ROW	ocess	ing Ree Category Dete	rmination Decisi	ON .
		LPMA and MLA Rigl		
Application Serial Number:	Serial nu	imber will be assigned		
Applicant: Judah Oil LLC				
Address: PO Box 568, Arts	esia, NM	88211		
	•			
				•
Application for: Convert Do			•	
-				
Location: T. 17 S., R. 31 E.	., Sec. 28 -	IPA ·		•
Pre-Application Meeting Hel	d: 🗹 No	, □ Yes Esti	mated Processing R	equirements:
Date:		•	e of ROW:	LPMA
Land Use Plan Conformed?	$\Box N_0$	[7]	A Action Required: E	
·				
Personnel Needed for Proc	essing		g Fee Schedule for F	
Realty Specialist/	21.	i and	MLA Rights-of-Wa	ıy
Land Law Examiner	14	Processing and Monitoring	Federal Work Hours	Processing and Monitoring fee
Cultural/Paleontological	4	Category	INAUIAEG	per application as of January 1, 2010. To be adjusted
Resources				annually for changes in the IPD-GDP.
T and E Species	0			
Wildlife/Fisheries	4	1. Applications for new grants,	Estimated Federal work	\$111.00
Air/Water/Soils	. 0	assignments, renewels, and amendments to existing grants.	hours are >1 <=8.	
Recreation/Visual	0		· .	·
Cave/Karst	• 0	2. Applications for new grants,	Estimated Federal work	\$392.00
Range	0	assignments, renewels, and armendments to existing grants.	hours are >8 <=24.	•
Fluids/Minerals	4			
Administration/Contracting	0 0 4	3. Applications for new grants, assignments, renewels, and	Estimated Federal work hours are >24 <=36.	\$738.00
.Manager .	1	amendments to existing grants.	nouis are >24 <-30.	
Othe	0			
Othe	0	4. Applications for new grants, assignments, renewels, and	Estimated Federal work hours are >36 <=50.	\$1,057.00
Total Hours:	28	amendments to existing grants.	1.55.1.50.1.50.	
Total Mouls:	#0	5. Master agreements	Varies.	·
		3. Waster affeethents	varies.	
·				•
		6. Applications for new grants,	Estimated Federal work	
•		assignments, renewels, and	hours are >50.	
		amendments to existing grants.	i i	
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· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·		
be appropriate Processing Category occassing fees for Categories 1-4 are	for this app non-refund	lication is Category 3. The lable. See enclosed table for Cat	Processing fee for this Caregory definitions and fee	tegory is \$738.00 .
Prepared By:		fton, Owen	8/12/2010	
		ty Specialist	. Date	
Approved By:	· Lo	fton, Owen	8/12/2010	
	Autho	orized Officer	Date	

DatePrepared: 8/12/2010

BEFORE THE OIL CONSERVATION
COMMISSION
Santa Fe, New Mexico
Case No. 14547 & 14472 Exhibit No. M
Submitted by:
JUDAH OIL, LLC
Hearing Date: June 29, 2011

Processing Fee ID: PROCFEE-10-995

STANDAED FORM 199 (5/2009) Proscribed by DOMUSDA/DOT PL. 90647 and Fosteral Register Notice 5-22-95	book by DOI/USDA/DOT SIAT and Federal		PORM APPROVEU OMB NO. 1004-0189 Expires: April 30, 2012 FOR AGENCY USE ONLY	
preapplication meetin	ig with representatives of the functure recultements to be tr	applicant should completely review this package and achodule a agency responsible for processing the application. Each agency set in preparing and processing the application. Many times, with an ear be completed at the preapplication meeting.	Application Number Date filed	
l Name and address of app	licant (include zip code)	2. Name, title, and address of authorized agent if different from Item 1 (include zip code)	3. TELEPHONE (area code)	
Judah Otl, L.L.C		James B Campavella	Applicant	
PO Box 568		PO Box 568	575-746-1280 C3 Authorized Agent	
Artesia, NM 88211-0568		Artesia, NM 88211-0568	_	
			James B. Campanella	
4. As applicant are you? (ch	eck onej	5. Specify what application is for: (check one)		
. Individual		u / Now authorization		
b. Corporation*		b Renewing existing authorization No.		
c. Partnership/Associ		c. Amend existing authorization No. d. Assign existing authorization No.		
d. State Government e Local Government		e. Existing use for which no authorization has been rece	•ايمريا•	
f. Fedoral Agency	'	f. Other		
• If checked; complete sup	ntemental ouve	*If checked provide details under Item 7		
	whip are you a citizen(s) of th			
See Allached		veded for construction (Attach additional sheets, if additional space	(
9. Attach a map covering area				
State or focal government a Nonreturnable application f		Applied for Not required		
11. Does project cross internation			mani	
		to construct, operate, maintain, and terminate system for which au		
	ger/Member of Judah Oil	LLC and is currently majority owner in two SWD's and	- ·	

