):	Vunny nn
	Peggy Kerr

Authorized Signature

Title: Vice President, Land

Date:

NMB000314

December 1, 2005

TRICT I 1625 N. PRENCH DR., HOBBS, NM 66240

÷

DISTRICT II 1301 W. GRAND AVENUE, ARTESIA, NM 86210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION 1220 SOUTH ST. FRANCIS DR. Santa Fe, New Mexico 87505

Form C-102 Revised JUNE 10, 2003 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

Proof Socie Proof Name Society Cols Society Colspan="2">Society Colspan="2"Society Colspan="2"Society Colspan="2"Society Colspan="2"So	DISTRICT IV 1220 S. ST. FRANCIS 1	DR., SANTA PR,	NM 87505	WELL LO	CATION	AND ACRE	AGE DEDICATI	ON PLAT	🗆 AMENDI	ED REPORT	
Prognety Manac Forgaety Manac Forgaety Manac 002800 No 1 002800 No 3714' 002800 No 19-S 010 Interacta 660 Sourtace Location Bottom Hole Location If Different From Surface Ut or tot No. Bottom Hole Location If Different From Surface Under tor Intill Observed tores Joint or Intill Observed colspan="2">Obs	• · · ·		24				Buffal		1(-0)		
Operator Name BOLD ENERGY, LP Benution 3714' Surface Location UL or lot No. Section Bottom Hole Location Bottom Hole Location If Different From Surface UL or lot No. Section Tormship Bange Lot Idn Feet from the Bottom Hole Location If Different From Surface UL or lot No. Section Tormship Bange Lot Idn Feet from the Bottom Hole Location If Different From Surface UL or lot No. Section Tormship Bange Lot Idn Feet from the Bottom Hole Location If Different From Surface Dedicated Acrea Joint or Infill Consolidation Code Oren No. Joint or Infill Consolidation Code Oren No. Joint or Infill Consolidation Code Oren No. Joint or Infill Consolidation Code Oren Joint Infill Joint or Infill Consolidation Code Oren Joint Infill Joint or Infill Consolidation Code Oren Joint Infill	Property	Code								\ber	
3714 Surface Location Ut or lot No. Section Towaship Bange Let Min Feet from the North/South line Feet from the East/Test line County Ut or lot No. 3 19-S 33-E Let Min Feet from the North/South line Feet from the East/Test line County Ut or lot No. Section Towaship Bange Let Min Feet from the North/South line Feet from the East/Test line County Dedicated Acres Joint or Infill Consolidation Code Order No. Social Towaship East/Test line County Dedicated Acres Joint or Infill Consolidation Code Order No. Towaship East/Test line County Dedicated Acres Joint or Infill Consolidation Code Order No. Towaship Feet from the East/Test line County ACO A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION Interving orthy the the main comparison to the orthogen on the basis Towaship East/Test line County 42.81 AC 43.09 AC 43.35 AC 43.63 AC Start March Start March Start March 42.81 AC 43.09 AC 43.63 AC 43.6						JACOB FED	ERAL		1		
Ut or ist No. Section Township Range Lot Idn Peet from the 660 SOUTH Geo Rest/Test line County Bottom Hole Location if Different From Surface Ut or ist No. Section Township Range Lot Idn Peet from the Noth/South line Peet from the East/Test line County Detices of township Bage Lot Idn Peet from the Noth/South line Peet from the East/Test line County Deticated Acres Joint or Infill County County County Deticated Acres Joint or Infill County County County County Dedicated Acres Joint or Infill County County County County County MO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNTIT HAS BEEN APPROVED BY THE DIVISION I berefy or thy the file file of the meth. 42.81 AC 43.09 AC 43.35 AC 43.63 AC Survey or thy the file of the ordit content of the meth. 42.81 AC 43.09 AC 43.35 AC 43.63 AC Survey or thy the file or thefile or thefile or thefile or thefile or thef	2335L	<u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u><u></u></u>			В				1		
M 3 19-S 33-E For Non-Constraint For Non-Constraint For Non-Constraint County Bottom Hole Location If Different From Surface Ut or lat Ne. Section Township Range Lot Ida Feet from the North/South line Peet from the Range/Feet line County Dedicated Acres Joint or Infill Consolidation Code Order No. North/South line Peet from the Range/Feet line County Dedicated Acres Joint or Infill Consolidation Code Order No. Output Output Output Dedicated Acres Joint or Infill Consolidation Code Order No. Order No. County Dedicated Acres Joint or Infill Consolidation Code Order No. Order No. County Mon ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNTI HAS BEEN APPROVED BY THE DIVISION OPERATOR CERTIFICATION Interview of the output matching of the output mat						Surface Loc	cation	10.000.00			
Bottom Hole Location If Different From Surface Ut or tot No. Section Tormship Range Lot Idn Peet from the North/South line Peet from the Range/Rest line County Bedieated Aeres Joint or Infill Consolidation Code Order No. Infill Consolidation Code 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 ////////////////////////////////////	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
UL or tot No. Section Tormship Range Lot Ion Peet from the North/South line Peet from the Rank/West line County Bediested Acres Joint or Infill Consolidation Code Order No. Image: State of Infill Consolidation Code 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 hareby certify the the suformation certain and complete to the beint. 42.81 AC 43.09 AC 43.35 AC 43.63 AC Signature of Market Internation Code Order No. 42.81 AC 43.09 AC 43.35 AC 43.63 AC Signature of Market Internation Code Order No. GEODETIC COORDINETES Not 27 NME Interby certify the the sufformation content of the sufformation for the sufformation content of the sufformation content of the sufformation certify the the sufform certify the the sufformation certify the the sufformati	М	3	19-S	33-E		660	SOUTH	660	WEST	LEA	
Dedicated Acres Joint or Infill Consolidation Consolidation Consolidation Consolidation 32.0 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 AOT ////////////////////////////////////				Bottom	Hole Lo	cation If Diff	erent From Sur	face	L	I	
320 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 ADD Cot of Interview OPERATOR CERTIFICATION ADD Interview Interview Interview Interview 42.81 AC 43.09 AC 43.35 AC 43.63 AC 43.63 AC 43.63 AC GEODETIC COORDINTES MAD 27 MAL Interview Methods Methods VIET INTERVIEW AC 43.63 AC GEODETIC COORDINTIES MAD 27 MAL Methods Methods Methods Methods VIET INTERVIEW METHOD INTES MAD 27 MAL Methods Me	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Bast/West line	County	
320 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 ADD Cot of Interview OPERATOR CERTIFICATION ADD Interview Interview Interview Interview 42.81 AC 43.09 AC 43.35 AC 43.63 AC 43.63 AC 43.63 AC GEODETIC COORDINTES MAD 27 MAL Interview Methods Methods VIET INTERVIEW AC 43.63 AC GEODETIC COORDINTIES MAD 27 MAL Methods Methods Methods Methods VIET INTERVIEW METHOD INTES MAD 27 MAL Methods Me	Dedicated Acre	a Joint o	r Infill Co]	Code Or	der 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 ADT # LOT 2 LOT 1 ADT # LOT 2 LOT 1 ADT # LOT 2 LOT 1 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 1 hards or the information contained herein is the use and complete to the best of me browships and being. 42.81 AC 43.09 AC 43.35 AC 43.63 AC 42.81 AC 43.09 AC 43.35 AC 43.63 AC GEODETIC COORDING TES MAD 27 NME Stendaurof Y=613110.3 T X=708160.7 E LAT.=32'41'01.3 T LONG.=103'39'24.3 S' W Stendaurof X Stendaurof X 3713.7' 5717.0' ST17.0' ST17.0' ST17.0' 660' - 0 30 3713.7' ST17.0' ST17.0'				MACHINALION	Code Or	uer no.					
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION ADT # LOT 3 ADT # LOT 3 LOT 4 LOT 3 LOT 5 LOT 2 LOT 4 OPERATOR CERTIFICATION 1 horeby certify the the information complete to the contained herein is true and complete to the contained herein is true and complete to the 42.81 AC 43.09 AC 43.35 AC 43.63 AC Starsature ICG by NECH Printee Night Mark NECH Printee Night Autom NECH Very Control of the used location shown method from field notes of autom GEODETIC COORDINETES NAD 27 NME SURVEYOR CERTIFICATION Very Control of the used location shown method from field notes of action field notes of LAT.=32'41'01.37 N LONG = 103'39'24'.38" W SETTIMET (S. 100) Date 3713.7' 3717.0' STITUTES IA 660' 0 0 Starsator SURVEYON CERTIFICATION 1 horeby certify that the used location shown method from field notes of action field notes of Starsator LONG = 103'39'24			·			····	·····				
42.81 AC 43.09 AC 43.35 AC 43.63 AC Introductive and complete to the better of	NO ALLO	DWABLE W	OR A N	SSIGNED ION-STAN	TO THIS Idard Un	COMPLETION	UNTIL ALL INTER APPROVED BY 1	ESTS HAVE BI THE DIVISION	EEN CONSOLIDA	TED	
$42.81 \text{ AC} \qquad 43.09 \text{ AC} \qquad 43.35 \text{ AC} \qquad 43.63 \text{ AC} \qquad 1 Arreby certify the the information conditional form is the and complete to the best of two based of the the the information conditional form is the and complete to the best of two based of of$	Lot y		/ / LO	1/3	Ť	LOT 2	LOT 1				
42.81 AC 43.09 AC 43.35 AC 43.63 AC 42.81 AC 43.09 AC 43.35 AC 43.63 AC 43.63 AC 5 Ignature 1660 Kerein is true and complete to the best of my through the the test of the test of the best of	r · ·	1		/	1			OPERATO	OR CERTIFICAT	ION	
42.81 AC 43.09 AC 43.35 AC 43.63 AC 43.63 AC 43.63 AC Signadure 42.81 AC 43.09 AC 43.35 AC 43.63 AC Signadure Name of the sould be th	Y			· /	1					1	
$42.81 \text{ AC} \qquad 43.09 \text{ AC} \qquad 43.35 \text{ AC} \qquad 43.63 \text{ AC} \qquad 83.63 \text{ AC} \qquad 83.63 \text{ AC} \qquad 83.63 \text{ AC} \qquad 93.63 \text{ AC} \qquad 93.6$					ł				· · ·	te to the	
GEODETIC COORDINTES NAD 27 NME SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys methods, may be is true and x=708160.7 E LAT.=32'41'01.37 N LONG.=103'39'24.35" W 3713.7'	r				1					.	
GEODETIC COORDINTES NAD 27 NME SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys methods, may be is true and x=708160.7 E LAT.=32'41'01.37 N LONG.=103'39'24.35" W 3713.7'					1	1					
GEODETIC COORDINTES NAD 27 NME SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys methods, may be is true and x=708160.7 E LAT.=32'41'01.37 N LONG.=103'39'24.35" W 3713.7'	43.81 4				A			1 es.	NY TU	\sim	
$\begin{array}{c} \hline \\ GEODETIC COORDINATES \\ NAD 27 NME \\ \hline \\ Y=613110.3 \ M \\ X=708160.7 \ E \\ LAT_=32'41'01.37 \ N \\ LONG_=103'39'24.35'' \ W \\ \hline \\ \hline \\ 3713.7' \ 3717.0' \\ \hline \\ 660'-0 \ \\ \\ \hline \\ \end{array} \begin{array}{c} \hline \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ $		<u> </u>		.09 AC	 '	43.35 AC 1	43.63 AC	Signature			
$\begin{array}{c} \hline \\ GEODETIC COORDINATES \\ NAD 27 NME \\ \hline \\ Y=613110.3 \ M \\ X=708160.7 \ E \\ LAT_=32'41'01.37 \ N \\ LONG_=103'39'24.35'' \ W \\ \hline \\ \hline \\ 3713.7' \ 3717.0' \\ \hline \\ 660'-0 \ \\ \\ \hline \\ \end{array} \begin{array}{c} \hline \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ $				/	1			1666	<u>Y KEM</u>	r	
$\begin{array}{c c c c c c c c c c c c c c c c c c c $		1				1		Printed Name	2 And		
$\begin{array}{c c c c c c c c c c c c c c c c c c c $				ľ					Canal		
$\begin{array}{c} \hline \\ \hline $		1				1		IIue	10/11/a		
GEODETIC COORDINGTES NAD 27 NME Y=613110.3 M X=708160.7 E LAT.=32'41'01.37 N LONG.=103'39'24.35" W 3713.7'				<i>a</i>				Date	1-11-10	.	
GEODETIC COORDINGTES NAD 27 NME Y=613110.3 M X=708160.7 E LAT.=32'41'01.37 N LONG.=103'39'24.35" W 3713.7'				_	Į	1					
$\begin{array}{c} NAD \ 27 \ NME \\ Y=613110.3 \ M \\ X=708160.7 \ E \\ LAT.=32'41'01.37 \ N \\ LONG.=103'39'24.35'' \ W \end{array}$	┢ — —				— —			SURVEYO	R CERTIFICAT	ION	
$Y = 613110.3 \text{ M}$ $X = 708160.7 \text{ E}$ $LAT. = 32^{\circ}41^{\circ}01.37 \text{ N}$ $LONG. = 103^{\circ}39^{\circ}24.35^{\circ} \text{ W}$ $3713.7^{\circ} 3717.0^{\circ}$ $660^{\circ} - 0 \text{ B}$ $G_{1} = 0$ $G_{2} = 0$ $G_$		1			TES	l .		I hereby certify	that the well locati	on shown	
$\begin{array}{c} X = 708160.7 \ E \\ LAT. = 32^{\circ}41'01.37 \ N \\ LONG. = 103'39'24.35'' \ W \end{array}$			NAD	27 NME :							
$\begin{array}{c} X = 708160.7 \ E \\ LAT. = 32^{\circ}41'01.37 \ N \\ LONG. = 103'39'24.35'' \ W \end{array}$		1				1		supervison	t that the stime is	true and	
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$			X=708	8160.7 E				correct to yo	Less of the belief	: []	
$LONG. = 103'39'24.35'' W$ $\begin{array}{c} \hline \\ Date Surveyed 3239 \\ \hline \\ Signature & Seal of \\ \hline \\ Professional Surveyor \\ \hline \\ $	1	+	$LAT = 32^{\circ}$	41'01 37	N	ł			N MELO DKA	⊾	
3713.7' 3717.0' 600' -660'-0 8 005.11.1525	Y					1				3 IA	
$\begin{array}{c} 3713.7' \\ -660'$!	<u> </u>			' '		11 82:	1 3239 1 : 62		
-660'-0 8 005.11.1525				1		ł					
-660'-0 8 005.11.1525		3717.0'		Å		1		1 1) " STOL		,	
		-				1		Konald	OFSTAN IO	06/0.5	
	660 0	600				l		17 8	5.11.1525	7.0	
S/10.5 5 3/13.6 1 Certificate No. RONALD J. EDSON 3239				Ĵ				Contificate N			
		3/13.6'				I			- RUNALD J. EIDSO	N 3239	
		7-7][[[

