Form 3160-5
(April 2004)

OCD-HOBBS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
LC 071949

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Antelope Ridge Unit NM68299X

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
1

2. Name of Operator
BOLD ENERGY, LP

9. API Well No.
30-025-08486

3a. Address
415 W. Wall, Suite 500 Midland, Texas 79701

3b. Phone No. *(include area code)*
432-686-1100

10. Field and Pool, or Exploratory Area
Antelope Ridge (Atoka)

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
660' FSL & 1980' FWL Unit Letter "N"
Section 27 - T23S - R34E

11. County or Parish, State
Lea County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☑ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other **Add perfs / re-perf in existing producing zone.**
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

BOLD ENERGY, LP proposes to add perforations in Atoka and re-perforate current Atoka producing zone and stimulate all perfs as follows:

1. **MIRU well servicing unit. Kill well & install BOP.**
2. **Release production packer & POH w/ production tubing & packer.**
3. **Set CIBP @ 12,200' to isolate damaged casing and Atoka "C" perfs 12,223' - 12,237' & Atoka "D" perfs 12,461' - 12,465'.**
4. **Perforate Atoka as follows: 11,920' - 11,930'; 12,140' - 12,148' & 12,162' - 12,174' w/ 3 JSPF = 93 holes.**
5. **Run production packer w/ ON-Off Tool and 2 3/8" tubing & set pkr @ approx 11,890'.**
6. **Treat Atoka perfs 11,920' - 12,174' with 15% HCL-NEFE acid, using 180 RCN ballsealers for diversion.**
7. **Swab / flowback load and return well to production.**
8. **RD & release well servicing unit.**

Commencement of operations is expected during the week of September 25, 2006 and should require approximately 1 week to complete.

Bond No. 000314

See attached wellbore schematic for additional well data.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
D. C. Dodd / Sierra Engineering Title **Agent for BOLD ENERGY, LP**

Signature Date 9-13-06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office

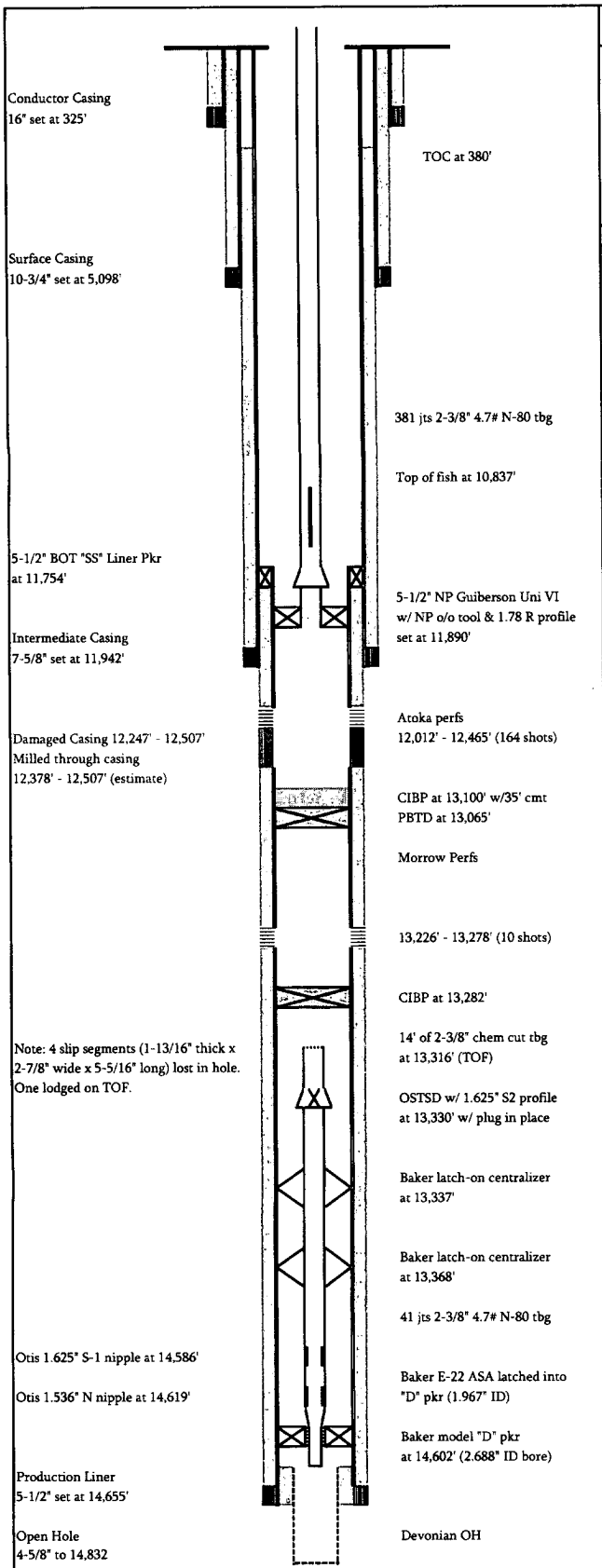
APPROVED
SEP 14 2006
FREDERICK WRIGHT
PETROLEUM ENGINEER

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GWW

BOLD ENERGY, LP — ARU #1



WI: 50.0%
NRI: 42.5%
Elevation: 3,465
API: 30-025-08486
KB: 19'
Surface Location 660' FSL & 1980' FWL
Meas. TD: 14,832'
Legal Description Section 27 - T23S - R34E
TVD: 14,832'
Field: Antelope Ridge
PBD: 13,065' (CIBP w/cmt)
County: Lea County
Zone: Morrow
State: New Mexico

