

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

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

Form C-103
May 27, 2004

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.)		WELL API NO. 30 - 025 - 38118
1. Type of Well: Oil Well ☐ Gas Well ☒ Other		5. Indicate Type of Lease STATE ☒ FEE ☐
2. Name of Operator BOLD ENERGY, LP		6. State Oil & Gas Lease No.
3. Address of Operator 415 W. Wall, Suite 500 Midland, Texas 79701		7. Lease Name or Unit Agreement Name Bell Lake
4. Well Location Unit Letter K : 1650' feet from the South line and 1650 feet from the West line Section 31 Township 23S Range 34E NMPM County Lea		8. Well Number 23
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3620' GR		9. OGRID Number 233545
Pit or Below-grade Tank Application ☐ or Closure ☐		10. Pool name or Wildcat Bell Lake; Morrow, South (Gas)
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 _____		

12. Check Appropriate Box to Indicate Nature of Notice of Intent 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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOBS ☒
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.

Finished drilling sidetracked 12 1/4" hole to intermediate casing point of 5110' on 11/2/06, C&C hole for casing & POH w/ bit. Ran 38 jts (1636') of 95/8" 40# K-55 LTC & 80 jts (3473') 40# J-55 LTC & STC csg w/ FS & FC. Landed csg @ 5108' w/ FC @ 5060' & Schlumberger cmt'd w/ 1225 sx 50:50 POZ - "C" cont'g 10% D20 gel, 1.5% D44 salt, 0.1% D112 FLAC, 0.2% D65 dispersant, 0.2% D46 anti-foam & 0.125 pps D130 polyflake (11.8 ppg, 2.45 yield) followed by 200 sx Class "C" neat (14.8 ppg, 1.33 yield). Displaced w/ FW & bumped plug w/ 1200 psi @ 12:01 AM on 11/3/06. ND BOP, set slips, cut casing & installed WH equip. NU BOP, set plug & tested w/ 250 psi (low) & 5000 psi (high), OK. Tested annular w/ 250 psi (low) & 1500 psi (high), OK. Ran drilling assembly for 8 3/4" hole & tested casing to 2000 psi after WOC 16 hrs (estimated cement compressive strength > 900 psi @ 118° formation temp), casing tested OK. Drilled out shoe jt and resumed drilling formation @ 4:00 AM on 11/4/06.

Attachments:

Copies of Scientific Drilling Control's GYRO survey and Black Viper's directional surveys taken while sidetracking.

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 NMOC guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE D. C. Dodd TITLE Agent for BOLD ENERGY, LP DATE 11/08/06
Type or print name D. C. Dodd E-mail address: ddodd@sierra-engineering.net Telephone No. 432 / 683-8000

