

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF JUDAH OIL, L.L.C. FOR APPROVAL OF A SALT WATER
DISPOSAL WELL, EDDY COUNTY, NEW MEXICO.**

RECEIVED OGD
15 AUG 18 P 4:42
Case No.: 15378

APPLICATION

Judah Oil, L.L.C. by and through its undersigned attorneys, applies for an order approving a commercial salt water disposal well. In support of this application, Judah Oil states:

1. Judah Oil (OGRID 245872) is the lessee of a state lease underlying the SW/4 of Section 2, Township 21 South, Range 28 East, in Eddy County, New Mexico.
2. Judah Oil intends to drill the Sand Point State Well No. 2 at a location 3980 feet from the south line and 1,300 feet from the west line (Unit L) in irregular Section 2 to a depth of 1,450 feet for the purpose of operating a commercial salt water disposal well.
3. Applicant seeks authority to inject salt water into the Yates Formation at a depth of 1,300 feet to 1,450 feet by an open hole system.
4. Judah Oil anticipates a disposal rate of 7,500 BWPD with a maximum daily disposal rate of 10,000 BWPD.
5. Judah Oil anticipates using little or no surface injection pressure and seeks authority for a maximum injection pressure of only 50 psi.
6. Included with this application is fully completed Form C-108.
7. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, Judah Oil requests that the Division set this matter for hearing before an Examiner of the Oil Conservation Division on September 17, 2015, and that after notice and hearing enter an order approving this proposed injection project.

Respectfully submitted,

HOLLAND & HART, LLP

By: 

Michael H. Feldewert

Jordan L. Kessler

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mfeldewert@hollandhart.com

jlkessler@hollandhart.com

ATTORNEYS FOR JUDAH OIL L.L.C.

Case No.: 15378 **APPLICATION OF JUDAH OIL, L.L.C. FOR APPROVAL OF A SALT WATER DISPOSAL WELL, EDDY COUNTY, NEW MEXICO.** Applicant seeks authority from the Division to drill the Sand Point State Well No. 2 well at a location 3980 feet from the south line and 1,300 feet from the west line (Unit L) in irregular Section 2, Township 21 South, Range 28 East, N.M.P.M. to a depth of 1,450 feet for the purpose of operating a commercial salt water disposal well. Applicant seeks authority to inject produced water into the Yates Formation at a depth of 1,300 feet to 1,450 feet by an open hole system. This area is located 11 miles east of Carlsbad, New Mexico.

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance Disposal _____ Storage
Application qualifies for administrative approval? Yes _____ No
- II. OPERATOR: Judah Oil, L.L.C.
ADDRESS: PO Box 568 Artesia, NM 88211
CONTACT PARTY: Blaise Campanella PHONE: 5757485488
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? _____ Yes No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Billy(Bill)E. Prichard

TITLE: Agent for Judah Oil, L.L.C.

SIGNATURE: _____

DATE: 8/17/15

E-MAIL ADDRESS: billy@pwllc.net

- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____



**Judah Oil, L.L.C
Sand Point State # 2
API # 30-015-Pending
3980 FSL X 1300 FWL
Lot 12 Unit Letter "L", Section 2, T21S, R28E
Eddy County, New Mexico
C108 (Application for Authorization to Inject)**

I.

The purpose of this application is for administrative approval of the drilling and conversion of the Sand Point State # 2 to a commercial Yates salt water disposal well.

II.

Operator; Judah Oil, L.L.C.
Address; PO Box 568 Artesia, New Mexico 88211
Contract Party; James B. Campanella Phone; 575-748-5488

III.

Please see Exhibit "A" for well data

IV.

This is not an expansion of an existing project.

V.

Please see Exhibit "B" for map of area of review(AOR)

VI.

There are 4 wells identified in the 0.5 mile area of review that penetrate the proposed disposal interval. 2 wells are active Delaware producers, the other is a Delaware SWD. The other well has been plugged and abandoned. 2 Horizontal wells whose surface location is outside of the 0.5 mile area of review whose horizontal laterals are through the AOR at approximately 8400' deep. API # 30-015-42518 and API # 30-015-42433 operated by COG Operating, L.L.C.
Please see Exhibit "C" for AOR data.

VII.

Anticipated daily injection rate of 7500 BWPD with a maximum daily injection rate of 10000 BWPD.

This will be an open system.

Anticipated average injection press-of 0 psi with a maximum injection pressure of 50 psi
Please see Exhibit "D" for analysis of Yates produced water and possible disposed fluid in the Sand Point State # 2.

VIII.

The proposed disposal interval is the Yates formation 1300-1450ft.
The Yates is a carbonate reservoir.

**Judah Oil, L.L.C
Sand Point State # 2
API # 30-015-Pending
3980 FSL X 1300 FWL
Lot 12 Unit Letter "L", Section 2, T21S, R28E
Eddy County, New Mexico
C108 (Application for Authorization to Inject)**

IX.

No stimulation is planned at this time.

X.

Well logs and completion data will be filed with NMOCD.

XI.

