

Pueblo West
Oilfield Consulting Service

Per New Mexico Oil Conservation Division rules and regulations please find enclosed a copy of NMOCD form C108

Judah Oil ,L.L.C., PO Box 568, Artesia, New Mexico 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval of the conversion of the Tecolote State # 001, API #30-015- 27346, 2673 FNL X 1650 FWL, Unit Letter "K", Section 2, Township 21 South, Range 28 East, Eddy county, New Mexico from a Delaware oil well to a Delaware lease salt water disposal well. The disposal interval would be the Delaware formation through perforations from 3530-4916ft feet. Disposal fluid would be produced water from wells operated by Judah Oil from the Bone Springs and Delaware formations. Anticipated disposal rate of 2500 BWPD with a maximum disposal rate of 6500BWPD. Anticipated disposal pressure 250 psi with a maximum disposal pressure of 760 psi.

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 with in 15 days. Additional information can be obtained by contacting Blaise Campanella 575-748-5488.

Sincerely,



Billy(Bill)E.Prichard
Pueblo West
Oilfield Consulting Service
125 Greathouse Village
Decatur, TX 76234
432-934-7680 cell
940-627-5449 fax
Email; billy@pwllc.net

***Pueblo West
Oilfield Consulting Service***

June 1, 2010

RECEIVED OCD

2010 JUN -3 A 11:18

**New Mexico Oil Conservation Division
Engineering Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505**

RE: C108

Please find enclosed 2 copies of NMOCD form C108 seeking administrative approval for the conversion of the Tecolote State # 001(API # 30-015-27346) from a Scanlon;Delaware oil well to a SWD; Delaware lease disposal well. Also enclosed is the Inactive well list for Judah Oil, L.L.C. Enclosed as well is a copy of C103 for the purposed work to convert the well to salt water disposal submitted to the NMOCD District II office in Artesia, New Mexico.

Legal Notice will be published in the Artesia Daily News. Affidavit of Publication will be sent to NMOCD when it is received.

Should you have questions or need further information, please call or email.

Sincerely,



**Billy(Bill)E.Prichard
Pueblo West
Oilfield Consulting Service
Agent for Judah Oil,L.L.C.
125 Greathouse Village
Decatur, TX 76234
4329347680 cellular
9406275449 fax
Email; billy@pwllc.net**

Inactive Well List

Total Well Count: 34 Inactive Well Count: 1 Since: 3/6/2009

Printed On: Sunday, May 30 2010

District	API	Well	ULSTR	OCD Unit	OGRID	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
2	30-015-27346	TECOLOTE STATE #001	K-2 -21S-28E	K	245872	JUDAH OIL LLC	S	O	08/2006	DELAWARE		

WHERE Ogrid:245872, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Judah Oil

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____

TEENORE STATE #1
30-015-27346

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Billy (Bill) E. Prichard *Billy E. Prichard* **Agent for Judah Oil, LLC** 5/28/10
 Print or Type Name Signature Title Date
 billy@pwillc.net
 e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance Disposal _____ Storage
Application qualifies for administrative approval? Yes _____ No

II. OPERATOR: **Judah Oil, LLC**

ADDRESS: **PO Box 568 Artesia, NM 88211**

CONTACT PARTY: **Blaise Campanella**

PHONE: **575-748-5488**

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, LLC**

SIGNATURE: _____

DATE: _____

E-MAIL ADDRESS: **billy@pwllc.net**

432-934-7680

*. 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: May 2009

Judah Oil, L.L.C.
Tecolote State # 001
API # 30-015-27346
Unit Letter "K", Section 2, T21S, R28E
Eddy County, New Mexico

C108 (Application for Authorization to Inject)

Proof of Notify

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

Surface Owner
Southwest Petroleum Land Service
100 North Penn
Roswell, NM 88202

Other Notified Parties

United States of America
Bureau of Land Management
602 E. Green Street
Carlsbad, New Mexico 88220

New Mexico Oil Conservation Division
District II
1301 W. Grand Ave
Artesia, NM 88210

BEPCO, Inc
PO Box 2760
Midland, TX 79702

NGX Company
PO Box 5
Roswell, New Mexico 88202-0005

Exhibit "G"

Legal Notice

Judah Oil ,L.L.C., PO Box 568, Artesia, New Mexico 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval of the conversion of the Tecolote State # 001, API #30-015- 27346, 2673 FNL X 1650 FWL, Unit Letter "K", Section 2, Township 21 South, Range 28 East, Eddy county, New Mexico from a Delaware oil well to a Delaware lease salt water disposal well. The disposal interval would be the Delaware formation through perforations from 3530-4916 feet. Disposal fluid would be produced water piped in from Judah operated wells in the area from the Bone Springs and Delaware formations. Anticipated disposal rate of 2500 BWPD with a maximum disposal rate of 6500 BWPD. Anticipated disposal pressure 250 psi with a maximum disposal pressure of 760 psi.

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 with in 15 days. Additional information can be obtained by contacting Blaise Campanella 575-748-5488.

Exhibit "G"

Submit 1 Copy To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 October 13, 2009

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-015-27346
2. Name of Operator Judah Oil, L.L.C.		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator PO Box 564 Artesia, NM 88210		6. State Oil & Gas Lease No.
4. Well Location Unit Letter K : 2673 feet from the North line and 1650 feet from the West line Section 2 Township 21S Range 28E NMPM Eddy County		7. Lease Name or Unit Agreement Name Tecolote State
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		8. Well Number 001
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data		9. OGRID Number 245872 ✓
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.		10. Pool name or Wildcat Scanlon; Delaware

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER: Perforate additional Delaware

OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Judah Oil purposes to set CIBP at 5650ft capped with 35ft of cement
 Perforate at 4150ft x circulate cement 200ft in to the intermediate casing x TOC calculated at 3000ft
 Perforate additional Delaware
 3530-64', 3716-80', 3860-70', 3890-3906', 3918-40', 3988-4100', 4276-94',
 4398-4416', 4508-4534', 4684-4710', 4882-4916',
 Run Arrow set nickel coated packer and 2 7/8" Duoline tubing with packer set at 3480ft + or -
 NMOCD witnessed MIT and turn well to lease disposal service
 Above work is pending approval of form C108(Application for Authority to Inject)
 Enclosed is before and after well bore diagrams

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE **Agent for Judah Oil, LC** DATE _____

Type or print name **Billy E. Prichard** E-mail address: **billy@pwllc.net** PHONE: **4329347680**
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance _____ Disposal _____ Storage
Application qualifies for administrative approval? _____ Yes _____ No

II. OPERATOR: **Judah Oil, LLC**

ADDRESS: **PO Box 568 Artesia, NM 88211**

CONTACT PARTY: **Blaise Campanella**

PHONE: **575-748-5488**

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, LLC**

SIGNATURE: _____

DATE: _____

E-MAIL ADDRESS: **billy@pwllc.net**

432-934-7680

*. 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: May 2009

**Judah Oil, L.L.C.
Tecolote State # 001
API # 30-015-27346
Unit Letter "K", 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 conversion of the
Tecolote State #001
from a Delaware oil well to a lease Delaware salt water disposal well.**

II.

**Operator: Judah Oil, L.L.C.
Address: PO Box 568 Artesia, New Mexico 88211
Contact Party: Blaise Campanella Phone: 575-748-5488**

III.

Well Data – Please see Exhibit "A"

IV.

This is not an expansion of an existing project

V.

Please see Exhibit "B"

VI.

**There were 2 wells identified in the 0.5 mile area of review that penetrate the proposed disposal
interval. 1 Well is an active Bone Springs producer, the other well has been plugged and abandoned.
Area of Review – Please see Exhibit "C"**

VII.

**Anticipated daily injection rate of 2500 BWPD with a maximum daily injection rate of 6500 BWPD.
This will be an closed system.**

**Anticipated average injection pressure of 250psi with a maximum injection pressure of 760 psi.
Please see Exhibit "D" for analysis of Bone Springs and Delaware water that will be disposed in the
Tecolote State # 001**

Please see Exhibit "E" for analysis of typical Delaware formation water

VIII.

**The proposed disposal interval is the Scanlon Delaware. The disposal interval is through
perforations from 3530-4916ft**

**Above the Delaware is the Lamar Lime and below the Delaware is the Bone Springs.
The Delaware is a sequence of well consolidated sandstone, siltstone, and shale strata of Permian**

Age.

IX.

No stimulation is planned unless disposal rates and pressures dictate.

X.

Well logs and completion data previously 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 475ft..**

**No fresh water wells were identified in the 1.0 mile area of review.
Please see Exhibit "F" for analysis of fresh water from wells in the area.**

XII.

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

XIII.

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

LOT 11

Judah Oil, L.L.C
TECOLOTE STATE #001
API # 30 -015-27346
 Unit Letter "K", Section 2, T21S, R28E
 Eddy County, New Mexico
 C108(Application for Authorization to Inject)

Proposed Disposal Well Data
 Data obtained from records maintained by the NMOCD

Spudded 5/4/1993 as test of Delaware

20" 106.5# casing was set in 26" hole at 259ft. Cemented with 570 sacks Class "C" cement with 2% CaCl. Cement circulated to surface.