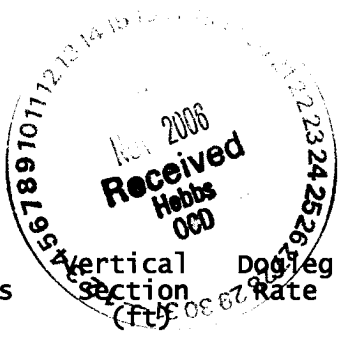
For State Use Only

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

Gyro Survey - 4700' - Bell Lake #23

BOLD Energy
Bell Lake #23 - Gyro Survey #1

Lea County, NM.
Bell Lake #23



Measured Depth (ft) (°/100ft)	Incl.	Azim.	Vertical Depth (ft)	Northings (ft)	Eastings (ft)	Vertical Section (ft)	Dogleg Rate
0.00	0.000	0.000	0.00	0.00 N	0.00 E	0.00	0.00
100.00	0.410	172.840	100.00	0.36 S	0.04 E	-0.03	0.41
200.00	0.430	153.910	200.00	1.05 S	0.25 E	0.04	0.14
300.00	0.370	160.750	299.99	1.69 S	0.53 E	0.18	0.08
400.00	0.220	133.920	399.99	2.13 S	0.77 E	0.34	0.20
500.00	0.330	93.770	499.99	2.28 S	1.20 E	0.73	0.22
600.00	0.280	90.120	599.99	2.30 S	1.73 E	1.24	0.05
700.00	0.340	85.280	699.99	2.27 S	2.27 E	1.78	0.07
800.00	0.400	87.250	799.99	2.23 S	2.91 E	2.42	0.06
900.00	0.110	101.700	899.99	2.24 S	3.35 E	2.85	0.29
1000.00	0.110	212.370	999.99	2.34 S	3.40 E	2.87	0.18
1100.00	0.150	223.370	1099.99	2.51 S	3.26 E	2.70	0.05
1200.00	0.150	340.460	1199.99	2.48 S	3.12 E	2.58	0.26
1300.00	0.330	278.150	1299.98	2.32 S	2.79 E	2.29	0.29
1400.00	0.400	264.000	1399.98	2.32 S	2.16 E	1.67	0.11
1500.00	0.550	293.170	1499.98	2.16 S	1.37 E	0.92	0.28
1600.00	0.600	301.480	1599.97	1.70 S	0.49 E	0.14	0.10
1700.00	0.440	302.070	1699.97	1.22 S	0.29 W	-0.52	0.16
1800.00	0.450	284.000	1799.97	0.93 S	0.99 W	-1.16	0.14
1900.00	0.490	294.530	1899.96	0.65 S	1.76 W	-1.86	0.10
2000.00	0.490	301.780	1999.96	0.25 S	2.52 W	-2.52	0.06
2100.00	0.410	303.310	2099.96	0.17 N	3.18 W	-3.08	0.08
2200.00	0.490	297.500	2199.95	0.57 N	3.86 W	-3.67	0.09
2300.00	0.540	299.860	2299.95	1.00 N	4.64 W	-4.36	0.05
2400.00	0.380	300.730	2399.95	1.40 N	5.34 W	-4.96	0.16
2500.00	0.290	313.240	2499.94	1.74 N	5.81 W	-5.35	0.12
2600.00	0.280	344.600	2599.94	2.15 N	6.06 W	-5.52	0.15
2700.00	0.210	328.940	2699.94	2.55 N	6.22 W	-5.60	0.10
2800.00	0.260	20.620	2799.94	2.92 N	6.23 W	-5.54	0.21
2900.00	0.340	5.600	2899.94	3.42 N	6.12 W	-5.33	0.11
3000.00	0.450	34.660	2999.94	4.04 N	5.87 W	-4.96	0.22
3100.00	0.360	30.890	3099.94	4.63 N	5.49 W	-4.47	0.09
3200.00	0.670	34.330	3199.93	5.39 N	4.99 W	-3.84	0.31
3300.00	0.880	49.940	3299.92	6.36 N	4.08 W	-2.75	0.30
3400.00	0.820	52.010	3399.91	7.30 N	2.92 W	-1.44	0.07
3500.00	0.800	53.490	3499.90	8.15 N	1.80 W	-0.17	0.03
3600.00	1.030	45.000	3599.89	9.20 N	0.60 W	1.21	0.27
3700.00	1.060	47.720	3699.87	10.46 N	0.72 E	2.75	0.06
3800.00	1.110	51.180	3799.85	11.69 N	2.16 E	4.40	0.08
3900.00	0.640	335.860	3899.84	12.81 N	2.68 E	5.14	1.13
4000.00	0.980	277.390	3999.84	13.43 N	1.61 E	4.20	0.84
4100.00	1.250	272.130	4099.82	13.58 N	0.33 W	2.33	0.29
4200.00	1.030	283.710	4199.80	13.83 N	2.30 W	0.46	0.32
4300.00	2.010	93.650	4299.78	13.93 N	1.42 W	1.34	3.03
4400.00	3.680	104.050	4399.66	13.04 N	3.45 E	5.93	1.74
4500.00	4.010	104.400	4499.43	11.39 N	9.95 E	11.98	0.33
4600.00	5.500	104.390	4599.08	9.33 N	17.97 E	19.45	1.49
4700.00	9.350	104.650	4698.23	6.09 N	30.48 E	31.08	3.85

All data are in feet unless otherwise stated. Directions and coordinates are relative to True North.