,					· · · · ·	1		······································
DISTRICE I 1925 N. FRENCE DR. HOBBS, NM 84	3240				ew Mexico al Resources Department			
DISTRICT II 1301 W. GRAND AVENUE, ARTESIA, NO DISTRICT III		1	220 SOI	UTH ST.	'ION DIVIS FRANCIS DR. Mexico 87505	ION Subm	Revised J it to Appropriate [State Leas	Form C-102 UNE 10, 2003 District Office e - 4 Copies e - 3 Copies
1000 Rio Brazos Rd., Aztec, N DISTRICT IV	WF				EAGE DEDICATI			-
1220 S. ST. FRANCIS DR., SANTA PR. API Number 3D-025-37			ol Code		UFFALO PEN (GA	Pool Name	□ AMEND	ED REPORT
Property Code 35404				Property Na COB FEI	ame		Well Num 1	iber
OGRID No. 233545		· <u> </u>	······································	Operator No D ENER	ame		Elevatio 3714	
	·····			urface Lo		<u> </u>		+]
UL or lot No. Section M 3		ange L 33-E	ot Idn F	eet from the 660	North/South line SOUTH	Feet from the 660	East/West line WEST	County LEA
	T				ferent From Sur	face		
UL or lot No. Section	Township R	ange L	ot Idn Po	eet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres Joint o 320	r Infill Consoli	idation Cod	le Order	No.	_1		l <u>,</u>	
	TILL BE ASSIG		THIS CON ARD UNIT	MPLETION HAS BEEN	UNTIL ALL INTER N APPROVED BY 1	ESTS HAVE BE	EN CONSOLIDA	ATED
tor 4	LOT 3	ere f	LOT		LOT 1		R CERTIFICAT	
42.81 AC NM-064153	43.09 / GEODETIC COC NAD 27 Y=613110 X=70816 LAT.=32*41'C LONG.=103*39	DRDINATE. NME 0.3 M 0.7 E 01.37 N	s	5 AC	43.63 AC (contained herein best of my truu Signature PEGG Printed Name Title Date SURVEYO I hereby certify on this plat wa actual surveys supervison and correct to the	KEP (Avd 0/11/05 R CERTIFICAT that the well location splatted from field other (191) mil relin that the well location of the (191) mil relin that the serve (19 other relin to the serve (19) other (191) mil relin that the serve (19) other	ION notes of under my