13 3/8" 54.5# K55 casing was set in 17 1/2" hole at 1252ft. Cemented with 670 sacks Howco Lite, followed with 200 sacks Class "C" cement with 2% CaCl. Cement circulated to surface.

8 5/8" 24# & 32# K55 casing was set in 12 1/4" hole at 3162ft. Cemented with 1170 sacks Howco Lite, followed with 200 sacks Class "C" cement with 2% CaCl. Cement circulated to surface.

5 1/2" 15.50# K55 casing set in 7 7/8" hole at 6285ft. Cemented with 200 sacks 50/50 Poz Mix. Yield 2.1 cubic feet/sacks. Top of cement calculated at 4589ft using 70% fill.

Delaware perforations. 5713-5771ft, 5879-5890ft, 6000-6006ft, 6160-6164ft

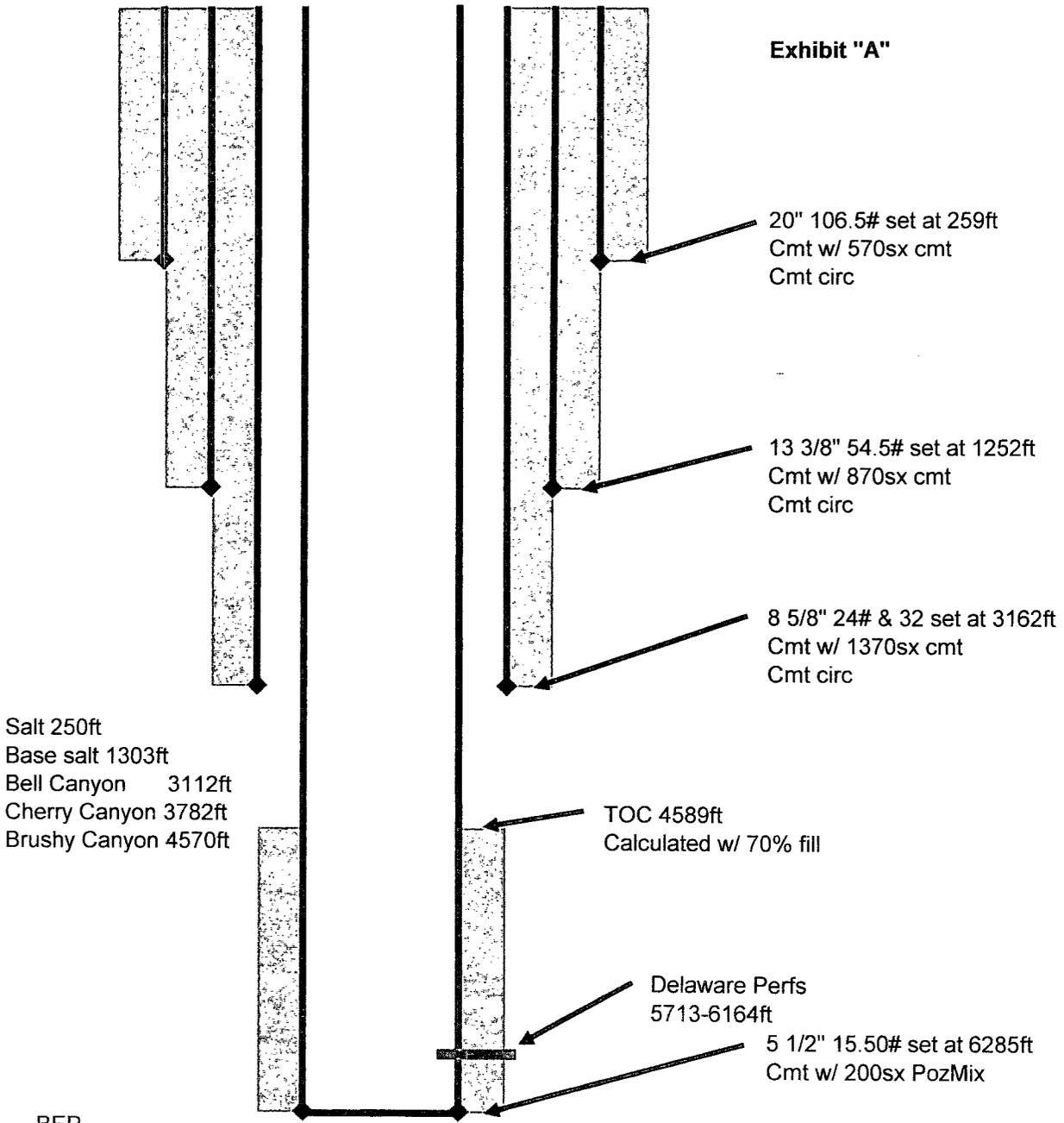
Production Summary of api:3001527346 pool:SCANLON;DELAWARE

producing year	Oil	Gas	Water	Co2
1994	160	0	1374	0
1995	4	0	91	0
1996	20	0	8	0
1997	28	0	25	0
1998	0	0	0	0
1999	0	0	0	0
2000	0	0	0	0
2001	0	0	0	0
2002	83	0	0	0
2003	0	0	0	0
2004	1400	0	14267	0
2005	86	0	8143	0
2006	89	0	4734	0
2007	0	0	0	0
2008	0	0	0	0
2009	0	0	0	0
summary	1870	0	28642	0

*copy at 7
 1/20/08
 M. J. ...
 O.C.D. File*

Judah Oil Company
Tecolote State # 1
API # 30-015-27346
Unit Letter K, Section 2, T21S, R28E
Eddy County, New Mexico
Spudded 5/4/1993
Prior to Conversion to SWD

Exhibit "A"

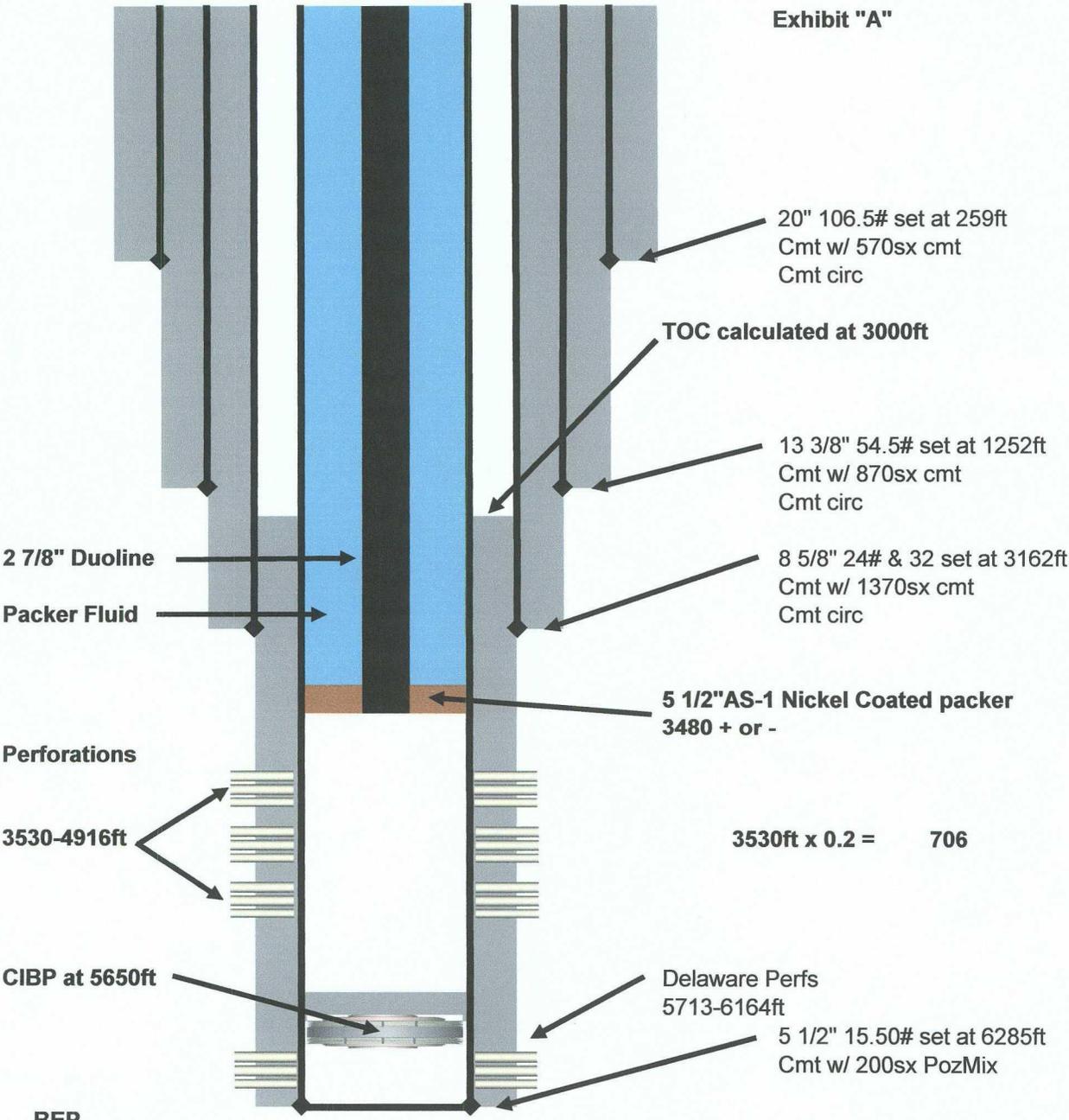


Drawing not to Scale

www.pwllc.net

LOT 11
Judah Oil Company
Tecolote State # 1
API # 30-015-27346
Unit Letter K, Section 2, T21S, R28E
Eddy County, New Mexico
Spudded 5/4/1993
After conversion to SWD

Exhibit "A"



Drawing not to Scale

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RECEIVED
MAY 21 1992
C.L.D.

