1301 W. Grand Avenue, Artesia, NM 86210 DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410		OIL	122	20 South	St.	DN DIVIS Francis Dr. Texico 87505	ION	State Lease - Fee Lease -		
DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87505								CI AMENDED	REPORT	
		,	WELL LO	CATION	AND AC	REA	GE DEDICATI	ON PLAT		
API Number		Pool Code				PoebNama	Lake	ملہ		
3D-025-38566 Property Code		1/05/ <u>Undesignate</u> Property Name				ed (Delaw	are) Sout Well Nu	mber		
Property Code		BELL LAKE					29			
OGRID No.		^{Operator Name} BOLD ENERGY, LP						Elevation 3595'		
233545		L	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	5	24 S	34 E		231	0	SOUTH	1980	WEST	LEA
		L	Bottom	Hole Loo	ation If	Diffe	rent From Sur	face		
UL or lot No. Se	ection	Township	Range	Lot Idn	Feet from	the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint o	n Infill Co	nsolidation	Code Or	der No.					
40	JOINT O									
	ABLE W	TILL BE AS	SSIGNED '	FO THIS	COMPLETI	ON U	NTIL ALL INTER	ESTS HAVE BE	EN CONSOLIDA	ATED
		ORAN	NON-STAN	DARD UN	IT HAS B	EEN	APPROVED BY	THE DIVISION	/	
	T							OPERATO	R CERTIFICAT	ION
								I hereby cen contained herei	rtify that the inform n is true and compl	ration lete to
	Í					1		the best of my	knowledge and belief n either owns a work ased mineral interest	and that
								land including location pursua	the proposed bottom l nt to a contract with 1 mineral or working	an an
						1		or to a voluntar compulsory pool	ry pooling agreement ing order heretofore	07 a
	+			↓		+-		the division.	DA	11.1
	Í	•						Rech	Alla Rollin	ניס רוןי
								Signature		Date
								Lee A	n Jolla	<u>ک</u>
	ĺ	Lat – N32*1 Long – W10)3*29'38.97"			i		Printed Nam	e	
	ļ	(NAD- 3599.0'	83) 3592.9'					SURVEYO	R CERTIFICAT	NON
		I.	1	•				I hereby certify	that the well locat	ion shown
19	980'—	<u> </u>				ļ			is plotted from field made by me or	
	ļ	3596.2	,			I			d that the same is e best of my belie	
	4	3596.2	3593.7'							
								JUI Date Survey		
			40 acres			+-		_ Signature	A DELTICE	\wedge
	I	2310				ļ		Professional	THE DE	
								W.e		
	ĺ					i		Certificate No	o. Gary L. Jones	7977
		ļ				ļ		R/	SIN SURVEYS	
L	l.	I		L		_ _				

Form C-102 Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 · DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210 . DISTRICT III

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit "A"

Drilling Prognosis Preliminary August 12, 200							st 12, 2007			
Oper	ator: BOLD ENERGY, LP					Field:	Undesigna	Undesignated (Delaware)		
Well:	Bell Lake #29					API: _	30 - 02	0 - 025 - Pending		
Drilling Permit: <u>BLM Approval - Pending</u>					<u></u>	AFE: _	E: Pending			
General Information										
Locat	ion: <u>23</u> 1	2310' FSL & 1980' FWL, Section 5 - T24S - R34E Lea County, New M					y, New Me	<u>kico</u>		
Eleva	tion:	3595' GL			:	<u>8980'</u> RKB: <u>18</u>				
Objec	tives: <u>Bru</u>	shy Cany	<u>yon "A" &</u>	"I" Sands	7395	<u>;' - 7410' 8</u>	8495' - 85	35'		
	_Kai	ser – Fra	ncis Oil Co	mpany Obj	iective: I	Bone Spring L	<u>S @ 8810' -</u>	8910'		
Drillin	Drilling Contractor:Nabors Drilling #142									
Contr	Contractor Office:									
Toolp	ushers:	Roy E	Brumfield /	Martin Alva	<u>irado</u>		432 / 664-994			
	Supervisor:						432 / 557-122			
Drilli	ng Program			,	*	~		· · ·	,	
	.99					-				
Hole	e Size De	pth	Casing	Weight	ght Grade Con		ct Cement		тос	
1	2¼" 12	250'	8 5/8"	24	J-55	STC	6	675 sx		
7.	77/8" 898		5½"	17	7 L-80			0 5500' & 700 sx	1000'	
Wellhead / BOPE										
Wellhead Larkin FIG 92 SOW - 2000 psi 8					Larkin FIG 92 Larkin Typ //8" 8R - 3000 psi 5½" 8R - 3			kin Type "R 8R - 3000		
BOPE SRRA			13 5/8" - 5K Stack 1250' - TD							
Mud Program										
	Interval		Туре			MW	VIS	FL		
	0' - 1250'		FW - Spud			8.4 - 9.2	34 - 38	NC		
	1250' - 8950'		Brine w/ sweeps		10.0 - 10.2 28 - 30		NC	NC		
Comp	Company:NOVA_MUD, INC. 432 / 570-6663 Office:Dale Welch / Tech Advisor 432 / 557-1228						557-1228			
Engineer: <u>Rick Rippy</u> 505 / 631-9597 . Warehouse: 800 / 530-8786										
.							<u>-</u>			

