District I 1625 N. French Dr., Hobbs, NM 88240				State of New Mexico					Form C-101		
District II						s and Natura	al Resou	urces		May 27, 2004	
1301 W. Grand Avenue, Artesia, NM 88210 District III Oil Cons						ervation Di	vision	ubmit to appro	priate District Office		
1000 Rio Braz	zos Road, Azt	ec, NM 87	410			ith St. Franc					
District IV			07505			Fe, NM 875				MENDED REPORT	
1220 S. St. Fr											
APPL	ICATIO	N FOR	PERMIT	TO D	RILL, RE-I	ENTER, D	e epe e	RLUGBAC	CK, OR AI	DD A ZONE	
BOLD ENI	ERGY LP		Operator Name	and Addre	ess	/3 ⁰⁰ b		10-1	² OGRID Numb 233545	er	
415 W. Wa	11 Street, St	ite 500			$\langle N \rangle$		· Ba	<i>•</i>	³ API Number 30 - 025 - 38118		
Midland, T	X 79701 rty Code				Property 1	Vanne				° Well No.	
359	-				Bell La		Ceive Hobbs	023)23	
	/05	• • • • • • • • • • • • • • • • • • •	Proposed Pool 1	Den Lang		12 K	HOCD	G/ 10 Proposed Pool 2			
	Be	ell Lake	; Delaware,	, South		12	•	Nº N			
					⁷ Surface	Location	1	91-31-			
UL or lot no.	Section	Township	Range	Lot			outh line	Feet from the	East/West line	County	
K	31	23S	34E	K	165	50	S	1650	W	Lea	
			⁸ Propos	sed Bott	om Hole Locat	ion If Differer	nt From S	Surface			
UL or lot no.	Section	Township	Range	Lot	I		outh line	Feet from the	East/West line	County	
					Iditional We					1	
	Type Code		¹² Well Type Coc	le	¹³ Cable N	•	¹⁴ Lease Type Code S		¹⁵ Ground Level Elevation 3,640		
	P		G 17 Proposed Dept	th		nation		¹⁹ Contractor		²⁰ Spud Date	
	NO		8,500'	ur	Dela			TWS		5/28/07	
Depth to Grou				Distance from nearest fresh water we			Distance from nearest surf			water	
Pit: Liner	: Synthetic		ils thick Clay	I Pit V	olume: bbl	s D	rilling Met	hod:			
[•		-		uired For Wor		-	r 🗌 Brine 🔲 Di	esel/Oil-based	☐ Gas/Air □	
Close	ed-Loop Syster				sed Casing a						
r											
Hole S	ize	Casi	ng Size	Casing weight/foot		Setting D	epth	Sacks of Cer	ment	Estimated TOC	
17.5	"	13	.375"	48#		735'		1,040		Surface (1")	
12.2	5"	9.	625"	40#		5,108'		1,425		Surface (circ)	
8.75	"		7"	26#		12,000'		1,606		4,800' (TS)	
6.12	6.125"		4-1/2"		13.5#	13,800'		255		12,625 (CBL)	
					<u></u>	ŕ	'ermit	Expires 1 Ye	ear Frdm /	Approval	
²² Describe t	he proposed p	rogram. If	this application	is to DEE	PEN or PLUG BA	CK, give the dat	ta on the p	esumeesileri	HINT DUNCE	TWA foductive zone.	
					al sheets if necess				ugbac		
Current comp	oletion: 13,80	0 TD 13,	185 PBTD Mor	row Lime	Perfs: 12,693' - 1	2,695'; 12,894'	– 1 2, 896';	; 12,938' – 12,940';	13,076' - 13,08	80'; 13,143' – 13,145'	
Proposed pro	cedure: Phug b	back and re	-complete to the	Delaware	Detailed procedu	are, current and p	ronosed w	ellbore diagrams att	ached. Summar	v as follows:	
	_										
1) Pull existin	1) Pull existing tubing and packer. 2) WL set CIBP at 12,630'. 3) Circulate well to 12.6 ppg mud. 4) Shoot circulating holes in 4-1/2" casing at 12,050' and circulate well until balanced. 5) Chemically cut 4-1/2" casing at 12,050'. 6) POOH laying down 4-1/2" casing. 7) Spot cement plug from 11,950' – 12,100'. WOC and tag. 8)										
WL set CIBP	at 8,500'. Pre	essure test f	to 7K psi. 9) TIH	w/ bit &	scraper to PBTD.	Circulate hole to	2% KCL	water. 10) Run GR/	CCL/CBL from	PBTD to 7,000'.	
Locate TOC	WL set CIBP at 8,500'. Pressure test to 7K psi. 9) TIH w/ bit & scraper to PBTD. Circulate hole to 2% KCL water. 10) Run GR/CCL/CBL from PBTD to 7,000'. Locate TOC with CBL. 11) Perforate 8,398' - 8,404' & perform breakdown. Perforate 7,510' - 7,514'; 8,208' - 8,212'; 8,222' - 8,232'. 12) Fracture stimulate with										
77,500 lbs CarboLite + 7,500 lbs FlexSand using 30# Viking Fluid at 48 bpm. 13) Flowback and test. 14) Check TD on SL and prep to install production equipment.											
²³ I hereby ce	²³ I hereby certify that the information given above is true and complete to the										
best of my knowledge and belief. I further certify that the drilling pit will be						OIL CONSERVATION DIVISION					
constructed according to NMOCD guidelines ⊠, a general permit □, or an (attached) alternative OCD-approved plan □.											
						Approved by:					
Signature: SUL						CHE DISTRICT SUPERVISOR/GENERAL MANAG				SENERAL MANAGE	
Printed name: Shannon Klier						Title:					
Title: Operations Engineering Manager						Approval Date	Approval Date: Expiration Date:				
			boldenergy.co	m		JUN	0 6 20	07			
					00	Conditions of A	nnrovol A	ttached			
Date: 5/4/07 Phone: 432-686-1100					L CONDITIONS OF F	τρριοναι Α					