(Continued on page 2)

This form is authorized for local reproduction.

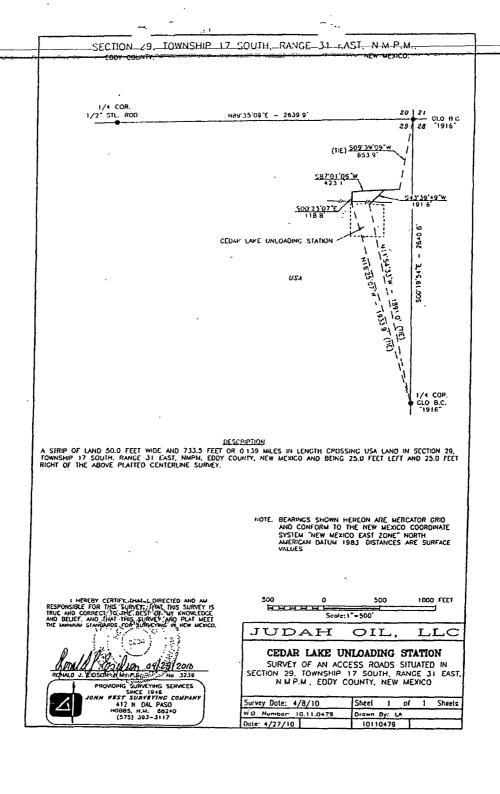
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SUPPLEMENTA	L			
NOTE: The responsible agency(ics) will provide additional instructions			CHECK APPROPRIATE ULOCK	
I - PRIVATE CORPORATIONS		ATTACHED	FILED*	
a Articles of Incorporation				
b. Corporation Bylaws				
c. A certification from the State showing the corporation is in good standing and or entitled to	iperate within the State.			
d Copy of resolution authorizing filing				
c. The name and address of each shareholder owning 3 percent or more of the shares, together a class of voting shares of the entity which such shareholder is authorized to vote and the name together with in the case of an affiliate controlled by the entity, the number of shares and the that affiliate owned, directly or indirectly, by that entity, and in the case of an affiliate which and the percentage of any class of voting stock of that entity owned, directly or indirectly, by	and address of each affiliate of the entity percentage of any class of voting stock of controls that entity, the number of shares	ם		
If application is for an oil or gas pipeline, describe any related right-of-way or temporary use previous applications	permit applications, and identify			
g. If application is for an oil and gas pipeline, identify all Federal lands by agency impacted by p	oposal.			
II - PUBLIC CORPORATIONS				
a. Copy of law forming corporation				
b. Proof of organization				
c. Copy of Bylaws				
d. Copy of resolution authorizing filing				
e. If application is for an oil or gas pipeline, provide information required by item "I-f" and "I-g" above.				
III - PARTNERSHIP OR OTHER UNINCORPORA	ED ENTITY			
a. Articles of association, if any			Ø	
b. If one partner is authorized to sign, resolution authorizing action is				
c. Name and address of each participant, partner, association, or other		Ø		
d. If application is for an oil or gas pipelina, provide information required by item "I-F" and "I-g" above				
If the required information is already filed with the agency processing this application and information (e.g., number, date, code, name). If not on file or current, attach the requested it	is current, check block entitled "Filed." Information.	Provide the file	identification	
1) Judah Oil, ILC (operator) James B. Campanella PO Box 568 Artesia, NM 88211-0568 2) Levi Oil and Gas, LLC James B Campanella Member/Manager PO Box 568				
Artesia, NM 88211-0568 3) VSW 2 E&P, LLC QC, Van Welch Member/Manager 2207 Fairway Dr. Duncan, OK 73533 4) Asher OU, LLC 5% Kevin Joné Member/Manager 12808 Lorien Way Oklahoma City, OK 73710				