Casing	Hole	Weight	Grade	Depth	Burst	80% Burst	TOC
16"	20"	65#		325'			Surface (circ.)
10-3/4"	13-3/4"	45.5/51#		5,098'			Surface (circ.)
7-5/8"	9-7/8"	26.4/33.7#		11,942'			380' (TS)
5-1/2"	6-5/8"	20#		14,655'			11,754' (liner top)
OH	4-5/8"			14,832			

Date	Event
12/26/1961	Spud
7/29/1962	TD
12/1/1964	Completed as OH Devonian Producer.
	Produced 5.07 bcf + 113.7 MBO from Devonian (14,655' - 14,832')
12/1/1966	Set CIBP at 13,282' and recompleted to Morrow from 13,226' - 13,278.
	Produced 23.4 bcf + 221.7 mbo + 154.6 mbw
	Morrow "D" perfs: 13,226'; 13,232'; 13,241'; 13,277'; 13,278' (10 shots)
	Morrow "D" last produced at 500 mcfd + 5 bopd + 15 bwpd in February of 1983
	Note: DCA EUR = 30.0 bcf. P/Z EUR = 29.7 bcf. Volumetric AOI = 970 acres.
2/1/1983	Set CIBP at 13,100' and recompleted to Atoka with 56 shots over 372' gross:
	"A" from 12,093' - 12,096' "B" from 12,141' - 12,148'; 12,161' - 12,166'; 12,171' - 12,174'
	"D" from 12,461' - 12,465' all with 1-11/16" gun at 2 spf
	Acidized with 7,000 gals 15% energized acid at 4.2 bpm.
	Tested Atoka at 800 mcfd + 37 bopd + 28 bwpd
4/1/1983	Added Atoka perfs with 98 shots over 225 ft gross:
	"C" from 12,223' - 12,237 "B" from 12,166' - 12,179'
	"A" from 12,012' - 12,022'; 12,032' - 12,038'; 12,052' - 12,058' all with 1-11/16" gun at 2 spf
	Acidized with 8,000 gals 15% energized acid at 7 bpm. Followed by 40,000 gals acid
	with 20% CO2 at 9 bpm. Tested Atoka at 400 mcfd + 11 bcpd + 7 bwpd
10/1/1989	Attempted to get back to Morrow "D". While milling through tight spot in casing cut through
	casing and got outside pipe. Abandoned Morrow recompletion attempt and put Atoka back on.
	Atoka cum. As of May 2005 is 0.293 bcf + 19.3 mbo. Currently at 2-3 mcfd from Atoka.
	P/Z estimate 3,250 psi. P/Z EUR = 0.52 bcf. Volumetric AOI = 48 acres (18 ft net pay).
11/8/1997	Attempted to run flowing gradient survey and lost tools in hole.
	All wireline recovered after dropping cutter bar.

Notes on milling operation resulting in cutting through casing:
4-5/8" MT bit - wash and rotate 12,263 - 12,278' recovering scale.
Wash and rotate12,278' - 12,371' recovering pkr junk and scale.
Lost 2 cones - no recovery with magnet - DP plugged w/scale.
4-5/8" Blade bit - tagged at 12,247'. Wash and ream to 12,252'
Stuck bit at 12,252'. Work free and POOH.
4-1/4" Cone Buster mill - tagged at 12,247'.
Reamed through tight spot to 12,253'. Recovered junk iron, scale & csg shavings.
Wash and rotate to 12,298'. Rotated to 12,360' (no pump). DP plugged. POOH.
4-1/4" Cone Buster mill - tagged at 12,240'. Tight to 12,242' & 12,258' - 12,259'.
Wash and rotate to 12,375'. DP plugged. Wash and rotate to 12,375' - 12,378' (hard).
Wash and ream 12,378' - 12,414' (85% scale, 15% formation, w/ some cement)
Wash and ream 12,414' - 12,422' (95% formation & 5% scale + rock bit bearings)
Washed down 12,422' - 12,475'. Wash and ream to 12,480' - POOH bit worn smooth.
4-1/4" Cone Buster mill - tag at 12,480'. Wash and rotate to 12,506' - recovering larg
amount of formation with metal shavings. 12,506' - 12,507' 99% formation with very
little metal cuttings. POOH and abandon attempt to get back to Morrow "D".
POOH with mill. Run tubing and packer to produce Atoka.