

OCD-HOBBS

Amended 7/23/07
ATS-07-571
EA-07-288Form 3160-3
(February 2005)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTERFORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

1a Type of work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. LC 06134A 061374A	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6 If Indian, Allottee or Tribe Name N/A	
2 Name of Operator Bold Energy, LP 233545		7 If Unit or CA Agreement, Name and No. N/A	
3a Address 415 West Wall Street Midland, Tx 79701		8. Lease Name and Well No Bell Lake #28 <35983>	
3b Phone No. (include area code) 432-686-1100		9. API Well No. 30-025-38565	
4 Location of Well (Report location clearly and in accordance with any State requirements) At surface 660' FSL & 660' FWL Unit M At proposed prod. zone 660' FSL & 660' FWL		10. Field and Pool, or Exploration Undesignated (Delaware) South	
11 Sec, T, R M or Blk and Survey or Area Section 5, T24S, R34E		12 County or Parish Lea County	
13 State NM		14 Distance in miles and direction from nearest town or post office* Approximately 20 miles Southwest from Jal, New Mexico	
15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drig unit line, if any)	660'	16 No. of acres in lease 440	17 Spacing Unit dedicated to this well 40
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft	7400'	19. Proposed Depth 8950'	20 BLM/BIA Bond No. on file NMB# 00314 000314 CR 7/25/07
21 Elevations (Show whether DF, KDB, RT, GL, etc) 3591 GL	22. Approximate date work will start* 09/13/2007	23. Estimated duration 60 Days	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form

- Well plat certified by a registered surveyor
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office)
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25 Signature <i>Lee Ann Rollins</i>	Name (Printed/Typed) Lee Ann Rollins	Date 07/23/2007
Title Agent for Bold Energy, LP		

Approved by (Signature) /s/ James Stovall	Name (Printed/Typed) /s/ James Stovall	Date SEP 18 2007
Title FIELD MANAGER		

CARLSBAD FIELD OFFICE

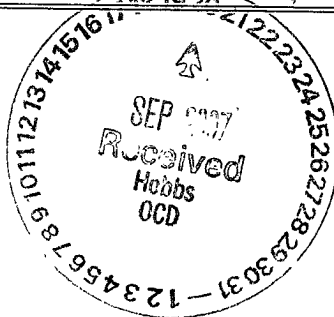
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon
Conditions of approval, if any, are attached

APPROVAL FOR TWO YEARS

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)

Carlsbad Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

Amended 7-23-07


STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Bold Energy, LP
415 W. Wall, Suite 500
Midland, Texas 79701

The undersigned accepts all applicable terms, conditions, stipulations and restrictions covering operations conducted on the leased land or portion thereof, as described below:

Lease No: NMLC ~~06134A~~ **061374A** *CR 9/17/07*
Legal Description of Land: Section 5, T24S, R34E
660' FSL & 660' FWL
Lea County, NM
Bell Lake #28
Formation(s) (if applicable): Undesignated (Delaware)
Bond Coverage: \$25,000 statewide bond of Bold Energy, LP
BLM Bond File No: NMB 000314

9/24/07
Date



Peggy Kerr
Bold Energy, LP