(Continued on page 5)

J000008

(SF-299, page 4)



Describe other reasonable alternative routes and modes considered. Lease Road to Dow "B" 28 Federal well location. b. Why were these alternatives not selected? Attached	
b. Why were these alternatives not selected?	
Attached	
c. Cive explanation as to why it is necessary to cross Federal Lands The disposal well is located on Federal land. The land in the surrounding area is Federal land.	
14. Last authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number, date, of New Mexico State Application, C-108 Application to Inject, 8-27-2010, Red Lake State #1 SWD Sections 27, 28, 11 T-178, R-28W, Eddy County, New Mexico	ode, or name)
35CU003 21, 20, 11 1- 173, R-2011, BBUY COUNTY, NEW PICKE	
15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal (construction, operation, and metalimated cost of next best alternative; and (c) expected public benefits.	zintenance); (b
There is a lot of drilling and production activity in this area. Because of significant amounts of produced water, more disposal well to service this area. The disposal project will cost approximately \$2,000,000.00 to complete. The monthly expenses are expected to \$20,000.00 per month.	
16. Describe probable offects on the population in the area, including the social and economic aspects, and the rural lifestyles.	
This project is located 5 miles east Loco Rills, NM. It should reduce the traffic in Loco Hills where there is an active dispasal well.	
and soil stability. Attached. 18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantife, wildlife, and marine life, including threstened a species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals. Attached.	ind endangered
19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stured on or within the right-of-way or any of its facilities. "Hazardous material" maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" maintenance or termination of the right-of-way or any of its facilities. "Hazardous water pollution to contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as smended, 800 of the CREA, and its requisitions. The definition of hazardous under the CREA as a facilities and the contact of the CREA, as a mended, 42 U.S.C. 9001 of seq., and its requisitions, materials also includes any materials as of the contact of the compensation of 1954, as amended, 42 U.S.C. 2011 of seq., The term does not include percoleum, including cruze oil result is not otherwise specifically listed or designated as a hazardous substance under tERCLA Section 101(14), 42 U.S.C. 9001(14), nor does the term included the contact of the con	in right-of-way any substance, ided, 42 U.S.C. discription and oduct material on thereof that de natural gas.
There will be no hazardous material stored or disposed of or used in this project.	
O. Name all the Department(s)/Agency(ies) where this application is being filed.	
Bureau of Land Management - Carlabad New Mexico Office	
HEREBY CERTIFY, That I am of legal age and authorized to do business in the State nod that I have personally examined the information contained in the appli- elieve that the information submittyed is correct to the best of my knowledge.	ication and
ignature of Applicant Common Barran 75 2000	
ile 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 are any fulle, flettious, or freudulent structments or representations as to any matter within its jurisdiction	of the United
2011	299, page 2)

NOTICES

NOTE: This applies to the Department of the Interior/Bureau of Land Management (BLM).

The Privacy Act of 1974 provides that you be furnished with the following information in connection with the information provided by this application for an authorization

AUTHORITY: 16 U.S.C. 310 and 5 U.S.C. 301.

PRINCIPAL PURPOSE: The primary uses of the records are to facilitate the (1) processing of claims or applications; (2) recordation of adjudicative actions; and (3) indexing of documentation in case files supporting administrative actions.

