THED		OCD-ART	ESIA			
REGigne 11035	-UNITED-STATES				FORM_APPROVED OM B No 1004-0135	
SFP 07 2010 DEPA.	REConstants September 2001 SEP 07 2010 BUREAU OF LAND MAN			Expires January 31, 2004 5. Lease Senal No.		<u></u>
ARTESSANDRY NOT	ARTESSINDRY NOTICES AND REPORTS ON WELLS			LC-029420-B		
NMOCD I Do not use this for abandoned well. Us	m for proposals to se Form 3160-3 (A	o drill or to re-e. \PD) for such pro	nter an posals.	6. If Indian	a, Allottee or Tribe Name	
SUBMIT IN TRIPLIC	ATE- Other instru	uctions on revers	se side.	7. If Unit of	r CA/Agreement, Name and/or N	0.
I. Type of Well Oil Well Gas V	Vell 🗆 🚺 Other			8. Well Nar	ne and No.	
2. Name of Operator Judah Oil, LLC	2. Name of Operator Judah Oil, LLC			Dow "B" Federal #1 9. API Well No.		
3a Address	1	3b. Phone No. (include area code)		30-015-28440 28676		
P.O. Box 568 Artesia, NM 88211-056 4 Location of Well (Foolage, Sec., T., R, M		575-746-1280		10. Field and Pool, or Exploratory Area Cedar Lake, East Morrow/Shugart		
UEN; 1450 feet FSL, and 2310 feet FY		11 County or Parish, State				
				Eddy, N	Eddy, NM	
12. CHECK APPROPI		NDICATE NATURE	E OF NOTICE, RE	EPORT, OR	OTHER DATA	
TYPE OF SUBMISSION	TYPE OF SUBMISSION TYPE OF ACTION					
Notice of Intent	Acidize	Deepen Fracture Treat	Production (Star	n/Resume)	Water Shut-Off	
	Casing Repair	New Construction	Recomplete	ndon	Other Change of Operat	lor
Einel Abandanment Mating	Convert to Injection	Plug Back	Water Disposal	1001	·····	
testing has been completed. Final Abanc determined that the site is ready for final As required per Onshore Orders, Judah Oll, LLC as a new operator the lease or portion of this lease as Operator Contact Info: Judah Oll, LLC	inspection ) Judah Oil, LLC has tak accepts all terms, cond	en over as operator fo	r Yeso Energy, Inc.	on the above ned for any a	described effective 8/11/2010	n
PO Box 568	SEE ATTAC					
	CONDITION		ROVAL		Corrected	
- Bonding Coverage LC-029420-B E	Bond Amount: \$25,000.	00 plus an additional S	5100,000.00 Bond #	NMB00451		
14. I hereby certify that the foregoing is t Name (Printed/Typed) James B. Sampanella	rue and correct	Title Mer	nber/Manager			<b></b>
Signature	B	Date	.08/	/11/2010		, <i>.</i> .
THIS	SPACE FOR FE	DERAL OR ST	ATE OFFICE U	JSE		:
Approved by /s/ JD WI	nitlock Jr	Title	LPET	Da	te 8/31/10	TION 1
Conditions of approval, if any, are attached. A certify that the applicant holds legal or equitat which would entitle the applicant to conduct or	ble title to those rights in th		ce CFO			CONSERVATION SSION we Mexico 472 Exhibit No. ed by: <u>June 29, 2011</u>
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. States any false, fictilious or fraudulent statem	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 Unit States any false, fictilious or fraudulent statements or representations as to any matter within its jurisdiction.					
(Instructions on page 2)				10-	18-10	C OIL Fe, N Fe, N J & L ubmit ate:
not open	ator of re	VIED De	NOCD (STS)	1748-128		BEFORE THE OL COMP Santa Fe, Santa Fe, Case No. <u>14547 &amp;</u> Subm JUDAH Hearing Date

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## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

## **Conditions of Approval**

## Judah Oil LLC

## Dalton Federal #1, Dow "28" Federal #1 and Gulf McKay Federal #1

1.

Submit plan for approval of well operations within 30 days of this approval to change operator.

The Bureau of Land Management (BLM) and Minerals Management Service (MMS) definition of a Shut-in (SI) or Temporarily Abandoned (TA) are as follows. Shut-in well is a completion that is physically and mechanically capable of production in paying quantities or capable of service use. The definition of a temporarily abandoned well is a completion that is not capable of production in paying quantities, but which may have value as a service completion.

43 CFR 3162.3-4 (C) requires that wells incapable of production in paying quantities be promptly plugged and abandoned and requires approval for any well temporarily abandoned for more than 30 days.

Therefore, an Operator must submit a Sundry Notice as a Notice of Intent prior to beginning any operation. It may be approved with condition of approval attached. You need to submit a plan for the well within in 30 days stating your intent for the well.

Do one of the following.

- 1. Return the well to production or beneficial use.
- 2. Submit notice of intent to plug and abandon.

If you decide to plug and abandon the well, submit a Sundry Notice (form 3160-5, original and 3 copies) describing the proposed plugging program with before and after diagrams of well bore.

If you decide to return the well to production, submit a Sundry Notice (form 3160-5, original and 3 copies). Include the date you anticipate the well being placed back in service. 43 CFR 3162.4-1(c) also requires you to notify the Authorized officer, not later than the fifth business day after production is resumed for any well which has been off production for more than 90 days, include the date on which such production was resumed. Notification may be by letter or Sundry Notice, or orally followed by letter or Sundry Notice.

2. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909