Ľ,



LOCATION VERIFICATION MAP



SCALE: 1'' = 2000'

SEC. <u>3</u> TWP. <u>19-S</u> RGE. <u>33-E</u>
SURVEYN.M.P.M.
COUNTYLEA
DESCRIPTION 660' FSL & 660' FWL
ELEVATION 3714'
OPERATORBOLD_ENERGY, LP
LEASEJACOB_FEDERAL
U.S.G.S. TOPOGRAPHIC MAP LAGUNA GATUNA NW, N.M.

CONTOUR INTERVAL: LAGUNA GATUNA, N.M. – 10'



VICINITY MAP

and Antonio and a construction of the second se

	T											
		<u> </u>				<u> </u>		13				
22	23	24	19	20	21	22 T	18₂\$	ទ	3 76 21 19	57.52	21	22
27	26	ප	30	29	28	27	26	25	30	29	28	27
34	35	36	31	32	33	34	35	36	31	32	33	34
з	2	1	6	5	4	3	5	1	6	5	4	з
1			ЛАСОВ	FEDERAL	#1							
10	11	12	7	8	9	10	11	12	7	8	9	10
15	14	13	18	17	16	15 T	14 -19 S	1, 6	R 34 81 81	17	16	15
22	23	24	19	20	21	22	23	24	19	20	21	22
27	26	25	30	29	28	27	26	25	30	29	28	27
34	35	36	31	32 LAGUNA TONTO	73	34	35	36	31	32	33	34
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	- North	1	6	5	4	3	2	RANCH	*	5	4	3
10	3	12 TQ		8	9	10	11	12	7 4	8 757 8	9	10
15	14		55 18	LAGUNA GATUNA 17	5. 62-180 16	15 T	20 S	13	18	17	16	15
	$\geq$	L AG	à			1	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~					
								I	CALE.	1" =	2 MILE	<u></u>
34	35	36 1 12 12	31 6 7 NTO 55	32 LAGUNA TONTO 5 8 LAGUNA	33 3 9 9	34 3 10	2	Statich 13	31 6 7 18 18 -	32 5 6 6 7 8 8	33 4 9 16	3. 3 10

SEC. <u>3</u> TWP. <u>19-S</u> RGE. <u>33-E</u> SURVEY <u>N.M.P.M.</u> COUNTY <u>LEA</u> DESCRIPTION <u>660' FSL & 660' FWL</u> ELEVATION <u>3714'</u> OPERATOR <u>BOLD ENERGY, LP</u> LEASE <u>JACOB FEDERAL</u>



### APPLICATION TO DRILL

and an encourse of the second s

### BOLD ENERGY, LP. JACOB FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is providedfor your consideration.

- 1. Location of well: 660' FSL & 660' FWL SECTION 3 T19S-R33E LEA CO. NM
- 2. Ground Elevation above Sea Level: 3714' GR.
- 3. Geological age of surface formation: Quaternary Deposits:
- 4. Drilling tools and associated equipment: Conventional rotary drilling rig using drilling mud as a circulating medium to remove solids from hole.
- 5. Proposed drilling depth: 13,620'

6.	Estimated tops of	geological markers:			
	Rustler Anhydrite	1465'	Strawn		11,950'
	Delaware	5130'	Atoka		12,305
	Bone Spring	7997'	Morrow	•	12,890'
	Wolfcamp	10,580'	Mississippian		13,620'

## 7. Possible mineral bearing formations:

Bone Spring	Oil	Atoka	Gas
Wolfcamp	Gas	Morrow	Gas
Strawn	Gas		
Cacing Program.			-

8. Casing Program:

				-		
Hole Size	Interval	OD of Casing	Weight	Thread	Collar	Grade
26"	0-40'	20"	Conductor	NA	NA	Conductor
17 ¹ / ₂ ''	0-475'	13 3/8"	48#	8-R_	ST&C	H-40
11"	0-3000'	8 5/8"	32#	8-R	ST&C	J-55
7 7/8"	0-13,620'	5 ¹ 2''	17#	8-R	LT&C	P-110 & HCP-110

### APPLICATION TO DRILL

BOLD ENERGY, LP. JACOB FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM

9.	CEMENTING &	SETTING DEPTH:	
	20"	Conductor	Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
	17 ¹ / ₂ ''	Surface	Set 475' of 13 3/8" 48# H-40 ST&C casing. Cement with 525 Sx. of Class "C" cement + 2% CaCl, + $\frac{1}{4}$ # Flocele/Sx. Circulate cement to surface.
	11"	Intermediate -	Set 3000' of 8 5/8" 32# J-55 ST&C casing. Cement with 725 Sx. of Class "C" cement + additives. Circulate cement to surface.
	5 ¹ 2''	Production	Set 13,620' of 5½" 17# HCP-110 and P-110 LT&C casing. Cement with 1275 Sx. of Class "H" Premium Plus cement + additives, estimate top of cement 2800' from surface.

10. <u>PRESSURE CONTROL EQUIPMENT:</u> Exhibit "E" shows a 1500 Series 5000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams and bottom pipe rams. The B.O.P. will be nippled up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 2" 5000 PSI choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOS	S TYPE MUD SYSTEM
40-475'	8.6-9.2	29-36	NC	Fresh water Spud mud add paper to control
475-1465'	8.5-9.2	28-32	NC	Fresh water, native mud add paper to
1465-5200'	10-10.2	30-34	NC	control seepage. Brine water
52-10,500'	8.4-9.6	28-30	NC	Fresh water and cut Brine
10,500-13,62	0' 9.6-10.5	30-40	8 cc or less	Cut brine with a poly- mer, add starch for water loss control.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's , open hole logs, and casing viscosity and/or water loss may have to be adjusted to meet these needs.

Page 2

### APPLICATION TO DRILL

BOLD ENERGY, LP. JACOB FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM

## 12. LOGGING, CORING, AND TESTING PROGRAM:

- A. Open hole logs: Dual laterlog, MSFL, DENSITY, SONIC, Gamma Ray & Caliper from TD back to 8 5/8" casing shoe. Gamma Ray, CNL from 8 5/8" casing shoe back to surface.
- B. Cores and DST's are not anticipated but may be run depending on open hole logs.
- C. Mud logger will be placed on hole after 8 5/8" casing is run and cemented.

### 13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of  $H^2S$  in this area. If  $H^2S$  is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP ______ FSI, and

## 14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take <u>45</u> days. If production casing is run then an additional <u>30</u> days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

### 15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The <u>MORROW</u> formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialed as a gas well.

## HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

- 1. All Company and Contract personnel admitted on location must be trained by a qualified  $H_2S$  safety instructor to the following:
  - A. Characteristics of H₂S
  - B. Physical effects and hazzards
  - C. Proper use of safety equipment and life support systems.
  - D. Principle and operation of H2S detectors, warning system and briefing areas.
  - E. Evacuation procedure, routes and first aid. F.
  - Proper use of 30 minute pressure demand air pack.
- 2.  $H_2S$  Detection and Alarm Systems
  - A. H2S detectors and audio alarm system to be located at bell nipple, end of blooie line (mud pit) and on derrick floor or doghouse.
- 3. Windsock and/or wind streamers
  - A. Windsock at mudpit area should be high enough to be visible.
  - B. Windsock at briefing area should be high enough to be visible. с.
  - There should be a windsock at entrance to location.
- 4. Condition Flags and Signs
  - A. Warning sign on access road to location.
  - B. Flags to be displayed on sign at entrance to location. Green flag, normal safe condition. Yellow flag indicates potential pressure and danger. Red flag, danger, H2S present in dangerous concentration. Only emergency personnel admitted to location.
- 5. Well control equipment
  - A. See exhibit "E"
- 6. Communication
  - A. While working under masks chalkboards will be used for communication.
  - B. Hand signals will be used where chalk board is inappropriate.
  - C. Two way radio will be used to communicate off location in case of emergency help is required. In most cases cellular telephoned will be available at most drilling foreman's trailer or living quarters.
- 7. Drillstem Testing
  - A. Exhausts will be watered.
  - B. Flare line will be equipped with an electric ignitor or a propane
  - pilot light in case gas reaches the surface. C. If location is near any dwelling a closed D.S.T. will be performed.

13-A

## HYDROGEN SULFIDE DRILLING OPERATIONS PLAN

. . . . .

. . ..

- 8. Drilling contractor supervisor will be required to be familiar with the effects  $H_2S$  has on tubular goods and other mechanical equipment.
- 9. If  $H_2S$  is encountered, mud system will be altered if necessary to maintain control of formation. A mud gas seperator will be brought into service along with  $H_2S$  scavengers if necessary.

BOLD ENERGY, LP. JACOB FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM

- 1. <u>EXISTING AND PROPOSED ROADS</u>: Area maps: Exhibit "B" is a reproduction of a County General Hi-way map showing access roads to the location. Exhibit "C" is a reproduction of a USGS Topographic map showing existing roads in close proximity to the location and the proposed access roads. All existing roads will be maintained in a condition equal to or better than their current conditions. All new roads will be constructed to BLM specifications.
  - A. Exhibit "A" shows the location of the proposed well site as staked.
  - B. From Hobbs New Mexico take U.S. Hi-way 62-180 West toward Carlsbad New Mexico go 15 miles to the junction with State Hi-way 529 bear Right and take 529 West, go approximately 14 miles just as you drop off the caprock turn Left (South), go approximately .6 miles bear Right and follow well traveled least road 6± mi to PAN. AM. WELL Whelan # 1 (D&A) go West .5 mi turn South .5 mi to location.
  - C. Exhibit "C" shows possible flowlines, powerlines that will be used to produce this well.
- 2. PLANNED ACCESS ROADS: Approximately .6 miles of new road will be constructed.
  - A. The access road will be crowned and ditched to a 12' wide traveled surface with a 40' Right-Of-Way.
  - B. Gradient on all roads will be less than 5% if possible.
  - C. Turn-outs will be constructed where necessary.
  - D. If needed roads will be surfaced to the BLM requirements with material obtained from a local source.
  - E. Center line of new road will be flagged.
  - F. The new road will be constructed to utilize low water crossings where drainage currently exists, and culverts will be installed where necessary.
- 3. EXHIBIT "A-1" SHOWS THE BELOW LISTED TYPE WELLS WITHIN A 1 MILE RADIUS:
  - A. Water wells One approximately 1.75 miles Northwest of location.
  - B. Disposal wells None known
  - C. Drilling wells None known
  - D. Producing wells As shown on Exhibit "A-1"
  - E. Abandoned wells As shown on Exhibit "A-1

### BOLD ENERGY, LP. JACOB FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM

- 4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's. Exhibit "C" shows proposed routes of roads, flowlines and powerlines.
- 5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the access roads or piped to location in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of drill site, if additional material is needed it will be obtained from a local source and transported over the access roads as shown on Exhibit "C".

### 7. METHODS OF HANDLING WASTE MATERIAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When the job is completed all contents will be removed and disposed of in a approved sanitary land fill:
- C. Salts remaining after completion of well will be picked up by the supplier, including broken sacks.
- D. Waste water from living quaters will be drained into holes with a minium of 10'. These holes will be covered during drilling and will be back filled when the well is completed. A Porto-John will be provided for the rig crews. This equipment will be properly maintained during the drilling and completion operations and will be removed when all operations are complete.
- E. Remaining drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry enough to be broken out for furthed drying. If the drilling fluids do not evaporate in a reasonable time they will be hauled off by transports to a state approve disposal site. Later pips will be broken out to speed drying. Water produced during completion will be put in reserve pits. Oil and condensate produced will be put in storage tanks and sold.
- 8. ANCILLARY FACILITIES:

A. No camps or air strips will be constructed on location.

### BOLD ENERGY, LP. JACOB FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM

### 9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the proposed well site layout.
- B. This Exhibit shows the location of reserve pit, sump pits, and living facilities.
- C. Mud pits in the active circulating system will be steel pits and the reserve pits will be unlined unless subsurface conditions encontered during pit construction indicate that a plastic liner is required to contain lateral migration.
- D. If needed the reserve pits will be lined with polyethelene. The pit liner will be no less than 6 mils thick and the liner will be extended at least 3 feet over the top of the dikes and secured in place to keep edge of liner in place.
- E. The reserve pit will be fenced on three sides and fenced with four strands of barbed wire during drilling and completionphases. The 4th side will be fenced after drilling operations are complete and the drilling rig has moved out. If the well is a producer the mud pits will remain fenced in until the mud has dried up enough to break out the pits and reclaimed according to BLM requirements.

### 10. PLANS FOR RESTORATION OF SURFACE:

I.

Rehabilitation of the location and reserve pits will be allowed to dry properly, fluids may be moved and disposed of in accordance with article 7-E as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any will be reshaped to the original configuration with provisions made to alleviate furture erosion. In case of the well completed as a producer the drilling pad will be necessary to construct production facilities. After the area has been shaped and contoured top soil from the spoil pile will be placed over the disturbed area to the extent possible so that revegetation procedures can be accomplished to comply with the BLM specifications.

If the well is a dry hole the pad and road area will be contoured to match the existing terrain. Top soil will be spread to the extent possible and revegetation will be carried out according to the BLM specifications.

Should the well be a producer the previously noted procedures will apply to those areas which are not required for production facilities.

### BOLD ENERGY, LP. JACOB FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM

### 11. OTHER INFORMATION:

- A. The topography indicates a relatively low dip to the West toward the Querecho Plains, with low relief sand dunes, vegetation consists of Shinnery Oak an occasional mesquite tree, and Broom weed. Soil is a sandy loam in isolated places.
- B. The surface and minerals are owned by The U.S. Department of Interior and is administered by The Bureau of Land Management. The surface is used for the grazing of livestock and the production of oil and gas.
- C. An archaeological survey will be conducted on the roads and location the results of this survey will be filed with The Bureau of Land Management in the Carlsbad Field Office.
- D. There are no dwellings within 2 miles of the location.