ROUTINE USES: BLM and the Department of the Interior (DOI) may disclose your information on this form: (1) to appropriate Federal agencies when concurrence or supporting information is required prior to granting or acquiring a right or interest in lands or resources; (2) to members or the public who have a need for the information that is maintained by BLM for public record; (3) to the U.S. Department of Justice, court, or other adjudicative body when DOI determines the information is necessary and relevant to lingation; (4) to appropriate Federal, State, local, or foreign agencies responsible for investigating, prosecuting violation, enforcing, or implementing this statute, regulation, or order; and (5) to a congressional office when you request the assistance of the Member of Congress in writing.

EFFECT OF NOT PROVIDING THE INFORMATION: Disclosing this information is necessary to receive or maintain a benefit. Not disclosing it may result in rejecting the application.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The Federal agencies collect this information from applicants requesting right-of-way, permit, license, lease, or certifications for the use of Federal Lands.

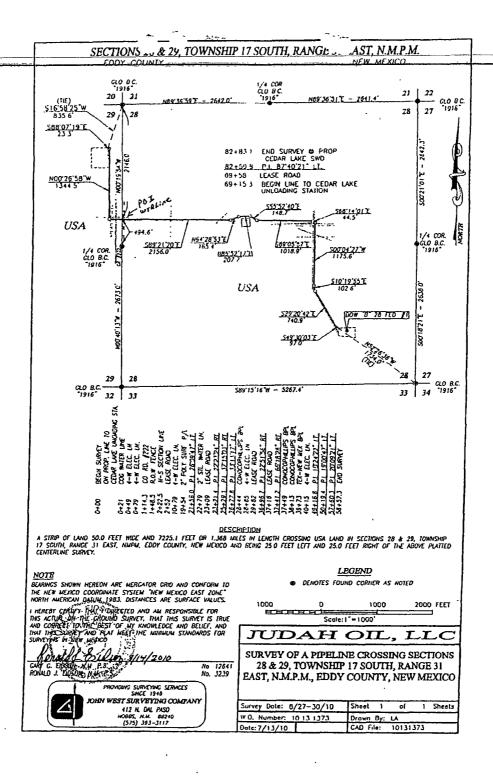
Federal agencies use this information to evaluate your proposal

No Federal agency may request or sponsor and you are not required to respond to a request for information which does not contain a currently valid OMB Control Number.

BURDEN HOURS STATEMENT: The public burden for this form is estimated at 25 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management (1004-0189), Bureau Information Collection Clearance Officer (WO-630) 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

A reproducible copy of this form may be obtained from the Burcau of Land Management, Division of Lands, Realty and Cadastral Survey, 1620 L Street, N.W., Rm. 1000 LS, Washington, D.C. 20036.

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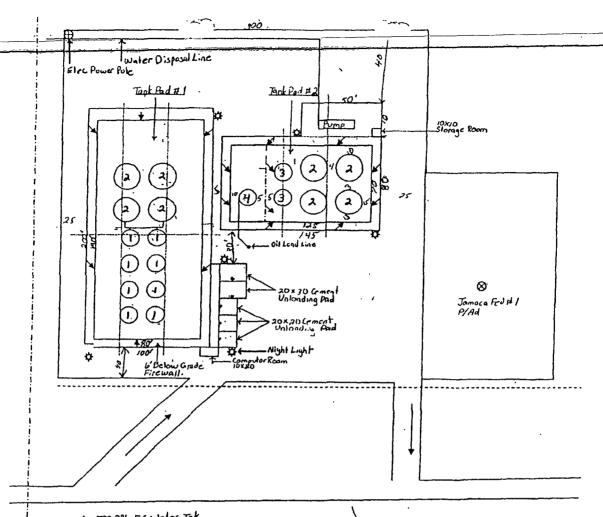