Form C-103
Revised 10-1-78

251
lp

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO OPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. <input checked="" type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER-		5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
2. Name of Operator Energex Company		5. State Oil & Gas Lease No. VB-0183-1
3. Address of Operator 100 North Pennsylvania, Roswell, NM 88201 505-622-6713		7. Unit Agreement Name 8. Farm or Lease Name Tecolote State
4. Location of Well UNIT LETTER <u>K</u> <u>2673'</u> FEET FROM THE <u>North</u> LINE AND <u>1650</u> FEET FROM <u>and 4820'</u> From the <u>South</u> Line THE <u>West</u> LINE, SECTION <u>2</u> TOWNSHIP <u>21S</u> RANGE <u>28E</u> N14PM.		
15. Elevation (Show whether DF, RT, GR, etc.) 3324' GL		9. Well No. 1 10. Field and Pool, or Wildcat
		12. County Eddy

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

5/14/93

Drilled 12-1/4" hole to 3162' & ran 74 jts (3166.24') 24# & 32# K-55 csg. Set shoe @ 3162' & float @ 3140'. Cemented w/1170 sxs H/L + 5# gilsonite + 1/4# Flocele per sack followed by 200 sxs Class "C" w/2# CaCl2. PD @ 10:30 a.m. 5/13/93. Circulated 110 sxs to pit. Witnessed by Mike Stubblefield of NMOCD. WOC 18 hrs.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Jackie Midkiff TITLE Jackie Midkiff/Landman DATE 5/19/93

APPROVED BY MIKE WILLIAMS TITLE SUPERVISOR, DISTRICT 11 DATE MAY 28 1993

CONDITIONS OF APPROVAL, IF ANY:

OPERATOR EVERETT CO

WELL NAME TECOCOTE ST #1

STATE OGD TOPS AS PER MA

DATE 8-18-9

Southeastern New Mexico

Northwestern New Mexico

T. Anby <u>R</u> <u>585</u>	T. Canyon	T. Ojo Alamo	T. Perm. "B"
T. Salt <u>S</u> <u>985</u>	T. Strawn	T. Kirland-Froidland	T. Perm. "C"
T. Salt	T. Atoka	T. Pined Cliff	T. Perm. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Memphis	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Monroya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Oros
T. Gloriosa	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T. _____
T. Blintry	T. Gr. Wash	T. Morrison	T. _____
T. Tubb	T. Delaware Sand <u>3110</u>	T. Todillo	T. _____
T. Drinkard	T. Home Springs	T. Escada	T. _____
T. Abo	T. <u>CASTLE</u> <u>1300</u>	T. Wingate	T. _____
T. Wolfcamp	T. <u>REEF</u> <u>1690</u>	T. Chino	T. _____
T. Perm	T. _____	T. Permian	T. _____
T. Cisco (Bough C)	T. _____	T. Perm "A"	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____ No. 3, from _____ to _____
 No. 2, from _____ to _____ No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet
 No. 2, from _____ to _____ feet
 No. 3, from _____ to _____ feet

REMARKS:

CIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

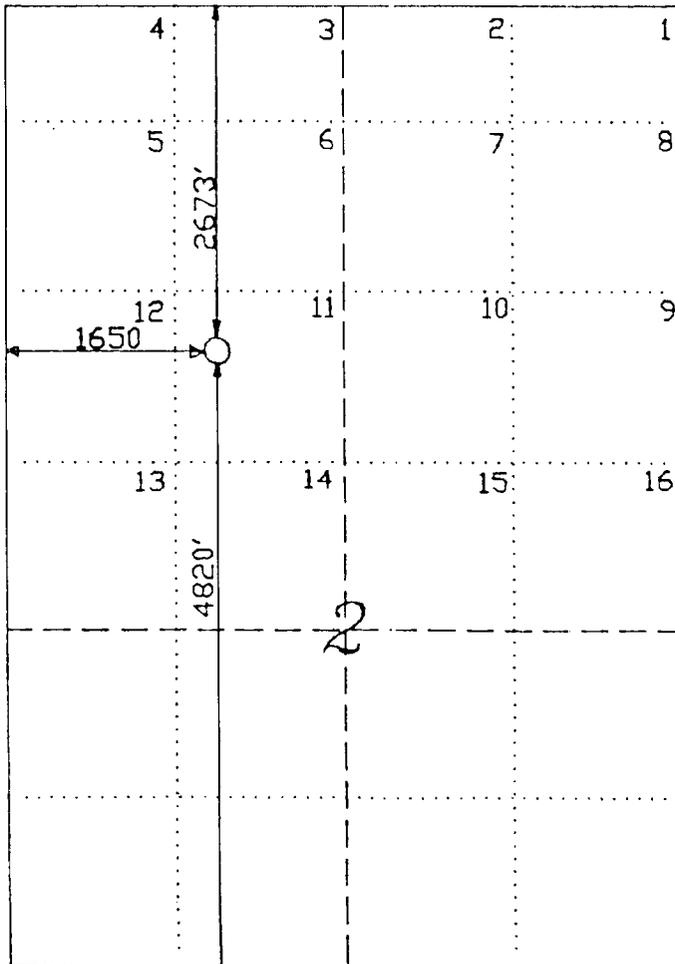
Operator Energex Company			Lease Tecolote State			Well No. 1		
Unit Letter K	Section 2	Township 21 South	Range 28 East	County NM/M		Eddy		
Actual Footage Location of Well: 2673 feet from the North line and 1650 feet from the West line								
Ground level Elev. 3324	Producing Formation <i>Delaware</i>			Pool <i>Urd Delaware</i>			Dedicated Acreage: Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

 Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



T21S, R28E

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Jackie Midkiff

Printed Name
Jackie Midkiff

Position
Landman

Company
Energex Company

Date
3/10/93

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

March 4, 1993

Signature & Seal
 Professional Surveyor

P. R. Patton

Certificate No.

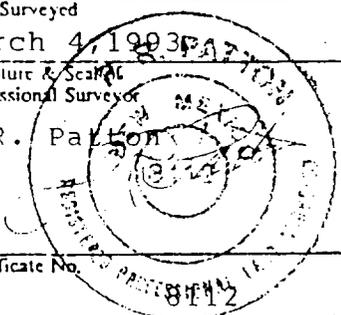
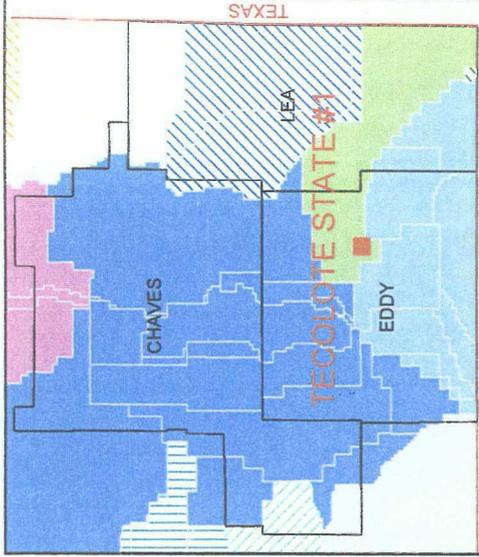
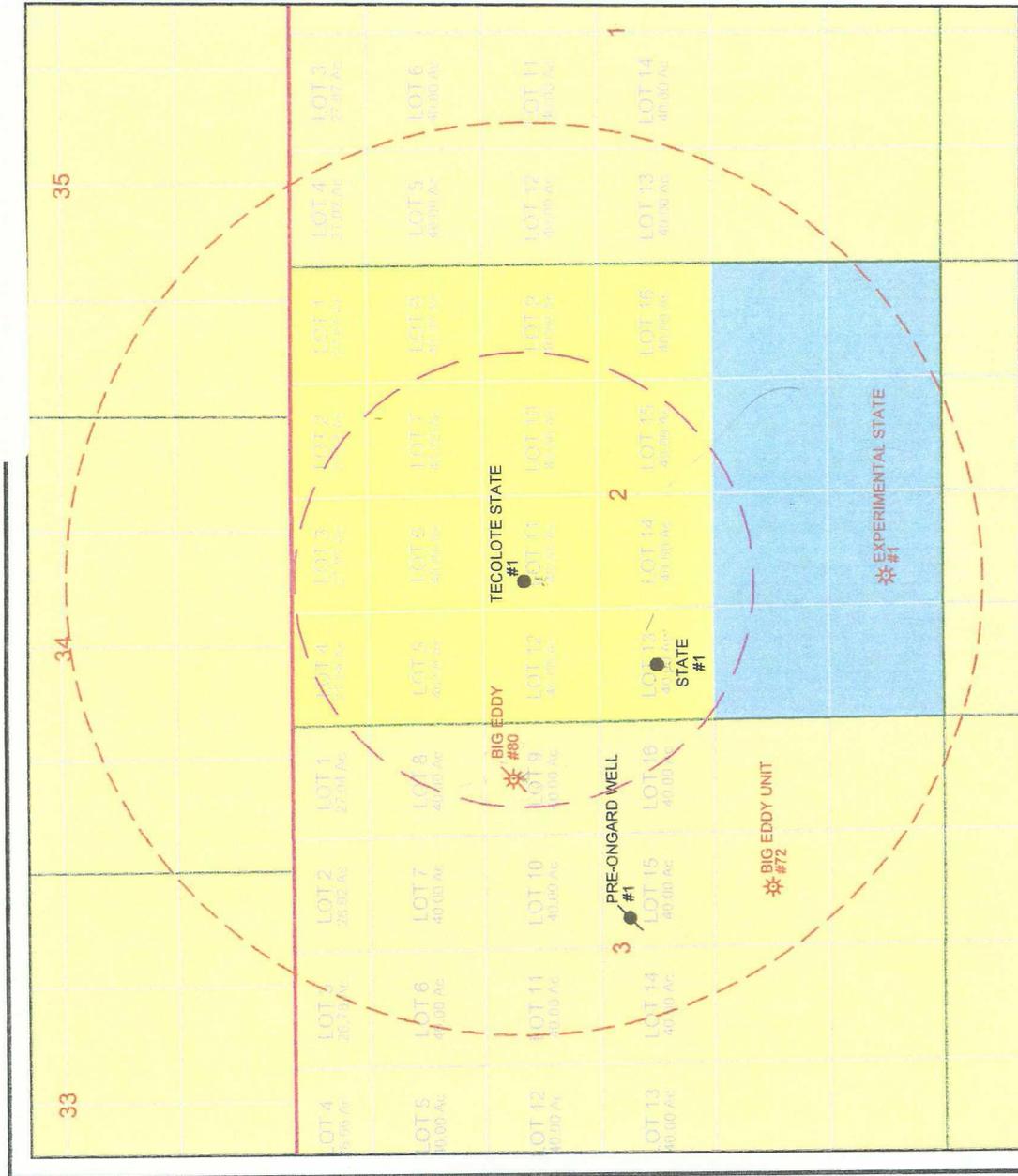