Fresh water is contained in the Alluvial fill and the Aeolian fill from surface to the top of the Magenta and Forty Niner members of the Rustler formation. Surface casing on several permitted wells in the area average setting depth is 475 feet.
No fresh water wells were identified in the 1 mile area of review.

XII.

Available geological data has been examined and shows no evidence of open faults or any hydrological connection between the disposal zone and any underground sources of drinking water.

XIII.

Please see Exhibit "E" for Proof of Notice and Proof of Publication

District I
 1924 N. French Dr. Hobbs, NM 88249
 Phone: (575) 393-6161 Fax: (575) 393-0720
 District II
 411 S. First St., Artesia, NM 88210
 Phone: (575) 749-1283 Fax: (575) 749-9720
 District III
 1030 Rio Brazos Road, Artesia, NM 88210
 Phone: (505) 334-6175 Fax: (505) 334-6177
 District IV
 1225 S. St. Francis Dr., Santa Fe, NM 87505
 Phone: (505) 426-5899 Fax: (505) 426-2467

State of New Mexico
 Energy Minerals and Natural Resources
 Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-161
 Revised July 18, 2013

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Judah Oil, LLC PO Box 568 Artesia, NM 88211		OCRID Number 245872
Property Code		API Number Pending
Property Name Sand Point State		Well No. 002

Surface Location

UL - Lot	Section	Township	Range	Lot Ion	Feet from	N/S Line	Feet from	E/W Line	County
L	2	21S	28E	Lot 12	3980	S	1300	W	Edhi

Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Ion	Feet from	N/S Line	Feet from	E/W Line	County

Pool Information

Pool Name SWD: Yates	Pool Code 96090
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Additional Well Information

Work Type N	Well Type S	Cable/Rotary R	Lease Type S	Ground Level Elevation 3315 Estimate
Multiple N	Proposed Depth 1450	Formation Yates	Contractor Unknown	Spud Date ASAP
Depth to Ground water	Distance from nearest fresh water well		Distance to nearest surface water	

We will be using a closed-loop system in lieu of lined pits

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17 1/2	13 3/8	54.5	500	350	Surface
Prod	9 5/8	7	20	1300	450	Surface

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Hydraulic	3000	3000	Schaffer/Cameron

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
 I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC , if applicable.
 Signature: *Billy E. Prichard*

OIL CONSERVATION DIVISION

Printed name: Billy E. Prichard
 Title: Agent for Judah Oil
 E-mail Address: billy@pwllc.net

Approved By:

Title:

Approved Date:

Expiration Date:

**SAND POINT ST SWD #2
JUDAH OIL, LLC
LOT 12 (UL L) 2-21S-28E
1300' FWL X 3980' FSL
ELEV (EST): 3315' GL; 3335' KB**

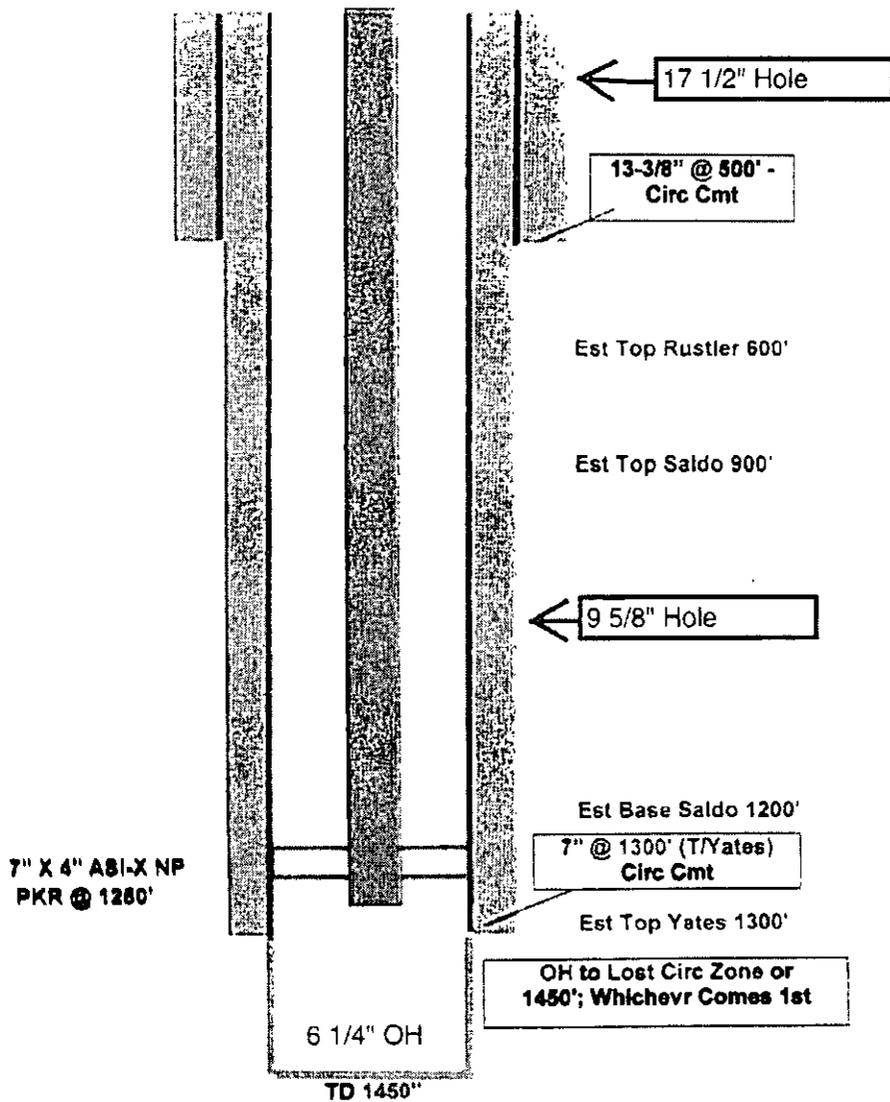


Exhibit "A"