YY	Oloolical Dala	N		and a second a second	-	AND
Geo		orrall Phone	e: <u>505 / 622-5</u>	893 office 432 / 230-9		lome: 505 / 622-
ธร ถ โ		Subsea	MD	Formation	Subsea	MD
╞	Formation	2439'	1220'	Brushy Canyon "A"	-3796'	7395' - 7410
-	Rustler	2439	1220	Brushy Canyon "I"	-4896	8495' - 8535
-	Salt					0400 - 0000
-	Anhydrite					
-	Salt	-1551'	5150'	Bone Spring LS	-5211	8810'
-	Delaware		6080'	Bone Spring LS, Base	-5211	8910'
╞	Cherry Canyon	-2481'	0000	TD	-5381'	8980'
L	Bs Manzanita				-0001	0900
EV	aluation Progr	am. A start	the second			·····
E-L Log	.og Suite: <u>Tri</u> j gging Company:	Halliburton	<u>5000'.</u> Pull GF _ Con	- N to surface. Potentia tact: <u>Richard Kelley</u> ne: 505 / 914-0324		
E-L Log Loc	.og Suite: <u>Tri</u> gging Company: cation: <u>Hobb</u>	ple Combo TD – Halliburton Is, New Mexico	<u>5000'. Pull GF</u> _ Con _ Pho	tact: <u>Richard Kelley</u> ne: <u>505 / 914-0324</u>	cell 505 / 3	392-0776 office
E-L Log Loc	og Suite: <u>Tri</u> gging Company: cation: <u>Hobb</u> mpletion Completion is exp be selectively per	<u>ple Combo TD –</u> <u>Halliburton</u> <u>s, New Mexico</u> <u>bected to be a s</u> fed, fraced dowr modate future co	5000'. Pull GF Con Pho ingle, rod-pump 51⁄2" casing an ompletion by Ka	tact: <u>Richard Kelley</u> ne: <u>505 / 914-0324</u> ed Delaware oil well. Inte d placed on rod pump. (N iser-Francis Oil Company.	cell 505/3 rvals within c	992-0776 office bbjective zone w sed through Bon
E-L Log Loc	og Suite: <u>Tri</u> gging Company: cation: <u>Hobb</u> mpletion Completion is exp be selectively per Springs to accomm	ple Combo TD – Halliburton s, New Mexico bected to be a s fed, fraced dowr modate future co acts / Notifi	5000'. Pull GF Con Pho ingle, rod-pump 51⁄2" casing an ompletion by Ka	tact: <u>Richard Kelley</u> ne: <u>505 / 914-0324</u> ed Delaware oil well. Inte d placed on rod pump. (N iser-Francis Oil Company.	cell 505 / 3 rvals within c ote: to be cas) 432 /	992-0776 office bbjective zone w sed through Bon
E-L Log Loc	og Suite:Tri gging Company: cation:Hobb mpletion Completion is exp be selectively per Springs to accommergency Conta	ple Combo TD – Halliburton s, New Mexico bected to be a s fed, fraced dowr modate future co acts / Notifi	5000'. Pull GF Con Pho ingle, rod-pump 5½" casing an pompletion by Ka cations	tact: <u>Richard Kelley</u> ne: <u>505 / 914-0324</u> ed Delaware oil well. Inte d placed on rod pump. (N iser-Francis Oil Company.	cell 505 / 3 rvals within coote: to be case 3 ////////////////////////////////////	392-0776 office objective zone w sed through Bon 425-7450 cell
E-L Log Loc	og Suite: <u>Tri</u> gging Company: cation: <u>Hobb</u> mpletion Completion is exp be selectively perf Springs to accommengency Conta Sierra Engineerin	ple Combo TD – Halliburton s, New Mexico bected to be a s fed, fraced dowr modate future co acts / Notifi	5000'. Pull GF Con Pho ingle, rod-pump of 5½" casing an ompletion by Ka cations	tact: <u>Richard Kelley</u> ne: <u>505 / 914-0324</u> ed Delaware oil well. Inte d placed on rod pump. (N iser-Francis Oil Company. t Russ Ginanni	cell 505 / 3	292-0776 office objective zone w sed through Bon 425-7450 cell 683-8000 off 559-8950 cell
E-L Log Loc	og Suite: gging Company: cation:Hobb impletion Completion is exp be selectively perf Springs to accommengency Conta Sierra Engineerin Sierra Engineerin	ple Combo TD – Halliburton Is, New Mexico bected to be a s fed, fraced dowr modate future co acts / Notifi ng Drilling ng HSE M Presid	5000'. Pull GF Con Pho ingle, rod-pump of 5½" casing an ompletion by Ka cations	tact: <u>Richard Kelley</u> ne: <u>505 / 914-0324</u> ed Delaware oil well. Inte d placed on rod pump. (N iser-Francis Oil Company. t Russ Ginanni Montie Low	cell 505 / 3	392-0776 office objective zone w sed through Bon 425-7450 cell 683-8000 off 559-8950 cell 683-8000 off 230-0202 cell