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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 & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number				² Pool Code		³ Pool Name					
3			97051		Bell Lake; Delaware, South						
⁴ Property Code		⁵ Property Name							⁶ Well Number		
35983			Bell Lake							023	
⁷ OGRID No.		⁸ Operator Name								⁹ Elevation	
233545		BOLD ENERGY, LP								3,620'	
¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County	
к	31	235	34E		1,650	s	1,650	w		Lea	
¹¹ Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line	County	
¹² Dedicated Acres ¹³ Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No.											
40											
				I							

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.

16		¹⁷ OPERATOR CERTIFICATION
		I hereby certify that the information contained herein is true and complete to the
		best of my knowledge and belief, and that this organization either owns a
		working interest or unleased mineral interest in the land including the proposed
		bottom hole location or has a right to drill this well at this location pursuant to
		a contract with an owner of such a mineral or working interest, or to a
		voluntary pooling agreement or a compulsory pooling order heretofore entered
		by the division.
		SUL: 5/4/07
		Signature Date
		Shannon L Klier
		Printed Name
		 ¹⁸ SURVEYOR CERTIFICATION
		I hereby certify that the well location shown on this plat was
		plotted from field notes of actual surveys made by me or under
		my supervision, and that the same is true and correct to the
		best of my belief.
	•	Date of Survey
		Signature and Seal of Professional Surveyor:
		Certificate Number

BOLD ENERGY, LP

Bell Lake #23 Delaware Completion Procedure Sec 31-T23S-R34E, 660' FSL & 1650' FEL Bell Lake Field Lea County, New Mexico

See Attached Wellbore Schematic

Contact Information:

Field Foreman: Joe Thomas 432-208-7868 (M) 830-734-8955 (alt.) Engineering: Shannon Klier 432-686-1100 (O) 432-296-8602 (M)

WELLBORE PREPARATION (AFE # 700015)

- 1. Bleed pressure off tubing.
- Use fresh water for well control and ND WH & 7-1/16" X 7-1/16" 10K psi spool. NU 10K psi hydraulic BOP with blind rams on bottom and 10K psi valve on the body outlet below blind rams. Ensure that choke manifold is tied into 4-1/2" x 7" casing valve and tested with BOP.
- 3. POOH w/ packer standing back 2-3/8" tubing.
- 4. MIRU WL unit. Set CIBP at 12,630'.
- 5. Move in 200+ bbls 12.6 ppg mud.
- 6. TIH w/ 2-3/8" tubing to PBTD. Spot 35' of cement on CIBP at 12,630'.
- 7. Circulate well to 12.6 ppg mud.
- 8. POOH standing back 2-3/8" tubing. Keep casing full of 12.6 ppg mud while POOH.
- 9. MIRU WL unit and perforate squeeze holes at 12,050' (50' below 7" casing shoe).
- 10. With blind rams shut, establish circulation through squeeze holes pumping down the 4-1/2" casing and taking returns up 4-1/2" x 7" annulus.

Note: Care should be taken to completely circulate well to condition and balance mud before moving forward. Circulate conventional through choke manifold. Make note if mud is gas cut anywhere in annulus while circulating. Full circulation thru these perfs <u>may</u> indicate pipe is free above it.

- 11. If full returns is established and wellbore stabilized, install 4-1/2" casing rams in BOP. Chemical cut 4-1/2" casing at 12,050'.
- POOH laying down 4-1/2" casing on trucks installing thread protectors on each joint.
- 13. Keep hole full of 12.6 ppg mud while POOH. Monitor fill up.

Note: Casing should weigh 131,000 lbs buoyed.

- 14. After 4-1/2" casing is laid down, change rams and run open-ended 2-3/8" tubing inside 4-1/2" casing stump to 12,100'. Spot cement plug from 11,950' to 12,100'. WOC as required and tag plug.
- 15. POOH laying down 2-3/8" tubing. Move tubing to Bold Energy pipe yard.
- 16. RU WL unit. Set 7" CIBP at 9,000'. Pressure test to 7,000 psi.