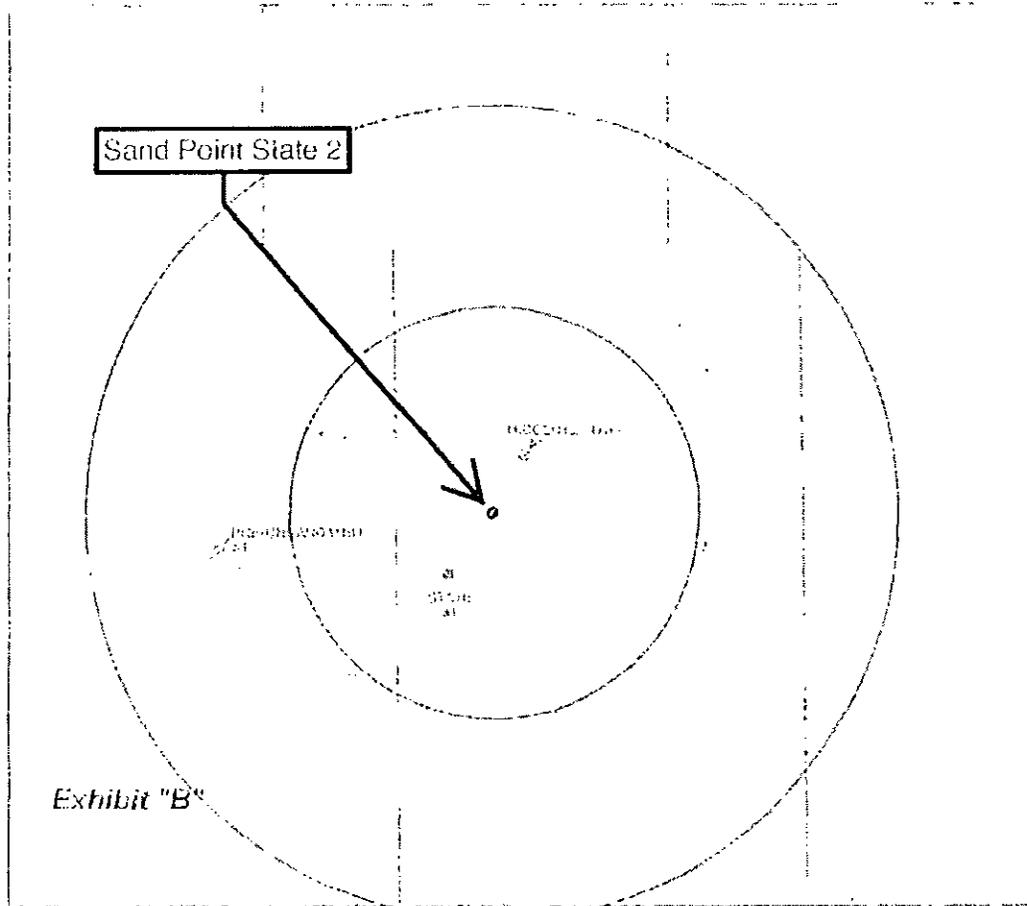


Exhibit "B"

