

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

|   |  |   |
|---|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.<br>30-025-38291  |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>Bold Energy, LP  |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator<br>415 W. Wall Street, Suite 500, Midland, TX 79701  |  | 7. Lease Name or Unit Agreement Name<br>Bell Lake   |
| 4. Well Location<br>Unit Letter <b>B</b> : <b>660'</b> feet from the <b>North</b> line and <b>1980'</b> feet from the <b>East</b> line<br>Section <b>7</b> Township <b>23S</b> Range <b>34E</b> NMPM Lea County                     |  | 8. Well Number<br>#24   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br><b>3468'</b>  |  | 9. OGRID Number<br>233545   |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>  |  | 10. Pool name or Wildcat <i>Undesignated</i><br>Bell Lake; Morrow, North (Gas) (Delaware)           |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ |  |   |

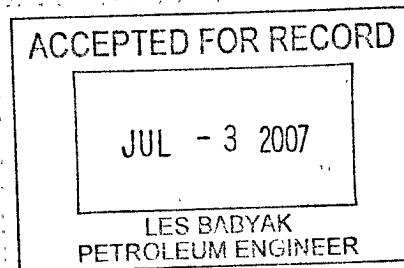
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| NOTICE OF INTENTION TO:                        |  | SUBSEQUENT REPORT OF:                            |  |
|--|--|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/>        | REMEDIAL WORK <input type="checkbox"/>           | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input checked="" type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>          | CASING/CEMENT JOB <input type="checkbox"/>       |  |
| OTHER: <input type="checkbox"/>                |  | OTHER: <input type="checkbox"/>                  |  |

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.

Bold Energy, LP respectfully requests to change the Bottom Hole Target from the Bell Lake; Morrow, North (Gas) to the Undesignated (Delaware). TD is changing from 13,550 to a TD of 8600', to make the objective the Delaware Sands (6700'-8460').

With this change the Drilling Program is also being changed. Please find attached a copy of the new drilling and cementing program along with a new copy of the C-102.



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

TITLE Agent for Bold Energy, LP DATE June 28, 2007

Type or print name  
 For State Use Only

E-mail address:

Telephone No.

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

APPROVED BY:

TITLE

DATE

JUL 09 2007

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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                            |                              |                                      |
|----------------------------|------------------------------|--------------------------------------|
| API Number<br>30-025-38291 | Pool Code                    | Pool Name<br>Undesignated (Delaware) |
| Property Code<br>35983     | Property Name<br>BELL LAKE   | Well Number<br>24                    |
| OGRID No.<br>233545        | Operator Name<br>BOLD ENERGY | Elevation<br>3468'                   |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B             | 7       | 23 S     | 34 E  |         | 660           | NORTH            | 1980          | EAST           | LEA    |

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/West line | County |
|---------------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
|                           |                 |                    |           |         |               |                  |               |                |        |
| Dedicated Acres<br>314.57 | Joint or Infill | Consolidation Code | Order No. |         |               |                  |               |                |        |

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

|  |  |   |
|--|--|---|
| <p>314.57<br/>Acres Total<br/>2 Leases</p> | <p>3469.0' - 3464.1'<br/>3475.8' - 3467.8'</p> <p>1980'</p> <p>NMLEC<br/>064881<br/>40 Acres</p> | <p>OPERATOR CERTIFICATION</p> <p>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 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.</p> <p><i>Lee Ann Rollins</i> 7/2/07<br/>Signature Date</p> <p>Lee Ann Rollins<br/>Printed Name</p> |
| <p>NMLEC<br/>065194<br/>274.57 Acres</p>   | <p>LAT-N32°19'28.5"<br/>LONG-W103°30'25.7"<br/>(NAD 83)</p>                                      | <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>SEPTEMBER 6, 2006</p> <p>Date Surveyed</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>Gary L. Jones</i></p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>  |

# Drilling Prognosis

## Revised / Delaware Objective

June 26, 2007

Operator: BOLD ENERGY, LP Field: Undesignated (Delaware)  
Well: Bell Lake Unit #24 API: 30 - 025 - 38291  
Drilling Permit: Approved by BLM - 1/19/07 AFE: 0600025

### General Information

Location: 660' FNL & 1980' FEL, Section 7 - T23S - R34E Lea County, New Mexico  
Elevation: 3468' GL TD: 8600' RKB: 18'  
Objective: Delaware Sands 6700' - 8460'  
Drilling Contractor: Nabors Drilling #142  
Contractor Office: 432 / 550-7808 Superintendent: Don Nelson (664-9990)  
Toolpushers: Roy Brumfield / Martin Alvarado Cell: 432 / 664-9942  
Sierra Supervisor: Tony Vickery / Greg Fore Cell: 432 / 557-1223

### Drilling Program

| Hole Size | Depth | Casing | Weight | Grade | Connect | Cement | TOC     |
|-----------|-------|--------|--------|-------|---------|--------|---------|
| 12 1/4"   | 1060' | 8 5/8" | 24     | J-55  | STC     | 600 sx | Surface |
| 7 7/8"    | 8600' | 5 1/2" | 17     | L-80  | LTC     | TBD    | 850'    |

### Wellhead / BOPE

|          |                       |                                    |                           |
|----------|-----------------------|------------------------------------|---------------------------|
| Wellhead | 11" - 3K x 8 5/8" SOW | 11" - 3K x 7 1/16" - 5K            | Rod Pumping Configuration |
| BOPE     | SRRAG                 | 13 5/8" - 5K Stack from 1060' - TD |                           |