Cedar Lake Federal SWD Project Application for Transportation Attachment

- A) The truck Unloading Station will receive produced water from water trucks hauling water from area wells and pipelined water from area wells. The facility will send water to different Salt Water Disposal wells located in Section 28 and 29, T-17-S, R-31-E, Eddy County, NM. A 4* fiberglass pipeline will be buried to transfer water from the Unloading Station to the Dow *B* 28 Federal #1 water disposal well located in UL-P, Section 28, T-17-S, R-31-E. A 4* poly pipeline will be buried from the Unloading Station to a POI located on the east side of CR 222, which will transfer pipelined water from area wells to the Unloading Station. There will be two lease roads that will service the Unloading Station. The lease road to the disposal well location already exist.
 - B) Cedar Lake unloading station will be located in the NE/4 NE/4, Sect. 29, T-17-S, R-31-E and shall have 8-500 bbl water storage tanks, 8-1000 bbl water storage tanks, 2-750 gun barrel, 1-500 bbl skim oil holding tank, 5 unloading pads, computer shed, 1 storage shed, 6 night lights, 4 lightning protection static lines, disposal pump, 2 water transfer pumps, and 1 charge pump. (Site facility diagram attached). The two tank pads shall sit 6' below grade for spill protection, and will be lined with 2-40 mill liners.
 - C) The unloading station will be 300'x300'. The pad will have 6' caliche and 4' base material. The access road to the unloading station shall also consist of 6" caliche and 4" base material. The road will have 3" grade for water run-off.
 - D) The term requested for the lease is 30 years.
 - E) This facility will operate year round.
 - The estimated volume of water to be disposed is 10,000 bwpd.
 - G) The construction of this project will begin within 2 weeks after approval and should be completed within 60 days.
- B) The lease road is approximately % of a mile long to the proposed disposal well location.
 - 1)The proposed Unloading Station will be located approximately 200' off pavement (CR-222) and this will greatly reduce the amount of truck traffic off pavement.
 - 2) To have as little disturbance as
 - possible.
 - To provide the quickest and easiest access for trucks hauling water to be disposed.

Disposal Battery will serve other disposal well

prospects in the immediate area, and in centrally located to these

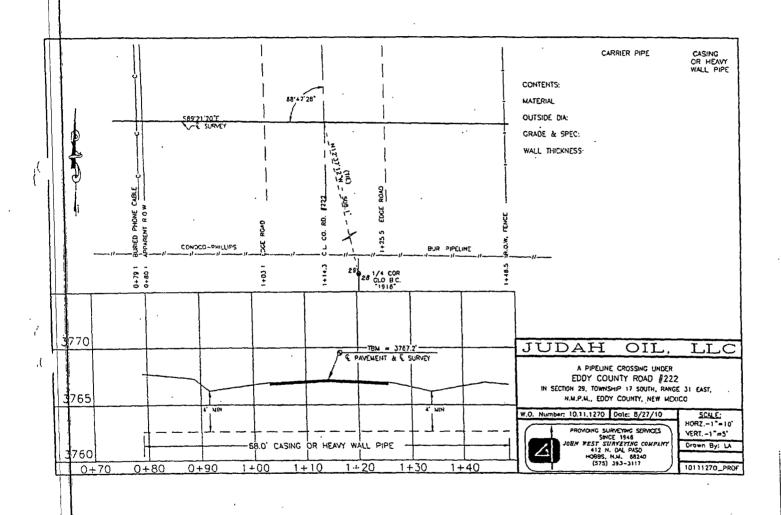


1, 500 BBL FG water Tak
2. 1000 BBL FG water Tak
3. 750 BBL FG Bun Barrell Tak
4.500 BBL Steel Oil Tank
Tank Pads will have 2-40 mill liners with liner pads.