Exhibit "B"



DECLARED GROUND WATER BASINS

CAPITAN	LEA COUNTY	PENASCO
CARLSBAD	JAL	PORTALES
FORT SUMNER	HONDO	ROSWELL
	SALT BASIN	ARTESIAN



JUDAH OIL LLC
TECOLOTE STATE #1

API: 3001527346
SEC: 2
UNIT: K

TWP: 21S
RNG: 28E

2673 FNL
1650 FWL

COUNTY: EDDY
N 56 E - 11.8 MILES FROM Carlsbad, NM

LAT: 32°30.917' N. LON: 104°03.640' W.

NO WARRANTY IS EXPRESSED OR IMPLIED AS TO THE RELIABILITY AND/OR COMPLETENESS OF THIS MAP

www.WELLPROMAPPING.COM
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SURFACE OWNERSHIP

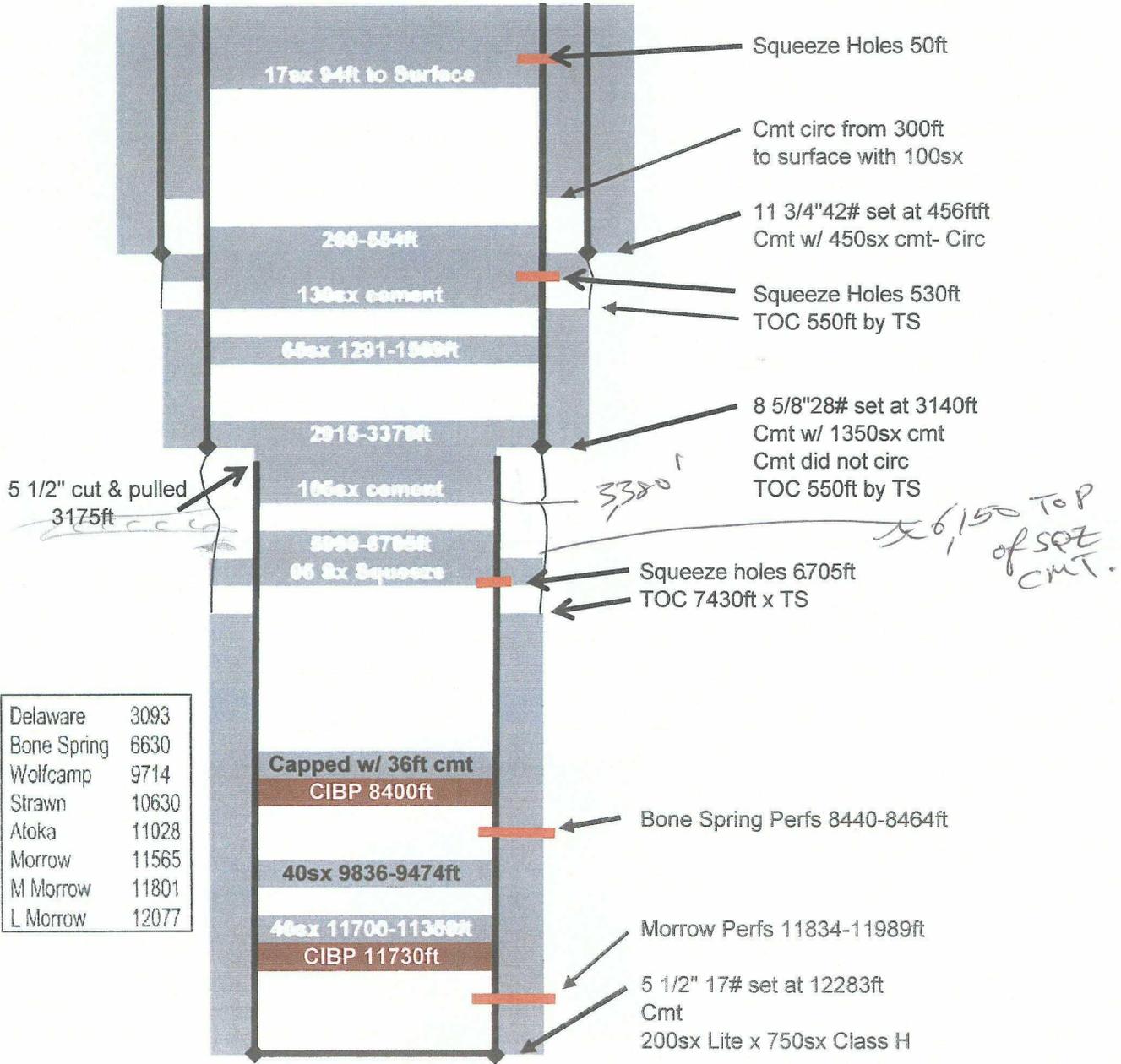
BLM	STATE	PRIVATE	INACTIVE OIL	WATER WELL
BUREAU OF RECLAIM.	NATIONAL PARK SERV.	FOREST SERVICE	ACTIVE OIL	
PARK	WILDLIFE REFUGE	TRIBAL LANDS	INACTIVE GAS	
			ACTIVE INJECTION	
			ACTIVE WATER	
			ACTIVE SWD	
			INACTIVE WATER	
			INACTIVE SWD	

Judah Oil, LLC
wells located within
0.5 mile
Area of Review

RADIUS	API	OPERATOR	LEASE	WELL TYPE	STAT	TS	RNG	S	ULT	TVD
	3001527346	Judah Oil, LLC	TECOLOTE STATE	1	OIL	ACT	21S 28E	2	K	S 6285
1805	3001523100	Judah Oil, LLC	STATE	1	OIL	ACT	21S 28E	2	L	S 12348
2315	3001523236	BASS	BIG EDDY	80	GAS	PA	21S 28E	3	9	F 12283
4122	3001502460	POWO	POW	1	OIL	UNC	21S 28E	3	O	N 0
4158	3001529778	Judah Oil, LLC	EXPERIMENTAL STATE	1	GAS	ACT	21S 28E	2	N	S 12550
4583	3001522859	BASS	BIG EDDY UNIT	72	GAS	ACT	21S 28E	3	O	F 0