### 12. OPERATOR'S REPRESENTATIVE:

A. The representative responsible for assuring compliance with the approved Surface Use Plan is:

Person's Name	Ms. Peggy Kerr
Company Name	Bold Energy, LP
Address	415 W. Wall, Suite 500
	Midland, Texas 79701

Phone 432/686-1100

#### 13. CERTIFICATION:

I certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; that the work associated with operations proposed herein will be performed by Bold Energy, LP and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of Title 18 U.S.C. Section 1001 for the filing of a false statement.

ovember 15, 2005

Peggy Kerł, Vice President - Land

Bold Energy, LP 415 W. Wall, Suite 500 Midland, Texas 79701 432-686-1100

Ben Arren	Lison oragan	Twin Montono	See by Olf	BP Amer. Kennerth Mobil (White)	Appil I Stily Marvill	Scharsture
26) (Se Berl)	En Protect Dans	Dose of On I Seety Oil, etcl Dn Sor. Dool 1 04541 annexed EOG 1 04541 FOG Res. 22 Section FOG Res. 22 Section	Schemeter of the state of the s	Braner, Annuelle Mobil (Mobil) Service Service Mobile (Mobil) Collection Service Mobile (Mobile) Collection Service	The second secon	
20 (sa Bau) cx. Astec (sa Bau) roo			\$ 1030 11 220 510 500 1	Solar Seety Oil Strang And	(Marching) Seely (Seely Children) (Marching) Seely (Seely Children) (1) 32 AD 10032645 (Ol. et al (1) 0032641 (Seely Children) (1) 0032641 (Seely Childr	
tuc ronin. Urce , ronin. Urce	V-630 A Stevens 1 Poreau	EOGRES. Jig EK QN I Ive.4251 & I SEELY ( Varter Free V S.	UT. See in Oil, etal See in Oil DIL (OP) 53 645 34531	HBP 1 Pers Ney ed Fed	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	Smin, Inc. L
(Hudson 6, Lewig) 29 Her ban # 10 + 10 2011 Her ban # 10 + 10 2011 Her ban # 10 + 10 2011 Ocs 17 + 10 + 10 + 10 + 10 + 10 + 10 + 10 +	Krod L Stevens I Parters V-638 Stevens I Parters V-638 Stevens I Parters I Stevens I Parters Corbin 51, 748 J Turret II. Seven I Elos Res. Magnum I (MB) Hunter I Los Res. Korren Fel Cas.	3.MA RH. 3mith 0 EOG Res. 5mith. 6e 96781	Ornon 1 Ener (Devon Err) (hesoprake 199402 1 3 1 2006 10-8-2005 250 20 1 100 10	Orman and Steven Connection (Connection) Oracle Connection (Connection) Connection (Connection	Патания Зана Inc (с. 1. та 4607 (Ibra) та С. 1. та 4607 (Ibra) та КСЗ Берцион	TC
	(164 1 (Tr - 2000) (164 1	0/AS 63	(arm - Sun-Fra (arm - Sun-Fra (arm - Sun-Fra Arcia (arm	ATTO STATES TO THE TOTAL SECTION OF THE STATES	The set of	Seal at 1
Aller Inner				(N rane 250 W Conce 0 10 10 10 10 10 10 10 10 10 10 10 10 10	Ποτική         Οτεκιους           Ποτική         Constraint           Ποτική         Constraint           Ποτική         Constraint           Ποτική         Constraint           Ποτική         Constraint           Ποτική         Constraint           Γιαική         Constraint	2 • 751.54
Internet (U) Virginia (Virginia) Virginia (Virgin	150 82 Gurrets 31.316 3 70 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(Attrac) 96782 Forshern Aques (600 FA22) Ford. 2 (500 FA22) Als Astrac 200 F1():100 Als Attrac 200 F1():100 Als Attrac	195644 TOTITE Aquit		OTASSATI 1920 PLAS CONTRACTOR	Literas 600 gr
3 61201 E. Yates	W B U PARTON	Trinty (Conoco V)	Permian Conoco% of	Bober well (Promytorn) Service Res.	Diside Excon Mobil 2 McGrown 21452 47	Ener.
1 1 105	(BP Amer) 5000000000000000000000000000000000000	To 4570 +3	Conoco OXY, et al 11 1421	(Strates Oper) (Strates Over)	DC45247	
All SI	011//A OVY 33	Unif	QUITA	St. LG 2494" Serie fr Esol.	BP Amer. H & F Iber 155 155 155 155 155 155 155 15	A 10 73
SH." [mery (arper crt VB 97 Carper Spence olo 19 (195 bit (2):5		Buffale fez."	Gruce Pert)		H B C 91750	VA - 475 (Hunton Loden HBC
2 A Mile State	247	111. AJA: HARE 11:10	(G', WE Pres) (AU, Tono) J.S. (J. 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,	, "N M - Sr = Store A Like Anily L 3 Les outsides 2 Les I Nearburg Capit.	A A A A A A A A A A A A A A A A A A A	<u></u>
	(Confect, 42) (Southingst Roy)	Son- Con- Sou-ist Roy. Conoco '2	buffalo 1 1.90 D		Har Humble 4313 Hercolero	A A L Z A A A A A A A A A A A A A A A A
	OKY Sandel	Pon Amer OXY Whelon O 064153	Service Graswin 27	4 101971	(Neorburg Pet) Bn 4/8 ka N.825'-13.245	0.A.10 12 59
(Amoco) Aday verilie Fron Disc	4 (************************************	MCC sc Bn Ser Dice	Herry, etal. (100)	A in trans	Denn (* 6	
Mary Nellis Fed / U.S. Ottomic	L'ind	U.S.	v 3389 46 w/2 Burralo 21-st" "Burralo 2x-st" Smore	#vfreio- T03676	Nearburg) Magnum Huiter (Nearburg) Kita 5.7 M.V. 714 Pipeline Decb US	Hoghum I ter Huhter I 6868 Pri
(Penroc, sig) Penroc Catj	OT as staked	CanocoPhillips (Devon)			NHE " Nogrum Humps: Hunter	100 Mognum Hunter + HBU
in Nellis-Fed the		* 8 P 060.49 (0XY) Chesopeake	37.36-3 (Si Sutan) 14-346 54.432	÷	1 Eliment	60-0 3 A - 9 - 1 1
U.S. Bitan Res Chevron Hap Hap	Mins 71 (Mark Ener 1) Mins 71 (Mark Ener 1) Mins 71 (Mark Ener 1)	10	B.M.Londreth	12.	<b>1 7</b>	
HOP 1 HOP 21172 1369:5 (Perroc 3/R) 2 221 (Perroc 3	Unit 7		92774	Piseline Dr. triliszo	and the second sec	27.47.54 27.47.54 27.47.54
Correcta Smith	1 Tez 63m	Chestoriat	(hosquare)	U.S. Chesarcare	Pipeline Dp.Fed U.S. Www.Magnum Huntt:r	Nagarun .
12 7 64 (grad)	Siris Viffs (BP Amer. ) Automation 31552 Bisson States (Concert Bisson States (Concert Bisson States (Concert Bisson States (Concert)) Automation (Concert Bisson States (Concert) Bisson St	10 5484 1 54892 4 10 54892 4	10-L 11 L 1 (Devon Errer.) 56745 5470-13380 (Devon, et al.)	(Near Durg Cw Trainer Espi) Mi Gross L. 24489 Miller Dil Lg Rigg west	(Gruy Pet) A 2522 X a 2522	Hanter   HBU Y623   82
Kanneth S_the Martin	the state of the s		**************************************	(Concident and )	PIPELINE DEEP UNIT	
(12.1.700 07000 17.1.700 07000 17.1.7000 07000 17.1.7000 07000 17.1.7000 07000 17.1.7000 0700 17.1.7000 0700 17.1.7000 0700 17.1.7000 0700 17.1.7000 0700 17.1.7000 0700 17.1.7000 0700 17.1.7000 0700 17.1.7000 07000 17.1.7000 07000 17.1.70000 17.1.7000 0700 17.1.7000 07000 17.1.7000 0700 17.1.7000 070000000000000000000000000000	Vita Correl			La ruce un Neorbura Expl	MAGNUM HUNTERLOP	El Pos - Mesco - Unif To 40 2 3
10(4(3)() 1 ()))))))))))))))))))))))))))))))	State	0,3.		licoroural-La Acal Securura Insular Each U.S. 2013 Istar Each U.S. 2013	Pipeline Cp. Fed ² U S	
Moourn Hunter Jona	5	Cotton Pet OXY TC 3708 # 34850	Sec. 2	6 1 2008 100 8 51 1 100860 (P/8)	M.dr.e. () Bersch Erpl (Merit) Sis (Nortex Corp) Sismi Ordrora Diatora	Broch E (8 L) Merright E. Merright
M BROWN, INC. (OP.)	To 13.850 Horr Disc) 153292 (Maran Prote Cal) 480	·····	Penroc Oil	(1-1-1 2005)	Mittae: (Lip ex S/R) w2 Ue're Sucoly fre HIC Mescolero Prot Buss	E 10001 Macritin E 10001
<b>20</b> ••••• ?`!}∧.↓???	Tom Brown, Inc. (a ser	Triat 22	23 (wint care) (3. (2) (3. (3) (3. (3))) (3. (3) (3. (3))) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3. (3)) (3.	C W Trainer, reil 24	19 0 30.0	5-3- We Tes ; Mesceler -04200 VIGGTUT
retson	(9/8) ** %***	lin the star	(23) (23) (23)	+ Benefit (Ingration fee		
276 Single of the state of the	U.S. Tom Brown, Inc	Gr of orr	S S S S S S S S S S S S S S S S S S S	Charrie and Magnum Hunters	Printzoil (inter O Fed. U.S. Harrow (inter O Herring (inter Corp.)) Mertax Merit Sla 1, 1, 10(2), 100 And	NO TER
Braintings Tom Brown, Inc	Hearburg	175 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Magnum Hunzerzass	4 1 75 1 2000 03 611 1 00 62 2 0 3 611 1 0 0 00	·	sow Pet. (Manum materia
1 29 10 to 54	2811UM BROW	N, INC. COP	Joon Andrew Contra Mogen		T "A-1" RADIUS MAP	
- Moduro-fed	13760' Res 12 - UNI	T 1 1 1 4 1 7 7 80	2 m mm /	BOLD EN	ERGY, LP.	
Se Mognum Hunter Sincior 25102 Fec KG3 1, 191204 1 18048 U S ↔ Dia 27 Se reg	Ches. E. & hork Smith, S	Chas ( Chart Smith	Amacal ()		EDERAL #1 SECTION 3	
13 1	(Nearburg)	1 Jenoni Alfred Alfred Stand	ounadie () Magnum	T100_D32D	TEA CO NM	1