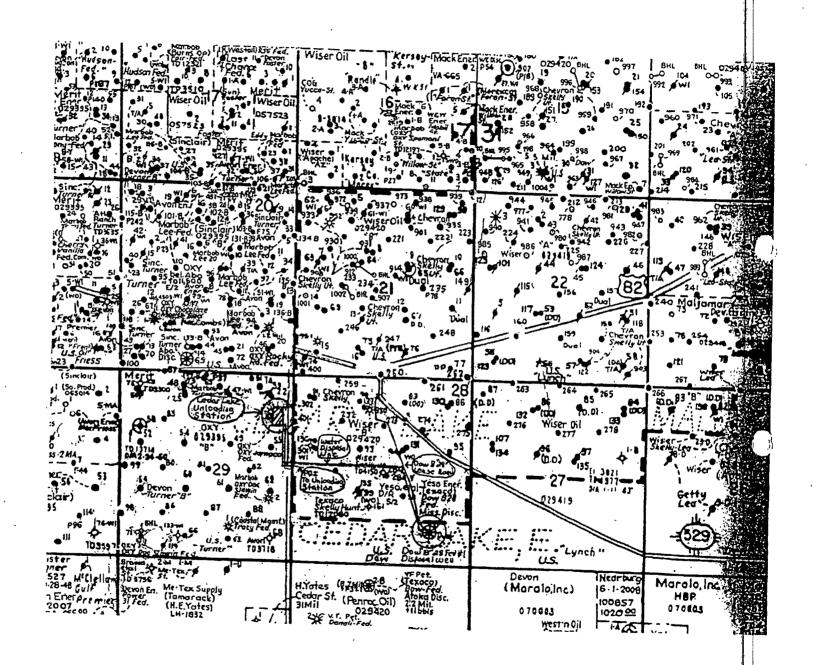
Judah Oil, LLC

Cedar Lake SWD Unloading Station

UL-A, Section 29, Township 17 South, Range 31 East Eddy County New Mexico



- 17. This will not affect air quality.
- A) B) The Unloading Station facility will be painted to visibly blend in as much as possible. This is a very active area for oil and gas operations.
 - The water quality in this area is very hard and brackish. There is no fresh water wells within several miles of this proposed project.
 - No streams or bodies of water in this area.
 - E) No adverse affects of noise levels
 - Approximately 2/3 of Unloading Station will be constructed on new disturbance and 1/3 on P/A location (Oxy Jomoka Fed #1). The water line will be installed down existing ROW and will be re-seeded after construction. Dow "B" Federal #1 is an existing location with existing lease road.
- 18. No marine life present in this area. This project is located in San Dune Lizard and Prairie Chicken area. We have contacted the BLM staff and have therefore located the Unloading Station where there will be very minimal impact. The water disposal line will be ran along existing right-of-ways and will be buried. The disposal well location will have no tank battery and very minimal
 - No affects on animal life.



GENERAL INFORMATION ALASKA NATIONAL INTEREST LANDS

This application will be used when applying for a right-of-way, permit, license, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest Lands Conservation Act. Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and National Forest Monuments.

Transportation and utility systems and facility uses for which the application may be used are

- 1. Canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other systems for the transportation of water.
- 2. Pipelines and other systems for the transportation of liquids other than water, including oil, natural was, ayothetic liquid and pascons fuels, and any refined product produced therefrom.
- 3. Pinclines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.
- 4. Systems for the transmission and distribution of electric energy,
- 5. Systems for transmission or reception of radio, television, telephone telegraph, and other electronic signals, and other means of communications.
- 6. Improved rights-of-way for enow machines, air cushion vehicles, and all-terrain vehicles.
- 7. Roads, highways, railroads, tunnels, tramways, airports, landing strips. docks, and other systems of general transportation

This application must be filed simultaneously with each Federal department or agency requiring authorization to establish and operate

In Alaska, the following agencies will help the applicant file an application and identify the other agencies the applicant should contact and possibly file with:

U.S. Department of Agriculture FOREST SERVICE (USFS) Alaska Regional Office (Region 10) Physical Address: Federal Office Building 709 West 9th Sweet Juneau, Alaska 99801 Modling Address: P.O. Box 21628 Juneau, Alaska 99802 Telephone: 907-586-8806

U.S. Department of the Interior BURBAU OF INDIAN AFFAIRS (BIA) Alaska Regional Office (Juneau) Hailing Physical Address: P.O. Box 25520 709 West 9th Street Junesu, Alaska 99802 Telephone: 800-645-8397

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT (BLM) BUREAU OF CAND MA Alaska State Office Malling/Physical Address: 222 West 7th Avenue #13 Anchorage, Alaska 99513 Telephone: 907-271-5960