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

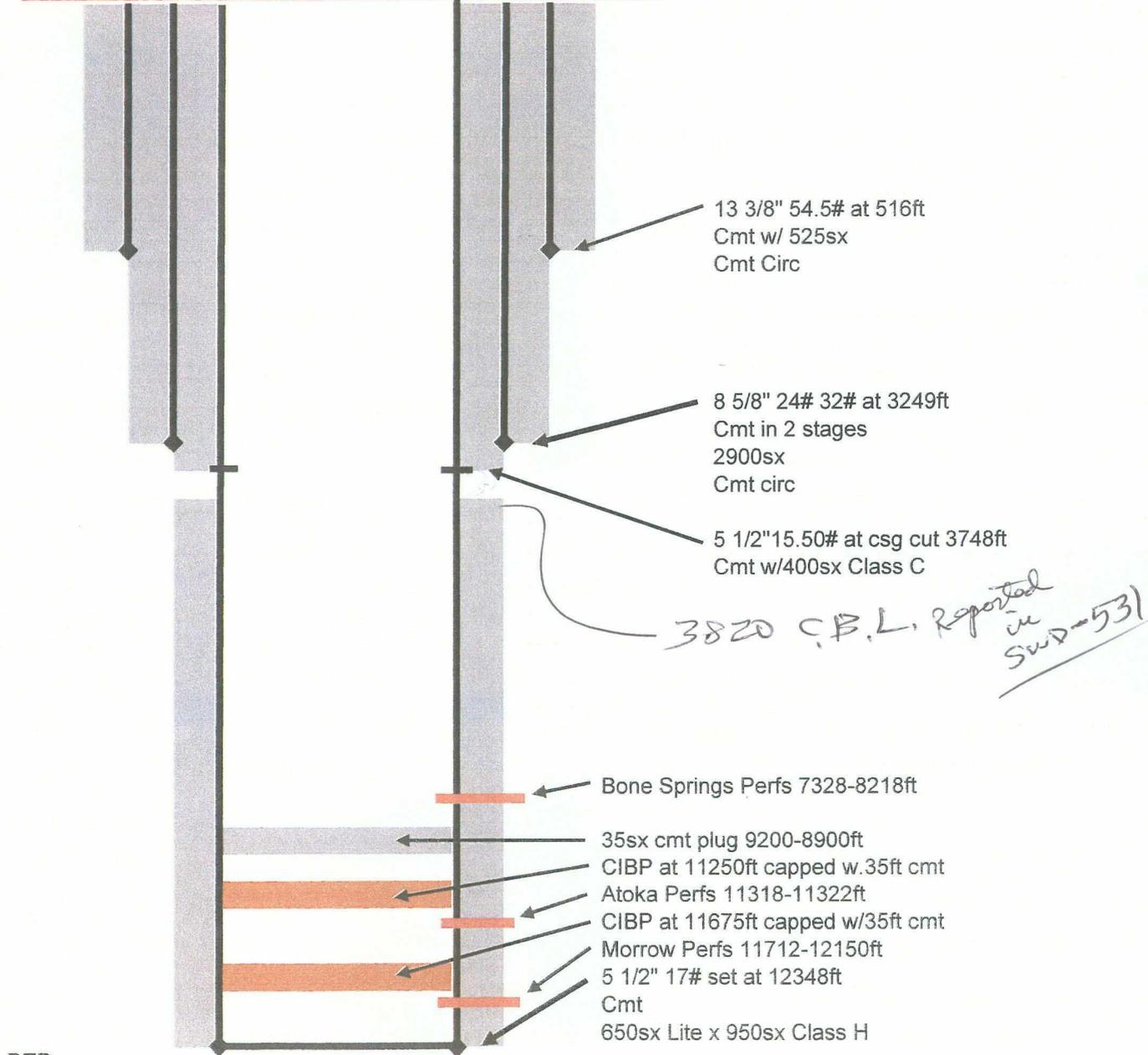


BEP

Drawing not to scale

Exhibit "C"

Judah Oil, LLC
 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, Currently Bone Springs



BEP

Drawing not to Scale

EXHIBIT A-2

ENERGEX COMPANY "STATE #1" Re-Entry
 (Originally Pogo Producing Co.)
 Section 2-T21S-R28E, 3300' FSL & 660' FWL
 KB: 3335' GL: 3319'

Originally Spud 1/20/1980
 Re-entered by Energex Co. 11/9/1992

For Well

Plugging

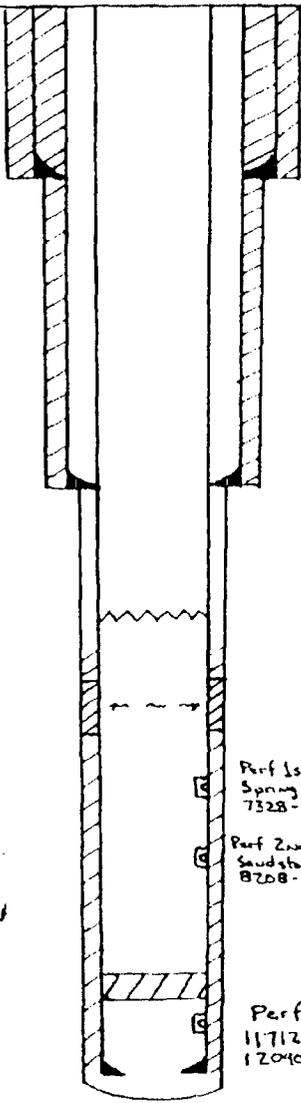
Bit

Casing

Depth

Cement

Plugging	Bit	Casing	Depth	Cement
	17 1/2"	13 3/8" 54.5#	513'	525 SXS
<p>Originally cut 5 1/2" casing 3710' and pulled in 1982 by Energex Co. Re-entered well and tied into the cut 1/2" stub with new 5 1/2" casing and Slip joint Shoe casing will pressure up to 500# and hold.</p> <p>Casing cut @ 5130, not free, 35 sx plug set 4900-5200', drilled out later by Energex Co.</p>	11"	8 5/8" 24# & 32#	3250'	2900 SXS
	7 7/8"	5 1/2" 17#	12,348'	1600 SXS



TD 12,339'
5/14/80

Top of Cement 3820' determined by Cement Bond Log

VIII. Injection Zone/Procedure:

Zone to be injected: 7328-7353', 8208-8218':

The proposed injection zone lies within the Brushy Delaware formation, which runs from 3105-6262'. This interval produces oil from the Tecolote State #1 well, which has gross perforated interval from 5716-6164'. There are no fresh water wells within the area of review. The Capitan aquifer is present and is cased behind three (3) cemented casing strings.

Fresh Water Wells Outside Area of Review:

Location: SE/4 SE/4 NE/4 of Section 35 of T20S, R29E

Sample Date: July, 1984

Depth: 335'

Formation: Rustler

Chloride Content: 1335 mg per liter

Location: NW/4 NW/4 SE/4 of Sec 4 of T21S R28E

Sample Date: March, 1992

Depth: 87'

Formation: Rustler

Chloride Content: 246 mg per liter

State #1
AOR well

Water compatibility: The water to be injected into the Brushy Delaware interval will be produced from the equivalent Brushy Delaware in the Tecolote State #1 well. This project is a pilot study which allows the otherwise non-commercial Tecolote State #1 well to be a commercially viable producer.

**Judah Oil, LLC
 Tecolote State # 001
 Water Analysis**

**Bone Springs and Delaware Produced Water
 delivered to Tecolote State #001**

Pool or Field	Section	Township	Range	TDS	Chlorides
Fenton NW; Delaware	7	21S	28E	153408	103522
Old Millman Ranch; Bone Springs	4	20S	28E	6037	3352
Avalon; Delaware	30	20S	28E	161114	109216

Exhibit "D"

Judah Oil, LLC
Tecolote State # 001
Water Analysis
of

Bone Springs and Delaware Produced Water
delivered to Tecolote State #001

Pool or Field	Section	Township	Range	TDS	Chlorides
Fenton NW; Delaware	7	21S	28E	153408	103522
Old Millman Ranch; Bone Springs	4	20S	28E	6037	3352
Avalon; Delaware	30	20S	28E	161114	109216

Exhibit "E"

Judah Oil, L.L.C.
Tecolote State # 001
API # 30-015-27346
Unit Letter "K", Section 2, T21S, R28E
Eddy County, New Mexico
C108 (Application for Authorization to Inject)

Fresh Water Analysis

General Information About: Sample 27993 Section/ Township/Range 04 / 21 S / 28
E Lat/Long 32.5121 / -104.0911 Elevation 3205 Depth 56 Date Collected 7/18/1997 Chlorides
44 Collector / Point of Collection SEO / DP Use Stock Formation RSLR TDS

General Information About: Sample 27151 Section/ Township/Range 17 / 21 S / 28
E Lat/Long 32.4791 / -104.1093 Elevation 3198.9 Depth 500 Date Collected 7/18/1997
Chlorides 1190 Collector / Point of Collection SEO / DP Use Formation CAP TDS

General Information About: Sample 8401 Section/ Township/Range 18 / 21 S / 28 E
Lat/Long 32.4791 / -104.1264 Elevation 3153.1 Depth 25 Date Collected 7/18/1997 Chlorides
90 Collector / Point of Collection SEO / TS@18' Use Formation OAL TDS

General Information About: Sample 27933 Section/ Township/Range 36 / 20 S / 28
E Lat/Long 32.5294 / -104.1302 Elevation 3205 Depth 0 Date Collected 5/11/1989 Chlorides
76 Collector / Point of Collection SEO / DP Use Stock Formation RSLR TDS 0

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

Exhibit "F"

Judah Oil, L.L.C.
Tecolote State # 001
API # 30-015-27346
Unit Letter "K", Section 2, T21S, R28E
Eddy County, New Mexico

C108 (Application for Authorization to Inject)

Proof of Notify

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

Surface Owner
Southwest Petroleum Land Service
100 North Penn
Roswell, NM 88202

Other Notified Parties

United States of America
Bureau of Land Management
602 E. Green Street
Carlsbad, New Mexico 88220

New Mexico Oil Conservation Division
District II
1301 W. Grand Ave
Artesia, NM 88210

BEPCO, Inc
PO Box 2760
Midland, TX 79702

NGX Company
PO Box 5
Roswell, New Mexico 88202-0005

Exhibit "G"

Legal Notice

Judah Oil ,L.L.C., PO Box 568, Artesia, New Mexico 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval of the conversion of the Tecolote State # 001, API #30-015- 27346, 2673 FNL X 1650 FWL, Unit Letter "K", Section 2, Township 21 South, Range 28 East, Eddy county, New Mexico from a Delaware oil well to a Delaware lease salt water disposal well. The disposal interval would be the Delaware formation through perforations from 3530-4916 feet. Disposal fluid would be produced water piped in from Judah operated wells in the area from the Bone Springs and Delaware formations. Anticipated disposal rate of 2500 BWPD with a maximum disposal rate of 6500 BWPD. Anticipated disposal pressure 250 psi with a maximum disposal pressure of 760 psi. Well is 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 with in 15 days. Additional information can be obtained by contacting Blaise Campanella 575-748-5488.