SI STATE AT

**Judah Oil, L.L.C.
 Sand Point State # 2
 API # Pending
 UL "L", Section 2, T21S, R28E
 Eddy County, New Mexico**

Wells in 0.5 mile AOR

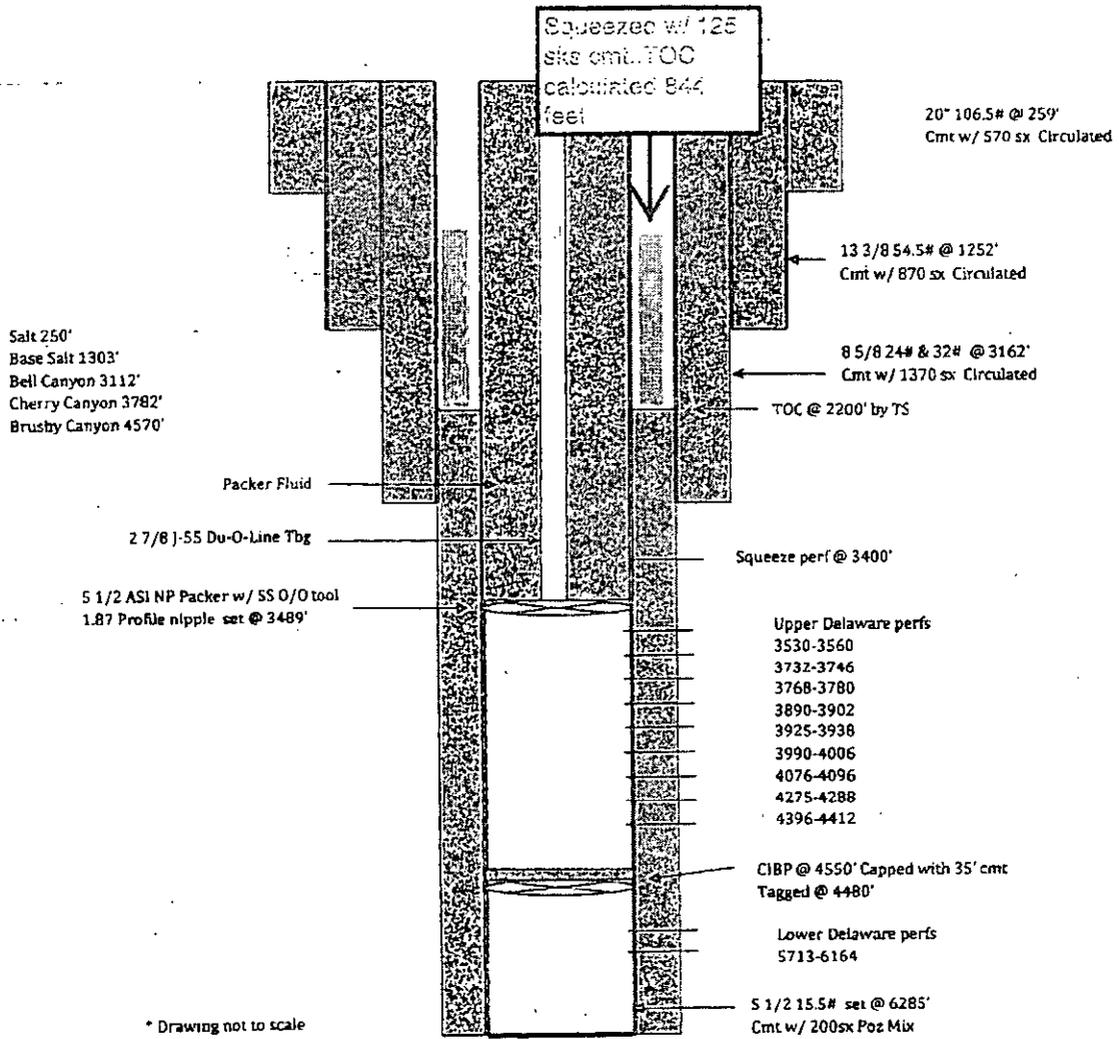
API	Well Name	Well #	Type	Lease	Status	UL	Sec	TS	RG	Current Operator
30-015-27346	SAND POINT STATE	#001	S	State	Active	K	2	21S	28E	JUDAH OIL LLC
30-015-23100	STATE	#001	O	State	Active	L	2	21S	28E	JUDAH OIL LLC
30-015-39848	DUMP STATE	#003H	O	State	Active	L	2	21S	28E	REGENERATION ENERGY, CORPORATION
30-015-23236	BIG EDDY UNIT	#080	O	FED	PA	A	3	21S	28E	BOPCO

4 WELLS LOCATED IN 0.5 MILE AOR ALL WELL PENETRATE PROPOSED DISPOSAL ZONE

2 Horizontal wells outside of AOR w/ laterals underneath proposed disposal zone

EXHIBIT "C"

Judah Oil, L.L.C.
 Sand Point State # 1
 A.P. # 80-325-27846
 Unit Letter KT, Section 2, T21S, R28E
 Eddy County, New Mexico
 Spud 5/4/1993
 Current Well Diagram of SWD 145'