From the intersection of CR 21 and State Highway 128 (1) go north on CR 21 for 3.0 miles to Shell Road; (2) turn right (east) onto Shell Road for 0.9 mile to lease road; (3) turn right and follow road south for 0.2 mile to new lease road on left (4) turn left and follow this road into location.

Drilling Prognosis

July 7, 2007

BOLD ENERGY, LP **Operator:** Bell Lake Unit #29

Additional Information

Casing-minimum safety factors for burst/collapse/tension: 1.0 for burst, 1.3 for collapse, 2.0 for tensile

Indicate whether casing is new or used: All casing will be new

BOP kill line size: 2"

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Well:

BOP frequency of testing while drilling: Pressure tested per Onshore Order #2 when installed, function tested daily

CARTE CONSTRUCTION

. 1 .

Proposed trajectory, plan view, vertical view Vertical wellbores, no directional drilling is planned

Drilling Prognosis

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	LD ENERGY, LP Lake Unit #29				
Additional Informat	lion				
Geological Information					
Canyon formation. All	rmations will be from 7000 to 8800 in the Delaware Mountain Group Brushy of the Bell Canyon and Cherry Canyon sandstones contain salt brine formation water expected is between surface and the depth of surface casing.				
Anticipated BHP: Brushy Canyon "A": Brushy Canyon "I": Bone Spring:	3,050 psi 3,500 psi 3,650 psi				

BOLD ENERGY, LP

Bell Lake #29 2310' FSL & 1980' FWL Section 5 - T24S - R34E Lea County, New Mexico

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Cementing Program

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

8 5/8" Surface Casing @ 1250':

Cement with 400 sx 35:65 POZ - Class "C" w/ 2% CaCl₂, 6% gel and $\frac{1}{4}$ PPS of cello-flake (12.8 ppg, 1.83 yield) followed by 200 sx Class "C" containing 2% CaCl₂ and $\frac{1}{4}$ PPS of cello flake (14.8 ppg, 1.34 yield). Excess cement volume = 100%.

If lost circulation occurs during drilling of surface hole the program may be revised to increase volumes, increase the amount of LCM used and / or add a lead slurry of "thixatropic" cement.

5¹/₂" Production Casing:

Note: cement volumes are based on the DV Tool being placed @ 5000', however, the tool depth may be adjusted based on drilling results and open hole logs in order to optimize cementing results.

Stage 1

Cement with 200 sx 50:50 POZ : Class "H" cont'g 5% salt, 10% gel & 0.3% FL52-A (11.8 ppg, 2.45 yield) followed by 450 sx of 50:50 POZ - Class "H" cont'g 5% salt, 2% gel, 0.2% sodium metasilicate & 0.5% FL-25A (14.2 ppg, 1.30 yield). Excess cement volume = 50%.

Stage 2

Cement w/ 450 sx Class 50:50 POZ - Class "C" cont'g 5% salt, 10% gel, 5 PPS LCM-1 & ¼ pps cello-flake (11.8 ppg, 2.45 yield) followed by 100 sx Class "C" (14.8 ppg, 1.33 yield).

Excess cement volume = 50% with a planned overall TOC @ 1000' and the expectation that cment will be circulated to the DV Tool on Stage #1 and to the surface on Stage #2. The volumes will be adjusted based on an open hole caliper log.

BOLD ENERGY, LP

Bell Lake Nos. 27, 28, 29, 30

Lea County, New Mexico



3" Remote Adjustable Choke To Pit and/or Mud-Gas Separator



Exhibit "C"





