

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Bond Number

RIGHT-OF-WAY SURETY BOND

Right-of-Way Grant or Temporary Use Permit Serial Number \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, that Judah Oil, LLC as principal,  
and Bureau Of Land Management Carlsbad Field Office as  
surety organized and existing under the laws of the State of New Mexico having its primary office  
at 620 East Greene Street, Carlsbad NM 88220 are held and firmly bound unto the United States of America in

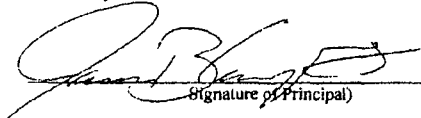
the sum of Twenty Five Thousand -- dollars (\$25,000.00)  
lawful money of the United States for the payment of which, well and truly to be made, we bind ourselves, each of us, our heirs,  
executors, administrators, successors, or assigns, jointly and severally, firmly by these presents.

WHEREAS, said principal made application for the issuance of a right-of-way grant or temporary use permit for the use of the lands  
described therein, bearing the above serial number; and

WHEREAS, said principal upon the issuance of such right-of-way grant or temporary use permit, is required to comply with the  
following terms and conditions of said grant or temporary use permit:

NOW, THEREFORE, If the said principal or his heirs, executors, administrators, successors, or assigns, shall fully comply with the said  
terms and conditions then, and in that event, the obligation shall be null and void; otherwise it shall remain in full force and effect

IN WITNESS WHEREOF, we hereunto set our hands and seals this 13 day of August 2010 3000

  
Signature of Principal)

(Signature of Surety)

BY \_\_\_\_\_

SIGNATURES OF WITNESSES

ADDRESSES OF WITNESSES

Lisa Clayton Lisa Clayton  
Caroline Weber

1906 W Runyan, Artesia, NM 88210  
1822 Booker, Artesia, NM 88210

Two witnesses, with the post office address of each, are required to each signature. The seal of each corporation signing the bond must be affixed. A  
copy of the Power of Attorney of the Authorized Agent of a surety company must accompany the bond.

BEFORE THE OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
Case No 's 14547 & 14472 Exhibit No 5  
Submitted by  
JUDAH OIL, LLC  
Hearing Date November 4, 2010

**J000001**



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
New Mexico State Office  
P.O. Box 27115  
Santa Fe, New Mexico 87502-0115  
www.blm.gov/nm



NMNM 14840, et al  
3104 (921-tf)

September 7, 2010

### DECISION

Obligor:

Judah Oil, LLC.  
P.O. Box 568  
Artesia, NM 88211-0568

Financial Institution:

Western Bank of Artesia  
320 West Texas Ave.  
Artesia, NM 88210

BLM Bond No.: NMB000730

Bank Bond No.: 10-007

Bond Type: Oil and Gas

Amount of Bond: \$100,000.00

Execution Date: August 11, 2010

Oil and Gas Lease: NMNM 14840  
NMNM 25458  
NMLC0 29420B

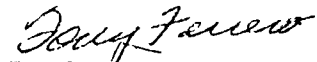
### Individual Lease Bond and Letter of Credit Accepted

The bond described above and letter of credit have been examined and found satisfactory. Therefore, the above bond and letter of credit are accepted effective August 13, 2010, the date we received required documents.

The bond covers operations conducted by or behalf of the obligor on oil and gas leases NMNM 14840, NMNM25458, and NMLC0 29420B.

The termination of period of liability on the above bonds ends only after compliance with Bureau of Land Management terms of operations is satisfactory.

This office for safekeeping will maintain the Letter of Credit in our safe.