### Mud Program

| Interval      | Type      | MW        | VIS     | FL |
|---------------|-----------|-----------|---------|----|
| 0 - 1060'     | FW - Spud | 8.4 - 9.2 | 32 - 34 | NC |
| 1060' - 8600' | Brine     | 10.0      | 28 - 30 | NC |
|               |           |           |         |    |
|               |           |           |         |    |

Company: NOVA MUD, INC. 432 / 570-6663 Office: Dale Welch / Tech Advisor 432 / 557-1228  
Engineer: Rick Rippy 505 / 631-9597 Warehouse: 800 / 530-8786

**Geological Data**

**Geologist:** John Worrall    **Phone:** 505 / 622-5893 office    432 / 230-9431 cell    Home: 505 / 622-2768

**Estimated Formation Tops: (RKB=3485')**

| Formation     | Subsea | MD    | Formation   | Subsea  | MD            |
|---------------|--------|-------|-------------|---------|---------------|
| Rustler       | 2455'  | 1030' | Target Sand | -3305'  | 6790' – 7015' |
| Salt          | 2285'  | 1200' | Target Sand | -4305'  | 7790' – 7805' |
| Anhydrite     | 355'   | 3130' | Target Sand | -4755'  | 8240' – 8265' |
| Salt          | -365'  | 3850' | Target Sand | -4785'  | 8270' – 8275' |
| Anhydrite     | -875'  | 4360' | Target Sand | -4865'  | 8350' – 8370' |
| Delaware      | -1385' | 4870' | Target Sand | -4965'  | 8450' – 8460' |
| Cherry Canyon | -2360' | 5845' | Bone Spring | -9935'  | 8480'         |
| Bs Manzanita  | -2490' | 5975' | TD          | -10065' | 8600'         |

**Evaluation Program**

**Mud Logs:** 4850' to TD    **Mud Logger:** WOODCO Logging / Paul Amancio

**Phone:** Jim Wood 505 / 887-2469 office    505 / 361-3059 cell

**DST / Coring Intervals:** None Anticipated

**E-Log Suite:** Triple Combo TD – 4850'. Pull GR - N to surface. Potential 20 SWC No RFT's

**Logging Company:** Halliburton    **Contact:** Richard Kelley

**Location:** Hobbs, New Mexico    **Phone:** 505 / 914-0324 cell    505 / 392-0776 office

**Completion**

Completion is expected to be a single, rod-pumped Delaware oil well. Intervals within objective zone will be selectively perfed, fraced down 5½" casing and placed on rod pump.

**Emergency Contacts / Notifications**

|                    |                         |                           |   |
|--------------------|-------------------------|---------------------------|---|
| Sierra Engineering | Drilling Superintendent | Russ Ginanni              | 432 / 425-7450 cell<br>432 / 683-8000 off |
| Sierra Engineering | HSE Manager             | Montie Low                | 432 / 559-8950 cell<br>432 / 683-8000 off |
| Bold Energy, LP    | President               | Joe Castillo              | 432 / 230-0202 cell<br>432 / 686-1100 off |
| Bold Energy, LP    | VP – Engineering        | David Cox                 | 432 / 230-9778 cell<br>432 / 686-1100 off |
| BLM                | Hobbs Field Station     | Notifications Engineering | 505 / 393-3612<br>505 / 706-2779          |

**Directions**

From the junction of County Road 21 and State Highway 128, **(1)** go north on CR 21 for 7.3 miles to lease road on right; **(2)** turn east 0.2 miles to newly constructed road on left and follow north into location.

# BOLD ENERGY, LP

## Bell Lake Area (Delaware) - Cementing Program

**Note: cement types, volumes and slurry designs may change based on hole conditions (lost circulation, washout severity, pay zone depths, etc.).**

### 133/8" Surface Casing - cement to be circulated to surface

Cement surface casing with 350 sx 35:65 POZ - Class "C" w/ 3%  $\text{CaCl}_2$ , 6% gel, 5 PPS kolite and  $\frac{1}{4}$  PPS cello flake (12.6 ppg, 1.99 yield) followed by 250 sx Class "C" containing 2%  $\text{CaCl}_2$  and  $\frac{1}{4}$  pps of cello flake (14.8 ppg, 1.34 yield). Displace wiper plug with freshwater. Pump sufficient cement to circulate to surface - add additional LCM if needed and consider adding an additional lead slurry of "thixotropic" cement if lost circulation warrants its use.

?

does not  
match revised  
Delaware design  
CW

### 85/8" Intermediate Casing - cement to be circulated to surface

Cement 85/8" casing w/ 650 sx 50:50 POZ - Class "C" with 5% salt, 10% gel,  $\frac{1}{4}$  PPS cello-flake and 5 PPS kiloite (11.8 ppg, 2.45 yield) followed by 200 sx Class "C" with 2% calcium chloride (14.8 ppg, 1.34 yield). Displace wiper plug with freshwater.

### 5 1/2" Production Casing - TOC @ 4500' = 300' above 85/8" shoe

Cement production casing with 200 sx 50:50 POZ - Class "H" containing 10% gel and 0.3% FLA followed by 400 sx 15:61:11 POZ - Class "H" - CSE-2 containing 3% salt, 5 PPS kolite, 0.5% FL-25, 0.5% FL-52A and 0.5% BA-10A. Displace wiper plug with freshwater.