Affidavit of Publication

NO. 21202

Copy of Publication:

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott

being duly sworn, says that he is the Publisher

of the Artesia Daily Press, a daily newspaper of general

circulation, published in English at Artesia, said county

and state, and that the hereto attached

Legal Notice

was published in a regular and entire issue of the said

Artesia Daily Press, a daily newspaper duly qualified

for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/days on the same

day as follows:

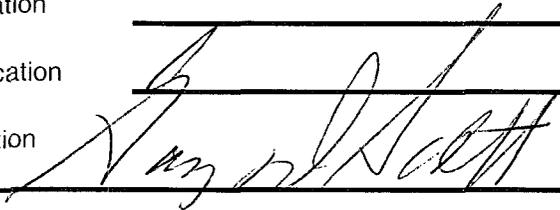
First Publication June 3, 2010

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____



Subscribed and sworn to before me this

8th day of June 2010



OFFICIAL SEAL
Walter L. Green
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 3/18/2014



Walter L. Green
Notary Public, Eddy County, New Mexico

Judah Oil, L.L.C., PO Box 568, Artesia, New Mexico 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval of the conversion of the Tecolote

State # 001, API #30-015-27346, 2673 FNL X 1650 FWL, Unit Letter "K", Section 2, Township 21 South, Range 28 East, Eddy county, New Mexico from a Delaware oil well to a Delaware lease salt water disposal well. The disposal interval would be the Delaware formation through perforations from 3530-4916 feet. Disposal fluid would be produced water piped in from Judah operated wells in the area from the Bone Springs and Delaware formations.

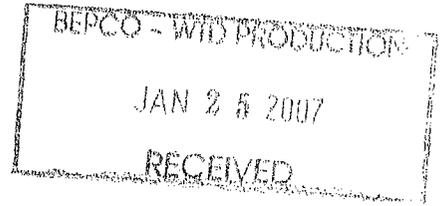
Anticipated disposal rate of 2500 BWPD with a maximum disposal rate of 6500 BWPD. Anticipated disposal pressure 250 psi with a maximum disposal pressure of 760 psi. Well is 11.8 miles east of Carlsbad, New Mexico.

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 with in 15 days. Additional information can be obtained by contacting Blaise

Campanella 575-748-5488. Published in the Artesia Daily Press, Artesia, N.M., June 3, 2010. Legal No. 21202.

JUDAH OIL
Subsidiary of
Levi Oil and Gas, LLC



January 24, 2007

BEPCO
P.O. Box 2760
Midland, TX 79702

RE: Tecolote State 31 Well UL-K, Sec-2, T-21-S, R-28-E, Eddy Co., New Mexico

Dear Sirs,

I am enclosing a copy of an Application to Inject with our intent to convert the above mentioned well into a Salt Water Disposal. I have filed the C-108 Application with the New Mexico Oil Conservation Division in compliance with Rule 701.

Please acknowledge your consent or disapproval in the space provided below and mail the original form back to us and keep a copy for your records.

If you have any objection to the C-108 application you must file your objection with the New Mexico Oil and Gas Commission, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505 within 15 days after receipt of this letter.

Should you have any questions in regard to our application, please contact me at 505-748-5488. Thank you for your help.

Sincerely,

James B. Campanella
President

Please Check One

Date: _____

Approve: _____

Name: _____

Title: _____

Disapprove: _____

P.O. Box 568
Artesia, NM
88211-0568

OFFICE (505) 746-1280
PHONE (505) 748-5488
FAX (505) 746-1290
E-MAIL judahoil@yahoo.com

ABOVE THIS LINE FOR DIVISION USE ONLY

30-015-27346

RECEIVED NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2009 MAY 18 PM 2:51 1220 South St. Francis Drive, Santa Fe, NM 87505



Tecolote State #1
Judah Oil
245872

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[D] Other: Specify _____

*Cancelled
5/18/09*

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Billy (Bill) E. Prichard

Agent for Judah Oil, LLC

Print or Type Name

Signature

Title

Date

Billy E. Prichard

5/15/09

billy@pwllc.net
e-mail Address

Avit of Publication

NO. 20663

Copy of Publication:

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being duly

sworn, says: That he is the PUBLISHER of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive week/days on the same

day as follows:

First Publication May 5, 2009

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Subscribed and sworn to before me this

5 Day May 2009



OFFICIAL SEAL
Jo Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 6/26/2012

Jo Morgan

Notary Public, Eddy County, New Mexico

LEGAL NOTICE

Legal Notice
Judah Oil, L.L.C., PO Box 568, Artesia, New Mexico 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval of the conversion of the Tecolote State # 001;

API #30-015-27346, 2673 FNL X 1650 FWL, Unit Letter "K", Section 2, Township 21 South, Range 28 East, Eddy county, New Mexico from a Delaware oil well to a Delaware commercial salt water disposal well. The disposal interval would be the Delaware formation through perforations from 5713-6164ft feet.

Disposal fluid would be produced water trucked in from numerous producing formations in SE New Mexico.

Anticipated disposal rate of 4000 BWPD with a maximum disposal rate of 5000 BWPD.

Anticipated disposal pressure 250 psi with a maximum disposal pressure of 1142 psi.

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 with in 15 days. Additional information can be obtained by contacting Blaise Campanella 575-748-5488.

Published in the Artesia Daily Press, Artesia, NM May 5, 2009
Legal No. 20663

Pueblo West
Oilfield Consulting Service

5/15/09

RECEIVED

2009 MAY 18 PM 2 50

New Mexico Oil Conservation Division
Engineering Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: NMOCD Form C108

Please find enclosed NMOCD form C108 from Judah Oil, LLC seeking administrative approval for the conversion of the Tecolote State # 001 (API # 30-015-27346) from a Delaware oil well to a commercial salt water disposal well. The 5 ½" production casing above the top of the cement currently has numerous holes. NMOCD form C103 is currently being prepared to cut and pull the bad casing and replace with new 5 ½" and circulate cement to the surface. Should you have questions or need further information please do not hesitate to call or email to the below contact information.

Sincerely,



Billy(Bill)E.Prichard
Pueblo West
Oilfield Consulting Service
125 Greathouse Village
Decatur, TX 76234
432-934-7680 cell
940-627-5449 fax
Email; billy@pwllc.net

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance X Disposal _____ Storage
Application qualifies for administrative approval? X Yes _____ No

II. OPERATOR: **Judah Oil, LLC**

ADDRESS: **PO Box 568 Artesia, NM 88211**

CONTACT PARTY: **Blaise Campanella**

PHONE: **575-748-5488**

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 X 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, LLC**

SIGNATURE: _____

DATE: _____



5/15/09

E-MAIL ADDRESS: **billy@pwillc.net**

432-934-7680

* 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.
Tecolote State # 001
API # 30-015-27346
Unit Letter "K", 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 conversion of the
Tecolote State #001
from a Delaware oil well to a commercial Delaware salt water disposal well.**

II.

**Operator: Judah Oil, L.L.C.
Address: PO Box 568 Artesia, New Mexico 88211
Contact Party: Blaise Campanella Phone: 575-748-5488**

III.

Well Data – Please see Exhibit "A"

IV.

This is not an expansion of an existing project

V.

Please see Exhibit "B"

VI.

**There were 2 wells identified in the 0.5 mile area of review that penetrate the proposed disposal
interval. 1 Well is an active Bone Springs producer, the other well has been plugged and abandoned.**

Area of Review – Please see Exhibit "C"

VII.

Anticipated daily injection rate of 4000 BWPD with a maximum daily injection rate of 5000 BWPD.

This will be an open system.

Anticipated average injection pressure of 250psi with a maximum injection pressure of 1142 psi.

Please see Exhibit "D" for analysis of possible water disposed in the Tecolote State # 001

Please see Exhibit "E" for analysis of typical Delaware formation water

VIII.

**The proposed disposal interval is the Stanlon Delaware. The disposal interval is through
perforations from 5718-6164ft**

Above the Delaware is the Lamar Lime and below the Delaware is the Bone Springs.

**The Delaware is a sequence of well consolidated sandstone, siltstone, and shale strata of Permian
Age.**

IX.