ARRANGEMENT SRRA

1500 Series 5000 PSI WP

	J	EXHIBI	T	"E'	1		
SKETCH	OF	B.O.F	<b>`</b> •	то	BE	USED	ON

BOLD ENERGY, LP. JACOB FEDERAL #1 UNIT "M" SECTION 3 T19S-R33E LEA CO. NM



FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.



·

į

#### SPECIAL DRILLING STIPULATIONS

### THE FOLLOWING DATA IS REQUIRED ON THE WELL SIGN

Operator's Name: Bold Energy, LP	Well Name & #: <u>Jacob Feder</u>	al #1
Location: 660 FSL & 660	FWL Sec. 3, T. 19 S., R. 33 E.	
Lease: LC-064153	County: Lea Sta	te: <u>New Mexico</u>

The Special stipulations check marked below are applicable to the above described well and approval of this application to drill is conditioned upon compliance with such stipulations in addition to the General Requirements. The permittee should be familiar with the General Requirements, a copy of which is available from a Bureau of Land Management office. EACH PERMITTEE HAS THE RIGHT OF ADMINISTRATIVE APPEAL TO THESE STIPULATIONS PURSUANT TO TITLE 43 CRF 3165.3 AND 3165.4.

This permit is valid for a period of one year from the date of approval or until lease expiration or termination whichever is shorter.

I. SPECIAL ENVIRONMENT REQUIREMENTS

(X) Lesser Prairie Chicken (stips attached)
() San Simon Swale (stips attached)
() Other

#### II. ON LEASE - SURFACE REQUIREMENTS PRIOR TO DRILLING

(X) The BLM will monitor construction of this drill site. Notify the (X) Carlsbad Field Office at (505) 234-5972 () Hobbs Office (505) 393-3612, at least 3 working days prior to commencing construction.

(X) Roads and the drill pad for this well must be surfaced with inches of compacted caliche.

( ) All topsoil and vegetation encountered during the construction of the drill site area will be stockpiled and made available for resurfacing of the disturbed area after completion of the drilling operation. Topsoil on the subject location is approximately ______inches in depth. Approximately ______cubic yards of topsoil material will be stockpiled for reclamation.

1. 10 A 10 A 10

(X) Other. V-door south

III. WELL COMPLETION REQUIREMENTS

() A Communitization Agreement covering the acreage dedicated to the well must be filed for approval with the BLM. The effective date of the agreement must be prior to any sales.

(X) Surface Restoration: If the well is a producer, the reserve pit(s) will be backfilled when dry, and cut-and-fill slopes will be reduced to a slope of 3:1 or less. All areas of the pad not necessary for production must be re-contoured to resemble the original contours of the surrounding terrain, and topsoil must be re-distributed and re-seeded with a drill equipped with a depth indicator (set at depth of  $\frac{1}{2}$  inch) with the following seed mixture, in pounds of Pure Live Seed (PLS), per acre. Seeding should be done either late in the fall (September 15 - November 15, before freeze up, or early as possible the following spring to take advantage of available ground moisture. See attached seed mixture.

(	) A. Seed Mixture 1 (Loamy Sites)
	Side Oats Grama (Bouteloua curtipendula) 5.0
	Sand Dropseed (Sporobolus cryptandrus) 1.0

 ( ) C. Seed Mixture 3 (Shallow Sites) Side oats Grama (Boute curtipendula) 1.0 (x) B. Seed Mixture 2 (Sandy Sites) Sand Dropseed (Sporobolus crptandrus) 1.0 Sand Lovegrass (Eragostis trichodes) 1.0 Plains Bristlegrass (Setaria magrostachya) 2.0

 ( ) D. Seed Mixture 4 (Gypsum Sites) Alkali Sacaton (Sporobollud airoides) 1.0 Four-Wing Saltbush (Atriplex canescens) 5.0

() OTHER

### **RESERVE PIT CONSTRUCTION STANDARDS**

The reserve pit shall be constructed entirely in cut material and lined with 6-mil plastic. Mineral material extracted from within the boundary of the APD during construction of the well pad and reserve pits and be used for the construction of this well pad and its immediate access road only, as long as that portion of the access road it is use on remains on-lease. Removal of any additional material from this location for construction or improvement of other well pads and other access or lease roads must first be purchased from BLM.

<u>Reclamation</u>: Reclamation of this type of deep pit will consist of pushing the pit walls into the pit when sufficiently dry to support track equipment. The pit liner is NOT TO BE RUPTURED to facilitate drying; a ten month period after completion of the well is allowed for drying of the pit contents.

The pit area must be contoured to the natural terrain with all contaminated drilling mud buried with at least 3 feet of clean soil. The reclaimed area will then be seeded as specified in this permit.

### OPTIONAL PIT CONSTRUCTION STANDARDS

The reserve pit may be constructed in predominantly fill material if:

(1) Lined as specified above and

(2) A temporary or emergency pit may be constructed immediately adjacent to the reserve pit as long as the pit remains within the APD boundary. Mineral material removed from this pit may be used for the construction of this well pad only and its immediate access road, as long as that portion of the access road the material is used on remains on-lease. Removal of any material from the APD boundary for use on other well locations or foads must first be purchased from BLM.

Reclamation of the reserve pit consists of bulldozing all reserve pit contents and contaminants into the borrow pit and covering with a minimum of 3 feet of clean soil material. The entire area must be re-contoured, all trash removed, and reseeded as specified in this permit.

### **CULTURAL**

Whether or not an archaeological survey has been completed and notwithstanding that operations are being conducted as approved, the lessee/operator/grantee shall notify the BLM immediately if previously unidentified cultural resources are observed during surface disturbing operations. From the time of the observation, the lessee/operator/grantee shall avoid operations that will result in disturbance to these cultural resources until directed to process by BLM.