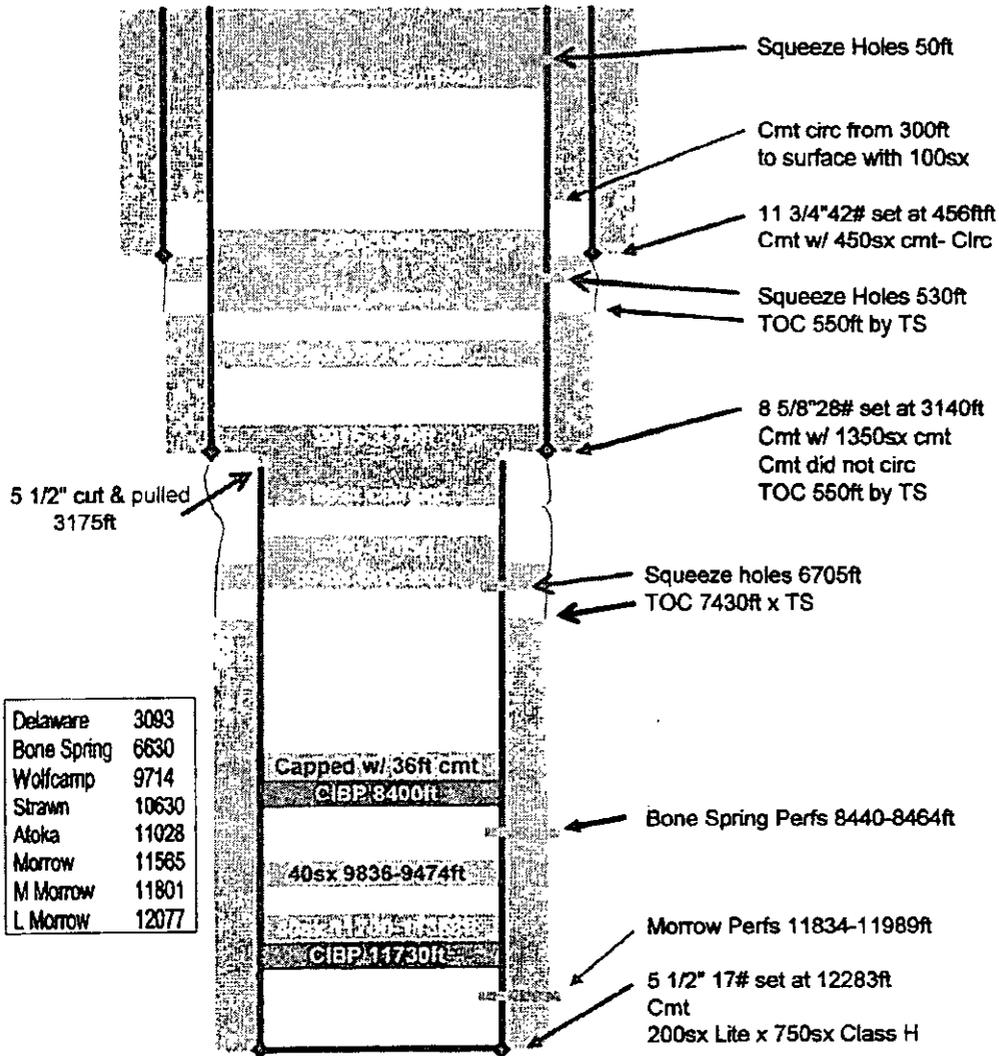


* Drawing not to scale

SEP

Exhibit "C"

BEPCO
Big Eddy Unit # 080
API # 30-015-23236
Unit Letter A, Section 3, T21S, R28E
Eddy County, New Mexico
Spudded 4/19/1980
Plugged and Abandoned 2009

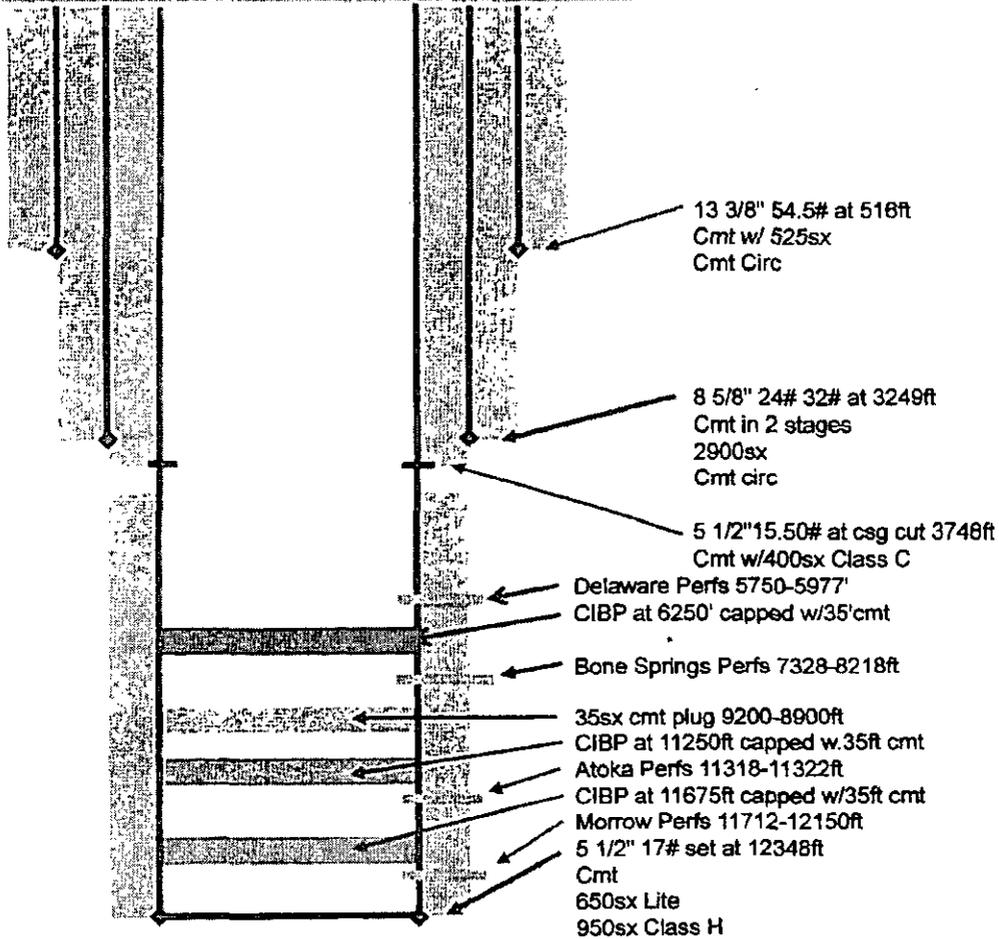


BEP

Drawing not to scale

Exhibit "C"