Vertical depths are relative to WELL. Northings and Eastings are relative to well.

The Dogleg Severity is in Degrees per 100 feet.

Vertical Section is from slot and calculated along an Azimuth of 78.706° (True).

Coordinate System is NAD 1927 (NADCON CONUS) US State Plane 1927 (Exact solution), New

Gyro Survey - 4700' - Bell Lake #23

Mexico East 3001.

Central meridian is -104.333° .

Grid Convergence at Surface is 0.235° .

Based upon Minimum Curvature type calculations, at a Measured Depth of 4700.00ft., the Bottom Hole Displacement is 31.08ft., in the Direction of 78.706° (True).



Survey Report

MIN. CURVATURE CALCULATIONS (SPE-3362)

OPERATOR: BOLD ENERGY
WELL: BELL LAKE # 23
LOCATION: 0

START: 10/20/2006
FINISH:
JOB #: 2006129

VERTICAL SECTION AZIMUTH: 270.00
TOTAL CORRECTION: 8.34

STATION NUMBER	SURVEY DEPTH	INC	AZMTH	N-S	E-W	VERT. SECTION	DLS/ 100
Tie-In	4000.00	0.90	272.00	3999.84	13.43	4.20	
1	4030.00	1.50	269.20	4029.83	13.43	-0.98	2.01
2	4058.00	1.40	277.80	4057.82	13.47	-0.28	0.85
3	4089.00	1.40	263.90	4088.82	13.49	-0.48	1.09
4	4121.00	1.50	262.20	4120.80	13.39	-1.28	0.34
5	4153.00	1.50	270.10	4152.79	13.33	-2.11	0.65
6	4190.00	1.20	278.30	4189.78	13.39	-2.98	0.96
7	4220.00	1.10	280.30	4219.78	13.48	-3.57	0.36
8	4252.00	1.40	269.70	4251.77	13.54	-4.27	1.18
9	4284.00	1.80	265.40	4283.76	13.49	-5.16	1.30
10	4315.00	2.20	265.40	4314.74	13.41	-6.24	1.29
11	4347.00	2.50	261.60	4346.71	13.26	-7.54	1.06
12	4379.00	2.50	263.10	4378.68	13.07	-8.92	0.20
13	4410.00	2.50	263.20	4409.65	12.91	-10.27	0.01
14	4443.00	2.50	263.70	4442.62	12.75	-11.70	0.07
15	4474.00	2.40	265.10	4473.59	12.62	-13.02	0.38
16	4506.00	2.40	265.90	4505.56	12.51	-14.35	0.10
17	4537.00	2.40	266.00	4536.54	12.42	-15.65	0.01
18	4569.00	2.40	269.30	4568.51	12.36	-16.98	0.43
19	4601.00	2.30	269.50	4600.48	12.35	-18.30	0.31
20	4633.00	2.20	271.30	4632.46	12.36	-19.55	0.38
21	4666.00	1.90	274.50	4665.44	12.42	-20.73	0.97
22	4729.00	1.60	278.10	4728.41	12.62	-22.64	0.51
23	4792.00	1.30	282.20	4791.39	12.90	-24.21	0.50
24	4855.00	1.00	284.50	4854.37	13.19	-25.44	0.48
25	4949.00	1.10	289.20	4948.36	13.69	-27.09	0.14
26	4957.00	1.10	289.00	4956.36	13.74	-27.23	0.05
27	4998.00	1.10	289.00	4997.35	13.99	-27.98	0.00