### TRASH PIT STIPS

All trash, junk, and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

### PRAIRIE CHICKENS

No surface use is allowed during the following time periods; unless otherwise specified, this stipulation does not apply to operation and maintenance of production facilities.

On the lands described below: All of Section 3, T 19 S., R 33 E.

For the purpose of: Protecting Prairie Chickens:

Drilling for oil and gas, and 3-D geophysical exploration operations will not be allowed in Lesser Prairie Chicken Habitat during the period of March 15 through June 15, each year. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 a.m. and 9:00 a.m. The 3:00 a.m. and 9:00 a.m. restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during the period. Additionally, no new drilling will be allowed within up to 200 meters of leks know at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Bureau of Land Management Carlsbad Field Office SENM-S-22 December 1997

#### **CONDITIONS OF APPROVAL - DRILLING**

 Operator's Name:
 Bold Energy, LP
 Well No.
 1-Jacob Federal

 Location:
 660' FSL & 660' FWL
 sec.
 38, T.
 19 S., R.
 33 E.

 Lease:
 LC-064153
 EAT
 EAT
 100 S., R.
 100 S., S.
 100 S., S.

#### I. DRILLING OPERATIONS REQUIREMENTS:

1. The Bureau of Land Management (BLM) is to be notified at (505) 393-3612 in sufficient time for a representative to witness:

A. Spudding

B. Cementing casing: <u>13-3/8</u> inch <u>8-5/8</u> inch <u>5-1/2</u> inch

C. BOP tests

2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

3. Include the API No. assigned to well by NMOCD on the subsequent report of setting the first casing string

4. A Hydrogen Sulfide Contingency Plan should be activated prior to drilling in the **Delaware** formation. A copy of the plan shall be posted at the drilling site.

#### II. CASING:

1: <u>19:3/8</u> inch surface casing should be set <u>at approximately 1455 feet in the top of the Rustler Anhydrite or</u> <u>per the attached ALTERNATIVE CONDITIONS OF APPROVAL - DRILLING</u>, below usable water and circulate cement to the surface. If cement does not circulate to the surface the Hobbs BLM office shall be notified and a temperature survey or cement bond log shall be run to verify the top of the cement. Remedial cementing shall be completed prior to drilling out that string.

2. Minimum required fill of cement behind the <u>8-5/8</u> inch intermediate casing is <u>sufficient to circulate to the</u> <u>surface per the attached ALTERNATIVE CONDITIONS OF APPROVAL - DRILLING.</u>

3. Minimum required fill of cement behind the <u>5-1/2</u> inch production casing is <u>sufficient to the back 500 feet above</u> the uppermost perforation in the pay zone. In to the  $8^{\frac{2}{3}}$  CSq.

### **III. PRESSURE CONTROL:**

1. Before drilling below the <u>13-3/8</u> inch surface casing, the blowout preventer assembly shall consist of a minimum of One Annular Preventer or Two Ram-Type Preventers and a Kelly Cock/Stabbing Valve. Before drilling below the <u>8-5/8</u> inch intermediate casing, the blowout preventer assembly shall consist of a minimum of One Annular Preventer, Two Ram-Type Preventers, and a Kelly Cock/Stabbing Valve.

2. Before drilling below the <u>13-3/8</u> inch surface casing, minimum working pressure of the blowout preventer and related equipment (BOPE) shall be <u>2000</u> psi. Before drilling below the <u>8-5/8</u> inch intermediate casing, minimum working pressure of the blowout preventer and related equipment (BOPE) shall be <u>5000</u> psi.

200

#### **CONDITIONS OF APPROVAL - DRILLING (CONTINUED)**

Operator's Name: Bold Energy, L	P Well No. <u>1– Jacob Federal</u>
Location: 660' FSL & 660' FWL	sec. <u>34</u> , T. <u>19 S.,</u> R. <u>33 E.</u>
Lease: <u>LC-064153</u>	ETT

#### **III. PRESSURE CONTROL (CONTINUED):**

3. After setting the <u>8-5/8</u> inch intermediate casing and before drilling into the <u>Wolfcamp</u> formation, the BOPE shall be tested as described in Onshore Order No. 2. Any equipment failing to test satisfactorily shall be repaired or replaced.

A. The BLM office shall be notified at (505) 393-3612 in sufficient time for a representative to witness the tests.

B. The tests shall be done by an independent service company.

C. The results of the test shall be reported to the BLM Hobbs Office at 414 West Taylor, Hobbs, New Mexico 88240.

D. Testing fluid must be water or an appropriate clear liquid suitable for sub-freezing temperatures. Use of drilling mud for testing is not permitted since it can mask small leaks.

E. Testing must be done in a safe workman like manner. Hard line connections shall be required.

IV. DRILLING MUD:

14、郭禄姓主的纪元的主

1. Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the <u>Wolfcamp</u> formation, and shall be used until production casing is run and cemented. Monitoring equipment shall consist of the following:

A. Recording pit level indicator to indicate volume gains and losses.

B. Flow-sensor on the flow-line to warn of abnormal mud returns from the well.

### **ALTERNATIVE CONDITIONS OF APPROVAL - DRILLING**

### Drilling Fluids, Casing and Cementing Requirements for Most of Lea County:

### Casing and Cementing

Surface casing is to be set at a sufficient depth to protect useable water zones and cement circulated to surface. In areas where the salt section (Salado) is present, surface casing should be set at least 25 feet into the top of the Rustler Anhydrite and cement circulated to the surface.

As an alternative, surface casing may be set through the Santa Rosa Formation or other potable water bearing zones and circulate cement to surface. For wells requiring an intermediate casing string, such string shall be cemented to the ground surface. In the case where intermediate casing is not required the operator shall case and cement the production hole to the ground surface.

While drilling from the surface casing to the Rustler formation it is recommended that operators periodically sweep the hole with viscous low water loss pills to help build a filter cake across useable water zones in the redbeds.

#### Drilling Fluid

111 116

Fresh water or fresh water spud mud shall be used to drill to surface casing depth. If surface casing is set at a lesser depth than the top of the Rustler formation, fresh water spud mud must be used to drill down to the first salt in the Rustler Formation after which brine or fresh water may be used.

Non-toxic or biodegradable water based polymers, drilling paper, starch and gels may be used in the mud system in order to retard seepage into the redbeds.

Two to five percent diesel or crude oil may be used in the redbed section in order to control heaving shales and mudstones.

Caustics and Lime shall not be used in the red beds but may be added when the Rustler formation is reached. However, sodium carbonate maybe used for alkalinity or ph control while drilling the redbeds above the Rustler formation.

Additionally, questions of whether an additive may be used should be referred to the Roswell Field office.

### BLM Serial Number: LC-064153 Company Reference: Bold Energy, LP Well No. & Name: Jacob Federal #1

### STANDARD STIPULATIONS FOR PERMANENT RESOURCE ROADS CARLSBAD FIELD OFFICE

A copy of the grant and attachments, including stipulations, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

The holder/grantee/permittee shall hereafter be identified as the holder in these stipulations. The Authorized Officer is the person who approves the Application for Permit to Drill (APD) and/or Right-of-Way (ROW).

### GENERAL REQUIREMENTS

A. The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

B. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, *et. seq.*) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized by this grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.

C. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, *et. seq.* or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et. seq.*) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way holder's activity on the right-of-way). This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

D. If, during any phase of the construction, operation, maintenance, or termination of the road, any oil or other pollutant should be discharged, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil of other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of the holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting there from the Authorized Officer may take such measures as deemed necessary to control and cleanup the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve the holder of any liability or responsibility.

E. The holder shall minimize disturbance to existing fences and other improvements on public domain surface. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times.

The holder will make a documented good-faith effort to contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence.