IF CASING WILL NOT PULL AFTER CASING CUT IN STEP 11 PROCEED AS FOLLOWS:

- 17. If casing won't pull after casing cut in step 11 (full returns or not), change rams and RIH w/ cement retainer and set at 11,950'. Pump sufficient cement to blanket 11,950' 12,050' inside and out. Dump 35' of cement on retainer.
- 18. Do not freepoint casing. Change rams and chemical cut 4-1/2" at 11,400'.

Note: If circulation was not established through perfs at 12,050', use "Casing Punch" type gun to perforate circulation holes at 11,410'. Re-establish circulation and condition mud, then perform chemical cut of 4-1/2" casing at 11,400'.

- 19. POOH laying down 4-1/2" casing on trucks installing thread protectors on each joint.
- 20. Keep hole full of 12.6 ppg mud while POOH. Monitor fill up.
- 21. After 4-1/2" casing is laid down, change rams and run open-ended 2-3/8" tubing inside 4-1/2" casing stump to 11,450'. Spot cement plug from 11,350' to 11,450'. WOC as required and tag plug.
- 22. POOH laying down 2-3/8" tubing. Move tubing to Bold Energy pipe yard.
- 23. RU WL unit. Set 7" CIBP at 9,000'. Pressure test to 7,000 psi.

DELAWARE COMPLETION PROCEDURE (AFE # 700016):

- 24. Truck in 9,000' of 2-7/8" tubing from Bold Energy stock.
- 25. TIH w/ bit and scraper to PBTD.
- 26. Pickle casing w/ 500 gallons 7-1/2% HCL acid.
- 27. Displace pickle acid leaving hole full of 2% KCL water + 2 gpt surfactant.
- 28. POOH laying down 2-7/8" tubing.
- 29. ND BOPE. NU frac stack consisting of a 7-1/16" 10K frac valve, flow cross with valves, and 7-1/16" frac valve on top of the cross.
- 30. Ensure that flowback tank, choke manifold & flowback iron is rigged up to casing valve and secured using existing anchors.
- 31. MIRU WL unit with 5K psi pressure control equipment.
- 32. With 2,000 psi applied at surface, run GR, CCL, CBL from PBTD to 7,000'. Locate TOC with bond log. TOC located at 4,800' by temperature survey. Correlate depth to Halliburton Spectral Density Dual-Spaced Neutron log dated 19-NOV-06. Call with CBL results once available.
- 33. RIH with 4" expendable casing gun loaded with 38.5 gm charges w/ 0.44" EHD and perforate as follows:

o 8,398' – 8,404' 18 shots at 3 spf 120° phasing

- 34. POOH with gun. Perform breakdown at 10 bpm using 20 bbls of 2% KCL water + 2 gpt surfactant. Record ISIP, 5, 10 & 15 min SIP's.
- 35. RIH with 4" expendable casing guns loaded with 38.5 gm charges w/ 0.44" EHD and perforate as follows:
 - o 7,510' 7,514' 12 shots at 3 spf 120° phasing
 - o 8,208' 8,212' 12 shots at 3 spf 120° phasing
 - 8,222' 8,232' 30 shots at 3 spf 120° phasing
- 36. POOH w/ guns. Inspect to insure all shots fired.
- 37. Have 5 frac tanks loaded with 2% real KCL water.
- 38. MIRU BJ Services frac equipment for a single-stage frac treatment as follows:
 - 77,500 lbs 20/40 CarboLite
 - 7,500 lbs FlexSand
 - Slurry Blending Equipment
 - Continuous-Mix Gel unit (tanks will not be gelled)
 - Acid transports containing 8,000 gallons 15% NEFE acid inhibited for 151°F.
 - Liquid HHP for 48 bpm at 7,500 psi.
 - Back up HHP equivalent to 24 bpm at 7,500 psi.
 - Computer Monitoring Vehicle with all critical data displayed and recorded.
 - Field Lab properly equipped with QA equipment for performing proppant, base fluid, xlink & breaker tests on location.
 - Chemicals used for Fann 50 testing to be quarantined for treatment.
- 39. Have 2" CT unit, nitrogen pump and (2) two nitrogen transports standing by on lease road to cleanout well in the event of a screenout.
- 40. Sierra Engineering to perform pre-job testing and supervise execution of treatment.
- 41. Hold safety meeting and discuss location hazards, job procedure and contingency plans.
- 42. Prime up pumps and pressure test against lower WH master valve to 9,000 psi. An acceptable test will have a final bleed off rate no greater than 95 psi/minute. Bleed pressure to 1,000 psi above SICP.
- 43. Open wellhead valves. Begin pumping acid at 12 bpm. With all of the acid pumped, swap to WF30 and increase rate to 48 bpm. Ensure that full rate is achieved when acid hits formation. Pump treatment per attached schedule. Do not exceed a maximum allowable pressure of 7,900 psi. Obtain 5, 10 & 15 min SIP's.
- 44. Shutdown and release all frac equipment.
- 45. Once treatment is complete, immediately open to flowback tank on an 18/64" choke. Adjust flowrate as necessary to obtain a liquid recovery rate of 50 bwph.
- 46. Flow well until dead or until a stabilized rate is achieved.
- 47. RU SL unit and tag TD.
- 48. Prepare to install production equipment.

CURRENT



PROPOSED