  
Tony Ferreto  
Land Law Examiner,  
Fluids Adjudication Team

J000003

Form 3000-4  
(June 1988)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OIL AND GAS OR GEOTHERMAL LEASE BOND

Act of February 25, 1920 (30 U.S.C. 181 et seq.)  
Act of August 7, 1947 (30 U.S.C. 351-359)  
Department of the Interior Appropriations Act, FY 1981 (42 U.S.C. 6508)  
Act of December 24, 1970 (30 U.S.C. 1001-1025)  
Other Oil and Gas and Geothermal Leasing Authorities as Applicable

Bond Number

Lease Serial Number (For Individual Bond Only)

NM-67988, LC-029420-B, NM-14840

CHECK ONE ☒ OIL AND GAS ☐ GEOTHERMAL RESOURCES

CHECK ONE

☐ SURETY BOND

KNOW ALL BY THESE PRESENTS, THAT

(name)

of

(address)

as principal, and

(name)

of

(address)

, as surety,

are held and firmly bound unto the United States of America in the sum of

dollars (\$ ),

lawful money of the United States, which may be increased or decreased by a rider hereto, executed in the same manner as this bond.

☒ PERSONAL BOND

KNOW ALL BY THESE PRESENTS, That Judah Oil, LLC

(name)

of PO Box 568 Artesia, NM 88211-0568

(address)

, as principal, is held and firmly

bound unto the United States of America in the sum of one hundred thousand

dollars (\$ 100,000.00 ), lawful money of the United States which sum may be

increased or decreased by a rider hereto executed in the same manner as this bond

The principal, in order to more fully secure the United States in the payment of the aforesaid sum, hereby pledges as security therefore United States negotiable securities of a par value equal to the amount specified. The principal, pursuant to the authority conferred by Section 1 of the Act of September 13, 1982 (31 U.S.C. 9303), does hereby constitute and appoint the Secretary of the Interior to act as his attorney. The interest accruing on the United States securities deposited, in the absence of any default in the performance of any of the conditions, or stipulations set forth in this bond and the instrument(s) granting rights and interests in Federal lands, must be paid to the principal. The principal hereby for himself/herself, any heirs, executors, administrators, successors, and assigns, joint and severally, ratifies and confirms whatever the Secretary shall do by virtue of these presents.

The principal/surety shall apply this bond or the Secretary shall transfer this deposit as security for the faithful performance of any and all of the conditions and stipulations as set forth in this bond and the instruments granting rights and interests in Federal lands. In the case of any default in the performance of the conditions and stipulations of such undertaking, it is agreed that: (1) for a Surety Bond, the surety/principal shall apply the bond or any portion thereof; (2) for a Personal Bond, the Secretary shall have full power to assign, appropriate, apply or transfer the deposit or any portion thereof, to the satisfaction of any damages, assessments, late payment charges, penalties, or deficiencies arising by reason of such default.

This bond is required for the use and benefit of (1) the United States; (2) the owner of any of the land subject to the coverage of this bond, who has a statutory right to compensation in connection with a reservation of the oil and gas and geothermal deposits to the United States; (3) any lessee, permittee or contractor, under a lease, permit, or resource sale contract issued, or to be issued, by the United States covering the same land subject to this bond, covering the use of the surface or the prospecting for, or the development of other mineral deposits in any portion of such land, to be paid to the United States. For such payment, well and truly to be made, we bind ourselves and each of our heirs, executors, administrators, successors, and assigns, jointly and severally.

This bond shall cover all surface disturbing activities related to drilling operations on a Federal leasehold(s) in accordance with authorization(s) granted under the Acts cited above for.

CHECK ONE:

☐ NATIONWIDE BOND — Operations conducted by or on behalf of the principal(s) or on the leasehold(s) of the principal(s) in the United States including the National Petroleum Reserve in Alaska (NPR-A) when a rider sufficient to bring the amount in conformance with 43 CFR 3134 is provided, and provided a rider is obtained, also coverage of multiple exploration operations.

☐ STATEWIDE BOND — Operations conducted by or on behalf of the principal(s) on the leasehold(s) of the principal(s), except the NPR-A, and, provided a rider is obtained, also coverage of multiple exploration operations within the single state of \_\_\_\_\_.

☒ INDIVIDUAL BOND — Operations conducted by or on behalf of the principal or on the leasehold of the principal on the single lease identified by the serial number above.

NATIONAL PETROLEUM RESERVE IN ALASKA (NPR-A) BOND — This bond shall cover

☐ NPR-A LEASE BOND — The terms and conditions of a single lease.

☐ NPR-A WIDE BOND — The terms and conditions of all leases and provided a rider is obtained, coverage of multiple exploration operations.

(Continued on page 2)

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