F. The Holder shall ensure that the entire right-of-way, including the driving surface, ditching and drainage control structures, road verges and any construction sites or zones, will be kept free of the following plant species: Malta starthistle, African rue, Scotch thistle and salt cedar. The Holder agrees to comply with the following stipulations:

1. ROAD WIDTH AND GRADE

<u>1</u>,

The road will have a driving surface of 14 feet (all roads shall have a minimum driving surface of 12 feet, unless local conditions dictate a different width). The maximum grade is 10 percent unless the box below is checked. Maximum width of surface disturbance from construction will be 30 feet.

1993. Staate of the same and a start of the start of the start of the start of the start start of the start o

/__/ Those segments of road where grade is in excess of 10% for more than 300 feet shall be designed by a professional engineer.

### 2. CROWNING AND DITCHING

Crowning with materials on site and ditching on one side of the road on the uphill side will be required. The road cross-section will conform to the cross section diagrams in Figure 1. If conditions dictate, ditching may be required for both sides of the road; if local conditions permit, a flat-bladed road may be considered (if these conditions exist, check the appropriate box below). The crown shall have a grade of approximately 2% (i.e., 1" crown on a 12' wide road).

/___/ Ditching will be required on both sides of the roadway as shown on the attached map or as staked in the field.

/ / Flat-blading is authorized on segment(s) delineated on the attached map.

### 3. DRAINAGE

Drainage control shall be ensured over the entire road through the use of borrow ditches, out-sloping, in-sloping, natural rolling topography, lead-off (turnout) ditches, culverts, and/or drainage dips.

A. All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval for lead-off ditches shall be determined according to the following table, but may be amended depending upon existing soil types and centerline road slope (in %):

SPACING INTERVAL	FOR TURNOUT DITCHES
Percent slope	Spacing interval
0% - 4%	400' - 150'
4% - 6%	250' - 125'
6% - 8%	200' - 100'
8% - 10%	150' - 75'

A typical lead-off ditch has a minimum depth of 1 foot below and a berm 6 inches above natural ground level. The berm will be on the down-slope side of the lead-off ditch. The ditch end will tie into vegetation whenever possible.

For this road the spacing interval for lead-off ditches shall be at

/_x_/ 400 foot intervals.

/__/ ____ foot intervals.

/__/ locations staked in the field as per spacing intervals above.

/__/ locations delineated on the attached map.

B. Culvert pipes shall be used for cross drains where drainage dips or low water crossings are not feasible. The minimum culvert diameter must be 18 inches. Any culvert pipe installed shall be of sufficient diameter to pass the anticipated flow of water. Culvert location and required diameter are shown on the attached map (Further details can be obtained from the Roswell District Office or the appropriate Resource Area Office).

C. On road slopes exceeding 2%, drainage dips shall drain water into an adjacent leadoff ditch. Drainage dip location and spacing shall be determined by the formula:

spacing interval =  $\frac{400'}{\text{road slope in \%}}$  + 100'

Example: 4% slope: spacing interval =  $\frac{400}{4}$  + 100 = 200 feet

#### 4. TURNOUTS

Unless otherwise approved by the Authorized Officer, vehicle turnouts will be required. Turnouts will be located at 2000-foot intervals, or the turnouts will be intervisible, whichever is less. Turnouts will conform to the following diagram:

### ----- CENTER LINE OF ROADWAY -----



STANDARD TURNOUT - PLAN VIEW

### 5. SURFACING

den en en

Surfacing of the road or those portions identified on the attached map may, at the direction of the Authorized Officer, be required, if necessary, to maintain traffic within the right-ofway with caliche, gravel, or other surfacing material which shall be approved by the Authorized Officer. When surfacing is required, surfacing materials will be compacted to a minimum thickness of six inches with caliche material. The width of surfacing shall be no less than the driving surface. Prior to using any mineral materials from an existing or proposed Federal source, authorization must be obtained from the Authorized Officer.

A sales contract for the removal of mineral materials (caliche, sand, gravel, fill dirt, etc.) from an authorized pit, site, or on location must be obtained from the BLM prior to using any such mineral material from public lands. Contact the BLM solid minerals staff for the various options to purchase mineral material.

### 6. CATTLEGUARDS

Where used, all cattleguard grids and foundation designs and construction shall meet the American Association of State Highway and Transportation Officials (AASHTO) Load Rating H-20, although AASHTO U-80 rated grids shall be required where heavy loads (exceeding H-20 loading), are anticipated (See BLM standard drawings for cattleguards). Cattleguard grid length shall not be less than 8 feet and width of not less than 14 feet. A wire gate (16-foot minimum width) will be provided on one side of the cattleguard unless requested otherwise by the surface user.

### 7. MAINTENANCE

The holder shall maintain the road in a safe, usable condition. A maintenance program shall include, but not be limited to blading, ditching, culvert installation, culvert cleaning, drainage installation, cattleguard maintenance, and surfacing.

### 8. PUBLIC ACCESS

Public access along this road will not be restricted by the holder without specific written approval being granted by the Authorized Officer. Gates or cattleguards on public lands will not be locked or closed to public use unless closure is specifically determined to be necessary and is authorized in writing by the Authorized Officer.

### 9. CULTURAL RESOURCES

Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on the holder's behalf, on public or Federal land shall be immediately reported to the authorized officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to the proper mitigation measures will be made by the authorized officer after consulting with the holder.

> د بر میروند کارد. در محمد محمد مربع از استان از ا استان از این از این

> > an Station

### 10. SPECIAL STIPULATIONS:

See reclamation stipulations attached. There a

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 For drilling and production facilities, submit to appropriate NMOCD District Office. For downstream facilities, submit to Santa Fe office

Is pit or below-grade tan	de Tank Registration or Closur k covered by a "general plan"? Yes 🗌 No r below-grade tank 🏋 Closure of a pit or below-grade	X           de tank			
Operator: BOLD ENERGY, LP. Address: 415 W. WALL SUITE 500 MIDLAND. TE	Telephone: <u>432-686-1100</u> e-	mail address:			
Address: 415 W. WALL SUITE 500 MIDLAND. TE	XAS 79701				
Facility or well name:       JACOB       FEDERAL       # 1       API #:       API #:	25-376 0 or Qur/Qur_M_Scc_3_T19	PS_R_33E			
County:LEA Latitude 32°41'37" Longitude 103	°39'24.4"NAD: 1927 1983 Surface Ow	vner Federal KKState 🗍 Private 🗍 Indian 🗍			
Pit	Below-grade tank	1230			
<u>Type:</u> Drilling 🖾 Production 🗌 Disposal 🗌	Volume:bbl Type of fluid:	031-1204563			
Workover 🗍 Emergency 🗌	Construction material:	A A A A A A A A A A A A A A A A A A A			
	Double-walled, with leak detection? Yes I If not, explain why not				
Liner type: Synthetic Thickness <u>12</u> mil Clay Volume					
<u>18M</u> _bbl		cxplain ver not 2 10 C			
Depth to ground water (vertical distance from bottom of pit to seasonal high	Less than 50 feet				
water elevation of ground water.)	50 feet or more, but less than 100 feet	(10 points)			
water elevation of ground water.)	100 feet or more X	(20 points) (10 points) ( 0 points)			
Wellhead protection area: (Less than 200 feet from a private domestic	Ycs	(20 points)			
•	No X	( 0 points)			
water source, or less than 1000 feet from all other water sources.)		0			
	Less than 200 feet	(20 points)			
Distance to surface water: (horizontal distance to all wetlands, playas,	200 feet or more, but less than 1000 feet	(10 points)			
irrigation canals, ditches, and perennial and ephemeral watercourses.)	1000 feet or more	( 0 points)			
	X	0			
	Ranking Score (Total Points)	0			

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite 🗌 offsite 🔲 If offsite, name of facility______. (3) Altach a general description of remedial action taken including remediation start date and end

date. (4) Groundwater encountered: No 🗌 Yes 🗋 If yes, show depth below ground surface______ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines [3], a general permit [], or an (attached) alternative OCD-approved plan []. Date: 12/28/05
Printed Name/Title Joe T. Janica/ Agent Signature del familie
Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.
Approval:
Approval: Date:FEB 0 2 2006 ENGINEER Printed Name/Title
Printed Name/TitleSignatureSignature
pen.