X.

No stimulation is planned unless disposal rates and pressures dictate.

XI.

Well logs and completion data previously filed with NMOCD

XII.

**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 475ft..**

No fresh water wells were identified in the 1.0 mile area of review.

Please see Exhibit "F" for analysis of fresh water from wells in the area.

XIII.

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

XIII.

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

Judah Oil, L.L.C
TECOLOTE STATE #001
API # 30 -015-27346
Unit Letter "K", Section 2, T21S, R28E
Eddy County, New Mexico
C108(Application for Authorization to Inject)

Proposed Disposal Well Data
Data obtained from records maintained by the NMOCD

Spudded 5/4/1993 as test of Delaware

20" 106.5# casing was set in 26" hole at 259ft. Cemented with 570 sacks Class "C" cement with 2% CaCl. Cement circulated to surface.

13 3/8" 54.5# K55 casing was set in 17 1/2" hole at 1252ft. Cemented with 670 sacks Howco Lite, followed with 200 sacks Class"C" cement with 2% CaCl. Cement circulated to surface.

8 5/8" 24# & 32# K55 casing was set in 12 1/4" hole at 3162ft. Cemented with 1170 sacks Howco Lite, followed with 200 sacks Class"C" cement with 2% CaCl. Cement circulated to surface.

5 1/2" 15.50# K55 casing set in 7 7/8" hole at 6285ft. Cemented with 200 sacks 50/50 Poz Mix. Yield 2.1cubic feet/sacks. Top of cement calculated at 4589ft using 70% fill.

Delaware perforations. 5713-5771ft, 5879-5890ft, 6000-6006ft, 6160-6164ft

Production Summary of api:3001527346 pool:SCANLON;DELAWARE

producing year	Oil	Gas	Water	Co2
1994	160	0	1374	0
1995	4	0	91	0
1996	20	0	8	0
1997	28	0	25	0
1998	0	0	0	0
1999	0	0	0	0
2000	0	0	0	0
2001	0	0	0	0
2002	83	0	0	0
2003	0	0	0	0
2004	1400	0	14267	0
2005	86	0	8143	0
2006	89	0	4734	0
2007	0	0	0	0
2008	0	0	0	0
2009	0	0	0	0
summary	11870	0	28642	0

Exhibit "A"

Judah Oil Company
Tecolote State # 1
API # 30-015-27346
Unit Letter K, Section 2, T21S, R28E
Eddy County, New Mexico
Spudded 5/4/1993
Prior to Conversion to SWD

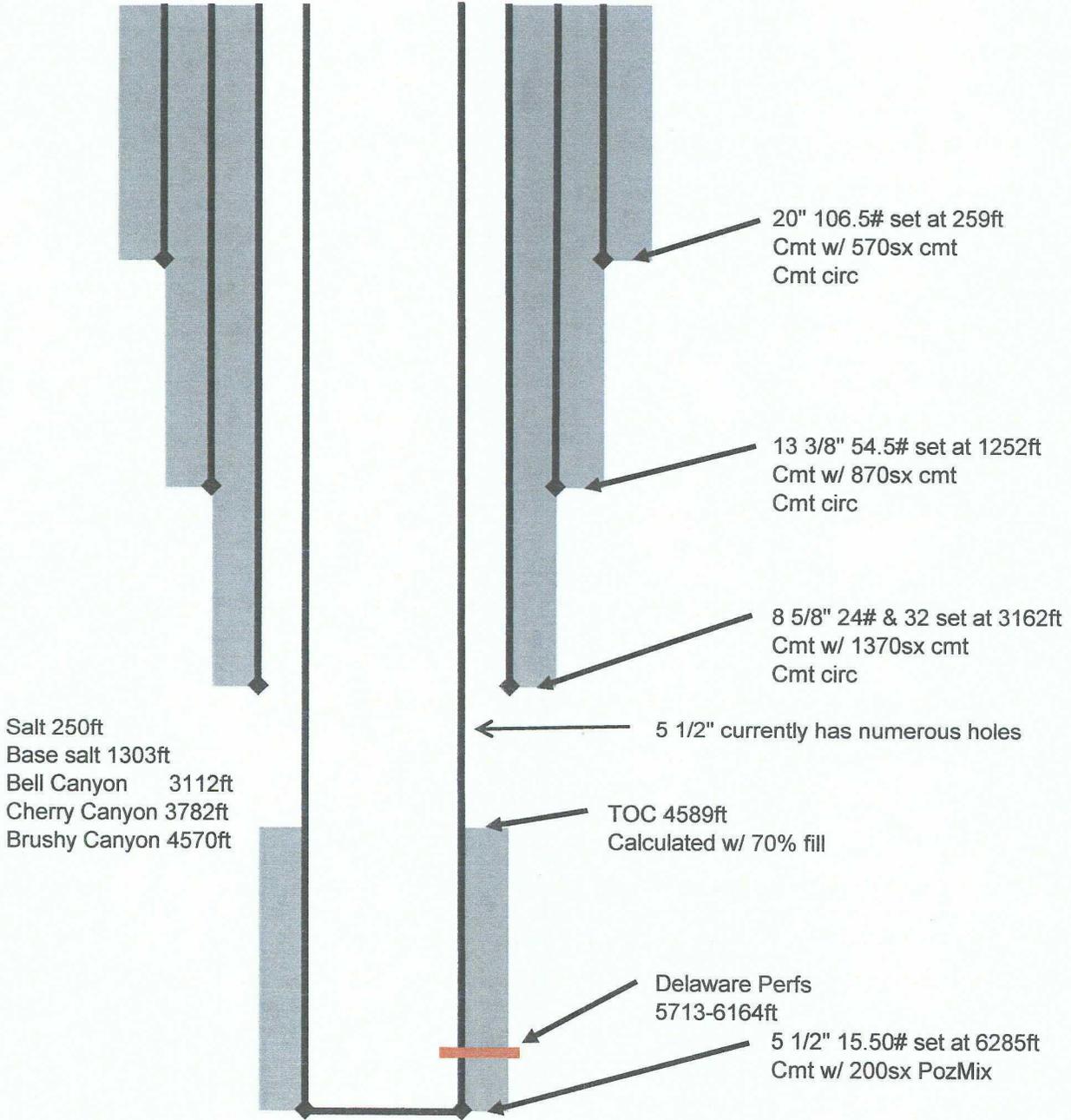


Exhibit "A"

Judah Oil Company
Tecolote State # 1
API # 30-015-27346
Unit Letter K, Section 2, T21S, R28E
Eddy County, New Mexico
Spudded 5/4/1993
After conversion to SWD

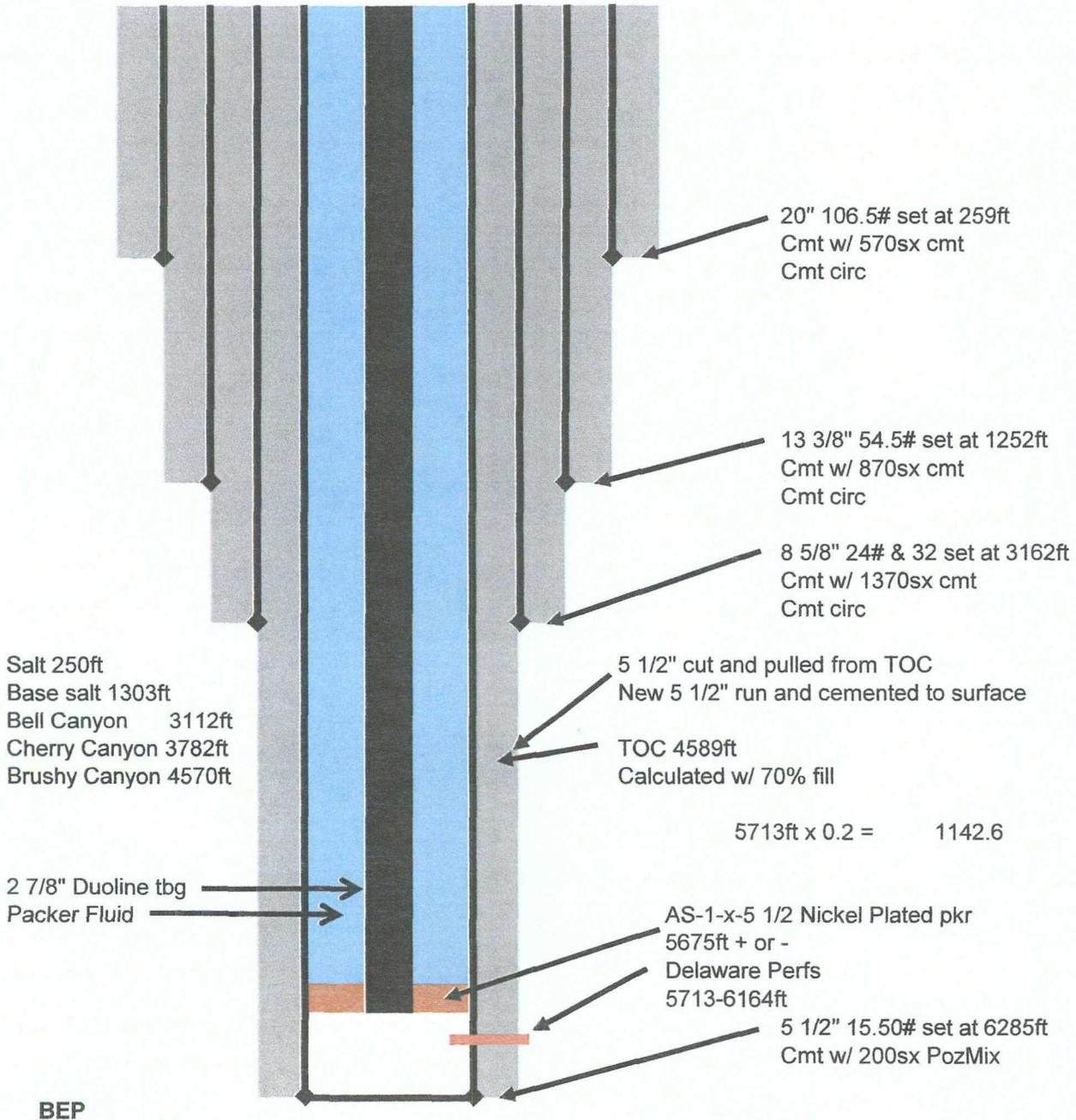


Exhibit "A"