Judah Oil, L.L.C.
State # 1
API # 30-015-23100
L-2-21S-28E
Eddy County, New Mexico
Spudded 1/21/1980
PA 9/21/1987
Reenter 1992
Drilled as Morrow Test



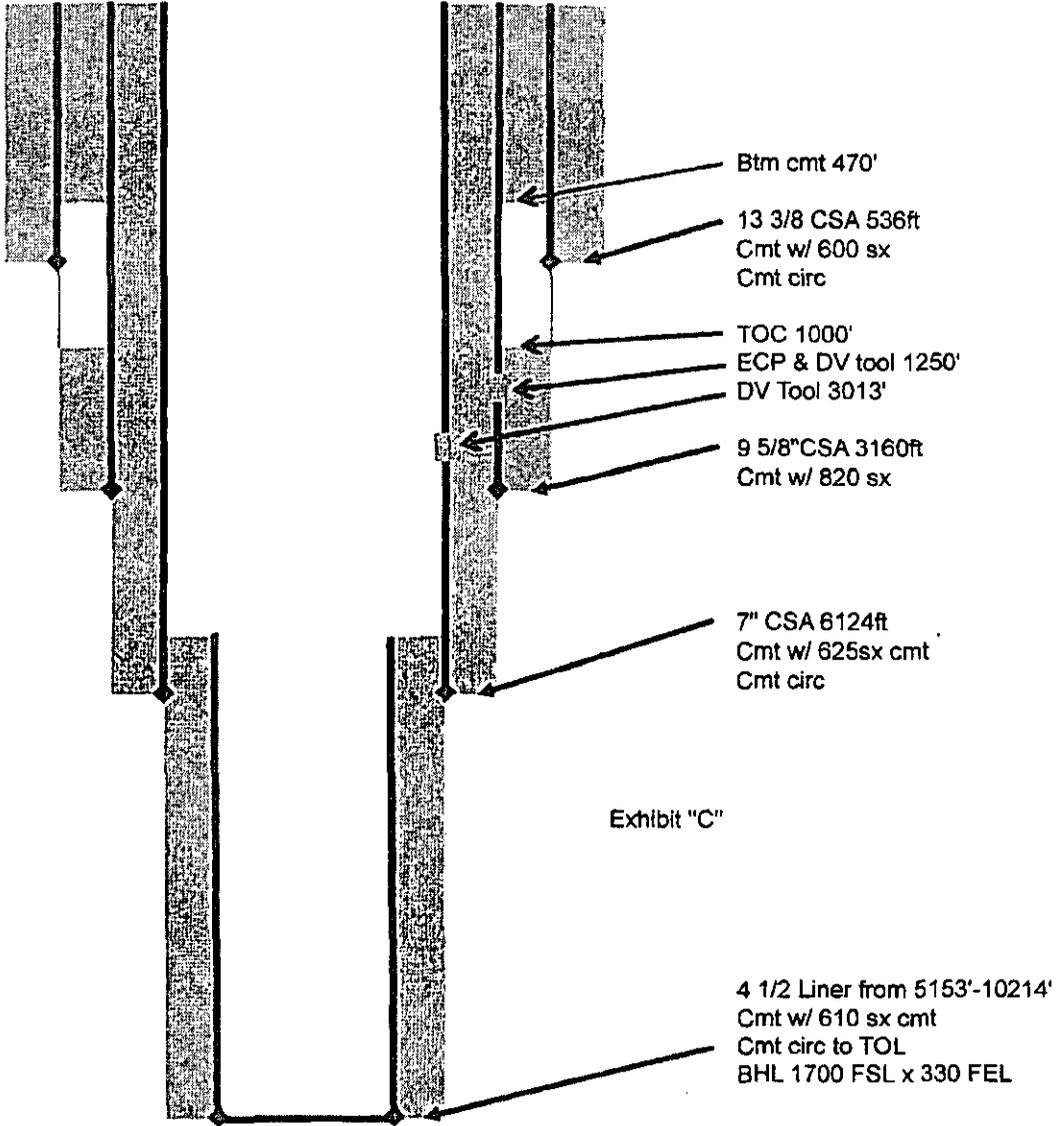
BEP

Exhibit "C"

www.pwllc.net

REGENERATION ENERGY
DUMP STATE # 1
API # 30-015-39848
Unit Letter L, Section 2, T21S, R28E
Eddy County, New Mexico

