

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB 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.

5. Lease Serial No.
NMLC 061374A

6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE – Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.
N/A

8. Well Name and No.
Bell Lake #25

9. API Well No.
30-025-38175

10. Field and Pool or Exploratory Area
Bell Lake, Morrow, South (Gas); ADD ATOKA

11. Country or Parish, State
Lea, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Bold Energy, LP

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SL: 1650' FSL & 990' FWL, Unit L, Sec 5, T24S, R34E

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Add the Atoka to the Drill Permit Application
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Please add the Atoka Pool to the Application for Permit to Drill. Please see attached original Drilling Prognosis.

A commingling permit will be submitted separately.

**SUBJECT TO LIKE
APPROVAL BY STATE**

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Denise Menoud

Title **Regulatory Specialist, Agent for Bold Energy, LP**

Signature

Denise Menoud

Date **12/27/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

OC DISTRICT SUPERVISOR/GENERAL MANAGER

Title

Office

FEB 22 2007

**FREDERICK WRIGHT
PETROLEUM ENGINEER**


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.

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)



3106 N. Big Spring St. Ste. 100
Midland, TX 79705
Tel: (432) 685-9158

 COPY

December 28, 2006

Bureau of Land Management
620 E. Greene Street
Carlsbad, New Mexico 88220
Attn: Wesley Ingram

Re: Bell Lake #25
API #30-025-38175
Section 5, T24S, R34E
1650' FSL & 990' FWL, Unit L
Lea County, New Mexico

Dear Wesley:

Per our conversation, please find enclosed Form 3160-5 Sundry Notice along with the Drilling Prognosis for the above mentioned well. Bold Energy wishes to carry both the Morrow and Atoka Pools on the Application to Drill Permit, to meet all requirements before a commingling permit is applied for in Sante Fe for these two Pools.

As requested, I am sending 6 sets, the original and five copies. If you have questions, please feel free to call me at (432) 685-9158.

Sincerely,

A handwritten signature in cursive script that reads 'Denise Menoud'.

Denise Menoud,
Agent for Bold Energies, LP
Gray Surface Specialties
denise@graysurfacespecialties.com

encls

RECEIVED
JAN 11 11:00
BUREAU OF LAND MANAGEMENT
CARLSBAD, NEW MEXICO

Operator: Bold Energy, LP Field: Bell Lake (Morrow)
 Well: Bell Lake Unit #25 API: 30 - 025 - 38175
 Drilling Permit Approved by NMOCD - AFE: N/A

General Information

Location: 1650' FSL & 990' FWL, Section 5 - T24S - R34E Lea County, New Mexico
 Elevation: 3602' GL est TD: 13,900 RKB: 3620' est
 Objective: Atoka @12580, Mrw B, D 13540', 13710 Drilling Contractor: Nabors Drilling #142
 Contractor Office: 432 / 550-7808 Superintendent: _____
 Rig Phone: 432 / 664-9947 Toolpushers: Hoss Crutcher / Roy Brumfield
 Sierra Supervisor: _____ Rig Site / Cell: _____

Drilling Program

Hole Size	Depth	Casing	Weight	Grade	Connect	Cement	TOC
17 1/2"	700'	133/8"	48	H-40	STC	700 sx	Surface
12 1/4"	5100'	95/8"	40	HCK-55 J-55	LTC LTC	1700 sx	Surface
8 3/4"	12,000'	7"	26	HCP-110	LTC	900 sx	4800'
6 1/8"	13,900'	4 1/2"	13.5	P-110	LTC	250 sx	11,500'

Wellhead / BOPE

Wellhead	13 5/8" - 3K SOW	13 5/8" - 3K x 11" - 5K	11" - 5K x 7 1/16" - 10K
BOPE	SRRAG	13 5/8" - 5K Stack	RH as needed - 5K

Mud Program

Interval	Type	MW	VIS	FL
0 - 700'	FW - Spud	8.4 - 9.2	32 - 34	NC
700 - 5100'	Brine	10.0	28 - 30	NC
5100 - 11,400'	FW / Cut Brine	8.4 - 9.0	28 - 30	NC
11,400 - 12,000'	Cut Brine - Polymer & Starch	9.0 - 9.6	36 - 40	< 20
12,000 - 13,900	Brine - Polymer & Starch	10.0 - 12.5	36 - 40	< 10

Company: Baroid Drilling Fluids, Inc. Office: 432 / 686-4574 Fax 432 / 686-4590

Engineers: _____

Warehouse: _____

Geological DataGeologist: John WorrallPhone: 505 / 622-5893 office 432-230-9431 cell
Home: 505-622-2768

Estimated Formation Tops: (KB=3620)

MAIN OBJECTIVES: Atoka Bank@12580, Mrw A Sd @ 13380, B Sd @ 13540, C Sd @ 13640, D Sd @ 13710

Formation	Subsea	MD	Formation	Subsea	MD
Rustler	2420'	1200'	Atoka Bank	-8960'	12580'
Anhydrite	-1220'	4840'	Morrow A	-9760'	13380'
Delaware	-1480'	5100'	Morrow B	-9920'	13540'
Bone Spring	-5170'	8790'	Morrow C	-10020'	13640'
Wolfcamp	-7860'	11480'	Morrow D	-10090'	13710'
Strawn	-8530'	12150'	Lower Morrow	-10200'	13820'
Atoka	-8730'	12350'	TD	-10280'	13900'

Evaluation ProgramMud Logs: 5100' to TD Mud Logger: WOODCO Logging / Paul AmancioPhone: Jim Wood 505 / 887-2469 office 505 / 361-3059 cellDST / Coring Intervals: None AnticipatedE-Log Suite: Triple Combo (2 runs) from TD - 9 5/8" shoe. Pull GR - N to surface. SWC & RFT as directedLogging Company: Halliburton Contact: Richard KelleyLocation: Hobbs, New Mexico Phone: 505 / 914-0324 (cell) 505 748-1753 (office)**Completion**

Completion is expected to be a single Morrow gas well. Morrow will be selectively perfed and stimulated down 4 1/2" casing. Completion assembly will consist of 23/8" tbg open-ended.

Emergency Contacts / Notifications

Sierra Engineering	Drilling Superintendent	Russ Ginanni	432 / 425-7450 cell 432 / 683-8000 off
Bold Energy, LP	President	Joe Castillo	432 / 230-0202 cell 432 / 686-1100 off
Bold Energy, LP	VP - Engineering	David Cox	432 / 230-9778 cell 432 / 686-1100 off
NMOCD	District 1 - Hobbs	Notifications After Hours Pager	505 / 393-6161 505 / 370-7106

Directions

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to add the Atoka Pool to the APD and for changes in the COA to read as follows:
2. The 13.375" surface casing will be set **above the salt**, in the Rustler Anhydrite @ approximately 1188', with cement circulating to the surface.
3. Fresh water based mud will be used to drill the well bore for the surface casing.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 1/3/07