Affidavit of Publication

Copy of Publication:

NO. 20663

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being duly

sworn, says: That he is the PUBLISHER of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for

1 Consecutive week/days on the same

day as follows:

First Publication May 5, 2009

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Gary D. Scott

Subscribed and sworn to before me this

5 Day May 2009



OFFICIAL SEAL
Jo Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 6/26/2012

Jo Morgan

Notary Public, Eddy County, New Mexico

LEGAL NOTICE

Legal Notice
Judah Oil, L.L.C., PO Box 568, Artesia, New Mexico 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval of the conversion of the Tecolote State # 001;

API #30-015- 27346, 2673 FNL X 1650 FWL, Unit Letter "K", Section 2, Township 21 South, Range 28 East, Eddy county, New Mexico from a Delaware oil well to a Delaware commercial salt water disposal well. The disposal interval would be the Delaware formation through perforations from 5713-6164ft feet.

Disposal fluid would be produced water trucked in from numerous producing formations in SE New Mexico.

Anticipated disposal rate of 4000 BWPD with a maximum disposal rate of 5000 BWPD.

Anticipated disposal pressure 250 psi with a maximum disposal pressure of 1142 psi.

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 with in 15 days. Additional information can be obtained by contacting Blaise Campanella 575-748-5488.

Published in the Artesia Daily Press, Artesia, NM May 5, 2009

Legal No. 20663

Exhibit "A"

U.S. Postal Service™
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Sent To
 Street, Apt. No., or PO Box No. **Joseph E. Gant III**
602 W. Riverside
 City, State, ZIP+4 **Carlsbad, NM 88220-5220**

PS Form 3800, August 2008 See Reverse for Instructions

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Total Postage & Fees	\$ 6.49		05/15/2009

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PS Form 3800, August 2008 See Reverse for Instructions

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Restricted Delivery Fee (Endorsement Required)	\$ 0.00		
Total Postage & Fees	\$ 6.49		05/15/2009

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620 E Green Street
 City, State, ZIP+4 **Carlsbad, NM 88220**

PS Form 3800, August 2008 See Reverse for Instructions

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 City, State, ZIP+4 **Midland, TX 79702**

PS Form 3800, August 2008 See Reverse for Instructions

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Return Receipt Fee (Endorsement Required)	\$ 2.30		
Restricted Delivery Fee (Endorsement Required)	\$ 0.00		
Total Postage & Fees	\$ 6.49		05/15/2009

Sent To
 Street, Apt. No., or PO Box No. **NMOCD**
District 2
 City, State, ZIP+4 **1301 W Grand Ave**
Artesia, NM 88210

PS Form 3800, August 2008 See Reverse for Instructions

U.S. Postal Service™
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For delivery information visit our website at www.usps.com

ROSWELL, NM 88202 **OFFICIAL USE**

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Certified Fee	\$ 2.80	02	Postmark Here
Return Receipt Fee (Endorsement Required)	\$ 2.30		
Restricted Delivery Fee (Endorsement Required)	\$ 0.00		
Total Postage & Fees	\$ 6.49		05/15/2009

Sent To
 Street, Apt. No., or PO Box No. **NGX Company**
PO Box 5
 City, State, ZIP+4 **Roswell, NM 88202-0005**

PS Form 3800, August 2008 See Reverse for Instructions

Judah Oil, LLC
 Tecolote State # 001
 Water Analysis

of
 Possible Produced Water
 delivered to Tecolote State #001

Pool or Field	Section	Township	Range	TDS	Chlorides
Fenton NW; Delaware	7	21S	28E	153408	103522
Old Milliman Ranch; Bone Springs	4	20S	28E	6037	3352
Avalon; Delaware	30	20S	28E	161114	109216
Saladar; Strawn	30	20S	28E		11502
Burton Flat; Morrow	18	20S	28E	36641	23004
Burton Flat North; Wolfcamp	21	20S	28E	144926	87600

Exhibit "D"

Judah Oil, LLC
 Tecolote State # 001
 Water Analysis

of
 Possible Produced Water
 delivered to Tecolote State #001

Pool or Field	Section	Township	Range	TDS	Chlorides
Fenton NW; Delaware	7	21S	28E	153408	103522
Old Millman Ranch; Bone Springs	4	20S	28E	6037	3352
Avalon; Delaware	30	20S	28E	161114	109216
Saladar; Strawn	30	20S	28E		11502
Burton Flat; Morrow	18	20S	28E	36641	23004
Burton Flat North; Wolfcamp	21	20S	28E	144926	87600

Exhibit "E"

Judah Oil, L.L.C.
Tecolote State # 001
API # 30-015-27346
Unit Letter "K", Section 2, T21S, R28E
Eddy County, New Mexico
C108 (Application for Authorization to Inject)

Fresh Water Analysis

General Information About: Sample 27993 Section/ Township/Range 04 / 21 S / 28
E Lat/Long 32.5121 / -104.0911 Elevation 3205 Depth 56 Date Collected 7/18/1997 Chlorides
44 Collector / Point of Collection SEO / DP Use Stock Formation RSLR TDS

General Information About: Sample 27151 Section/ Township/Range 17 / 21 S / 28
E Lat/Long 32.4791 / -104.1093 Elevation 3198.9 Depth 500 Date Collected 7/18/1997
Chlorides 1190 Collector / Point of Collection SEO / DP Use Formation CAP TDS

General Information About: Sample 8401 Section/ Township/Range 18 / 21 S / 28 E
Lat/Long 32.4791 / -104.1264 Elevation 3153.1 Depth 25 Date Collected 7/18/1997 Chlorides
90 Collector / Point of Collection SEO / TS@18' Use Formation OAL TDS

General Information About: Sample 27933 Section/ Township/Range 36 / 20 S / 28
E Lat/Long 32.5294 / -104.1302 Elevation 3205 Depth 0 Date Collected 5/11/1989 Chlorides
76 Collector / Point of Collection SEO / DP Use Stock Formation RSLR TDS 0

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

Exhibit "F"

Judah Oil, L.L.C.
Tecolote State # 001
API # 30-015-27346
Unit Letter "K", Section 2, T21S, R28E
Eddy County, New Mexico
C108 (Application for Authorization to Inject)

Proof of Notify

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

Surface Owner
Joseph E. Gant III
602 W. Riverside
Carlsbad, NM 88220-5220

Other Notified Parties

United States of America
Bureau of Land Management
602 E. Green Street
Carlsbad, New Mexico 88220

BEPCO, Inc
PO Box 2760
Midland, TX 79702

NGX Company
PO Box 5
Roswell, New Mexico 88202-0005

Exhibit "G"

Affidavit of Publication

Copy of Publication:

NO. 20663

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being duly

sworn, says: That he is the PUBLISHER of The

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1 Consecutive week/days on the same

day as follows:

First Publication May 5, 2009

Second Publication _____

Third Publication _____

Fourth Publication _____

Fifth Publication _____

Subscribed and sworn to before me this

5 Day May 2009



OFFICIAL SEAL
Jo Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 6/26/2012

Jo Morgan
Notary Public, Eddy County, New Mexico

LEGAL NOTICE

Legal Notice
Judah Oil, L.L.C., PO Box 568, Artesia, New Mexico 88210 has filed form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval of the conversion of the Tecolote State # 001, API #30-015- 27346, 2673 FNL X 1650 FWL, Unit Letter "K", Section 2, Township 21 South, Range 28 East, Eddy county, New Mexico from a Delaware oil well to a Delaware commercial salt water disposal well. The disposal interval would be the Delaware formation through perforations from 5713-6164ft feet. Disposal fluid would be produced water trucked in from numerous producing formations in SE New Mexico. Anticipated disposal rate of 4000 BWPD with a maximum disposal rate of 5000 BWPD. Anticipated disposal pressure 250 psi with a maximum disposal pressure of 1142 psi. 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 with in 15 days. Additional information can be obtained by contacting Blaise Campanella 575-748-5488. Published in the Artesia Daily Press, Artesia, NM May 5, 2009 Legal No. 20663