

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30 - 025 - 38118
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Bell Lake
8. Well Number 23
9. OGRID Number 233545
10. Pool name or Wildcat Bell Lake Morrow, South (Gas)
11. Elevation (Show whether DR, RKB, RT, etc.) 3620' GR
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

BOLD ENERGY, LP

3. Address of Operator

415 W. Wall, Suite 500 Midland, Texas 79701

4. Well Location

Unit Letter **K** : **1650'** feet from the **South** line and **1650** feet from the **34E** Range **23S** Township **31** Section **34E** County **Lea**

11. Elevation (Show whether DR, RKB, RT, etc.)
3620' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
OTHER: **Plug back well bore for deviation correction** ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Encountered salt water flow while drilling at 3897' (approx 1 BWPH) with H₂S monitored at 300 PPM. Implemented contingency plan, RU H₂S safety equipment and resumed drilling. At 4669', survey indicated deviation to be in excess of 7°. Drilled to 4701' and ran check survey, which also indicated deviation in excess of 7°. Scientific Drilling Controls ran gyro survey from 4700' to surface & deviation was found to be 9.35° @ 4700'. Circ'd hole w/ 11.4 ppg mud and killed water flow. Schlumberger spotted 650 sx Class "H" (17.5 ppg, 0.94 yield) from 4519' - 3950'. WOC and dressed plug from 3950' - 4080'. Initiated kick-off attempt @ 4080' and successfully off plug @ approx 4262'. Drilled to intermediate casing point of 5110' on 11/2/06 and prep to set 9 5/8" casing.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE *Dan C. Dodd* TITLE Agent for BOLD ENERGY, LP DATE 11/02/06
Type or print name D. C. Dodd E-mail address: ddodd@sierra-engineering.net Telephone No. 432 / 683-8000

For State Use Only

APPROVED BY: *Chris Williams* DISTRICT SUPERVISOR/GENERAL MANAGER
Conditions of Approval (if any): DEC 19 2006 DATE