U.S. Department of the Interior NATIONAL PARK SERVICE (NPS) Alaska Regumal Office (Anchorage) Moiling/Physical Address: 240 West 5th Avenue, Room 114 Anchorage, Alaska 9501 Telephone: 907-644-3501

U.S. Department of the Interior FISH AND WILDLIFB SERVICE Alaska Regional Office (Region 7) Malling/Physical Address: 1011 East Tudor Ruad Anchorage, Alaska 99501 Telephone: 907-271-5011

Note: Filings with any Department of the Interior agency may be filed with any office noted above or with the

U.S. Department of the Interior
OFFICE OF ENVIRONMENTAL POLICY AND COMPLIANCE Alaska Regional Office (Anchorage)
Regional Environmental Officer
1689 C Street, Room 119
Auchorage, Alaska 99501
Telophone: (907) 271-5011

U.S. Department of Transportation FEDERAL AVIATION ADMINISTRATION Alaska Regional Office (Anchorage) 222 West 7th Avenue, #14 Anchorage, Alaska 99513 Telephone: 907-271-269

NOTE - The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are: Pederal Aviation Administration (FAA), Coast Quard (USCQ), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA).

OTHER THAN ALASKA NATIONAL INTEREST LANDS

Use of this form is not limited to National Interest Conservation Lands of

Individual departments/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described above.

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency

SPECIFIC INSTRUCTIONS

(Items not listed are self-explanatory)

- Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.
- Cenerally, the map must show the section(s), township(s), and ranges within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.
- 9, 10, and 12 The responsible agency will provide additional instructions.
- 9, 10, and 12 the responsible agency will provide administrationary. If Providing information on alternate routes and modes in as much detail as possible, discussing why certain routes or modes were rejected and why it is necessary to cross Federal lands will assist the agency(ies) in processing your application and reaching a final decision. Include only reasonable alternate routes and modes as related to current technology and economics.
- 14 The responsible agency will provide instructions.
- 15 Generally, a simple statement of the purpose of the proposal will be sufficient. However, major proposals located in critical or sensitive areas may require a full analysis with additional specific information. The responsible agency will provide additional instructions.
- with provide additional instructions.

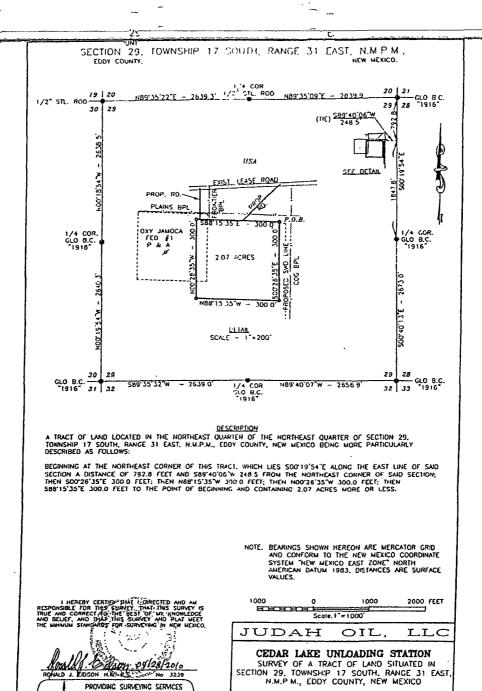
 16 through 19 Providing this information in as much detail as possible will assist the Federal agency(ies) in processing the application and traching a decision. When completing these items, you should use a sound judgment in furnishing relevant information. For example, if the project is not near a stream or other body of water, do not address this subject. The responsible agency will provide additional instructions.

Application must be signed by the applicant or applicant's authorized representative.

If additional space is needed to complete any item, please put the information on a separate sheet of paper and identify it as "Continuation of Item".

(For supplemental, see page 4)

(SF-299, page 3)



Survey Date 4/8/10

Jole: 4/-5/10

W.O Number: 10 11.0479

Sheet 1 of

10110479 REV 4/27/10

Drawn By: LA

PROVIDING SURVEYING SERVICES SINCE 1948 JOHN WEST SURVEYING COMPANY 412 N. DAL PASO HOBBS, N.M. 88249 (575) 393-3117