Surface Location
1650 FSL X 330 FWL



BEP

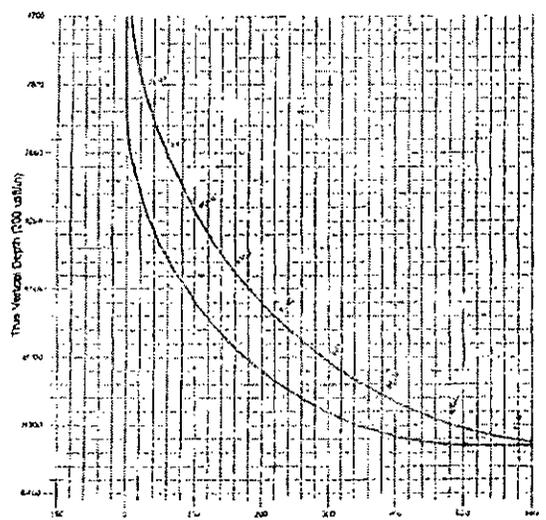
www.pwllc.net

COS OPERATING, LLC
 Field: Sibley County, NM
 Site: Dumpyard 7 Side 211
 Well: 2H
 Wellbore: Lateral
 Plan: Surveys

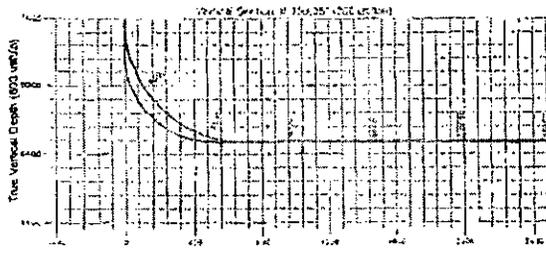
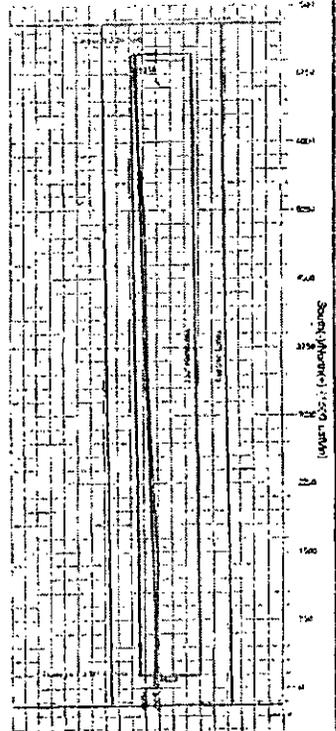
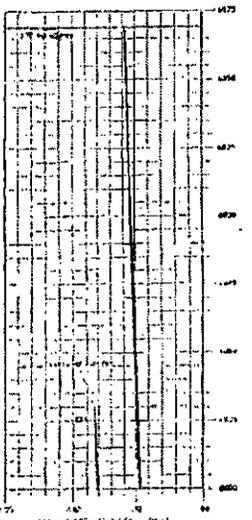
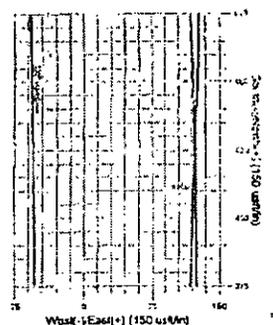
Surface Location outside AOR
 Horizontal lateral runs under AOR
 Exhibit "C"



Name	TVD	+N/E	+E/W	Northing	Easting	Latitude	Longitude	Shape
Outyard 7-2H Surface	0.00	0.00	0.00	540612.00	584352.00	32° 30' 8.82" N	104° 7' 35.80" W	Point
Outyard 7-2H Btt	8315.38	6827.51	-91.80	553439.61	584200.40	32° 31' 18.38" N	104° 7' 35.47" W	Point



Airphoto to Grid North
 True North: -0.16'
 Magnetic North: 7.30'
 Magnetic Field
 Strength: 48418.84 nT
 Dip Angle: 60.28°
 Date: 08/2014
 Model: GRF2010



ARCHER DIRECTIONAL DRILLING SERVICES
 12101 Cullen Rd. Houston, Texas 77066
 Phone: 281-301-2600 Fax: 281-301-2795

Design: Surveys (219/Lateral)
 Created by: Jorge Gonzalez
 Date: 14:54, September 26 2014

COO OPERATING, LLC
 Perm. Edge County, N.M.
 Sub: Dunsmuir #2 State 111
 Well: 1H
 Wellbore: Lateral
 Plat: Survey



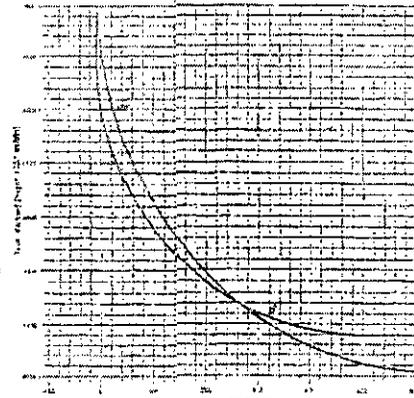
Altitude to Grid North
 True North: 41.8°
 Magnetic North: 7.51°
 Magnetic Declination: 34.29°
 Vertical: Feet
 Stratum: 4471 3477
 Dip Angle: 60.28°
 Date: 7/18/2014
 Model: 45872016



Approved for Release and Sign-off
 by the following: [Signature]

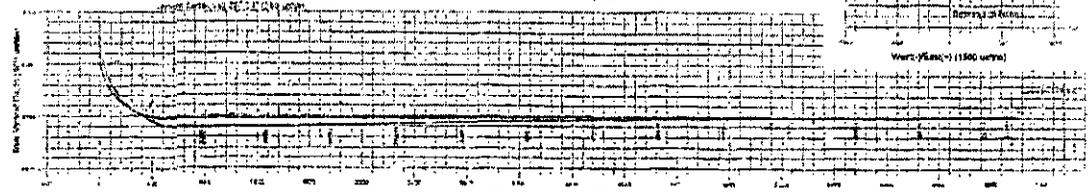
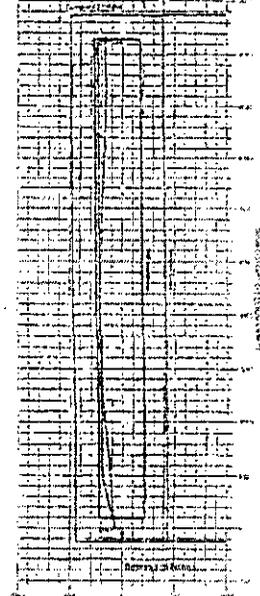
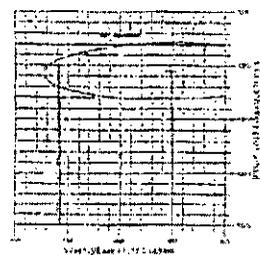
NOTE	T/O	F/W-T	H/W-M	Interval	ESDMS	Latitude	Longitude	Stratum
Downed 2-1H Surface	0.00	0.00	0.00	58308.70	58312.20	37° 31' 11.20" N	101° 2' 47.18" W	Perm
Downed 2-1H B-H	8383.12	8383.12	8382.01	57333.87	58308.78	37° 31' 11.20" N	101° 2' 47.18" W	Perm

TARGET DETAILS



LEGEND

- 1H Lateral Plan #8 VO
- Surveys



ARCHER DIRECTIONAL DRILLING SERVICES
 12101 Cutten Rd. Houston, Texas 77066
 Phone: 281-301-2600 Fax: 281-301-2795

Design: [Signature]
 Checked by: [Signature]
 Date: 8/01 July 30 2014

Surface location outside AOR
 Horizontal lateral runs under AOR
 Exhibit "C"

Judah Oil, L.L.C.
Sand Point State # 2
API 30-015-Pending
Probable Disposed Fluid

Pool or Field	Section	Township	Range	TDS	Chlorides
Fenton NW; Delaware	7	21S	28E	153408	103522
Old Millman Ranch; Bone Springs	4	20S	28E	8037	3352
Avalon; Delaware	30	20S	28E	161114	108216

Search of 7585 Go Tech records yield no analysis of Yates produced water

Exhibit "D"

Data obtained from
<http://octane.nmt.edu>

Legal Notice

Judah Oil, L.L.C., PO Box 568, Artesia, New Mexico 88210 has filed NMOCD C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval of the drilling and conversion of the Sand Point State # 2, API # 30-015-Pending, 3980 FSL X 1300 FWL, Lot 12, Unit Letter "L", Section 2, Township 21 South, Range 28 East, Eddy County, New Mexico to Yates commercial saltwater disposal well. The disposal interval would be the Yates formation through Open Hole 1300-1450 feet. Disposal fluid would be produced water trucked and piped in from producing wells in the area.

Anticipated disposal rate of 7500 BWPD with a maximum disposal rate of 10000 BWPD. Anticipated disposal pressure of 0 psi with a maximum disposal pressure of 50 psi.

Well is located 11.8 miles east of Carlsbad, New Mexico

All interested parties opposing the aforementioned must file objections with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505 within 15 days. Additional information can be obtained by contacting Blaise Campanella 575-748-5488

Exhibit "E"

Judah Oil, L.L.C.
Sand Point State # 2
API # 30-015-Pending
3980 FSL X 1300 FWL
Lot 12, Unit Letter "L", Section 2, T21S, R28E
Eddy County, New Mexico
C108 (Application for Authorization to Inject)

Proof of Notify

Surface Owner

Levi Oil and Gas
PO Box 568
Artesia, NM 88211

Mineral Owner

State of New Mexico
New Mexico State Land Office
PO Box 1148
Santa Fe, NM 87504-1148

Offset Operators

BOPCO, Inc
PO Box 2760
Midland, TX 79702

Lease Holder

Judah Oil, L.L.C.
PO Box 568
Artesia, NM 88211

COG Operating, L.L.C.
600 W. Illinois Avenue
Midland, TX 79701

Regeneration Energy Corporation
PO Box 210
Artesia, NM 88210

Exhibit "E"

**Judah Oil, L.L.C.
Sand Point State # 2
API # 30-015-Pending
3980 FSL X 1300 FWL
Lot 12, Unit Letter "L", Section 2, T21S, R28E
Eddy County, New Mexico
C108 (Application for Authorization to Inject)**

Additional Notified Party

**NMOCD District II
811 S. First St.
Artesia, NM 88210**

**Bureau of Land Management
620 E Green Street
Carlsbad, NM 88220**

Exhibit "E"