

OCD-ARTESIA

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Form 3160-5
(September 2001)

SEP 07 2010

NMOC D ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SONDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No 1004-0135
Expires January 31, 2004

5. Lease Serial No.

LC-029420-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Dow "B" Federal #1

9. API Well No.

30-015-28140 28676

10. Field and Pool, or Exploratory Area

Cedar Lake, East Morrow/Shugart

11. County or Parish, State

Eddy, NM

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☐☒ Gas Well ☐☐ Other

2. Name of Operator

Judah Oil, LLC

3a. Address

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

3b. Phone No. (include area code)

575-746-1280

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

ULP, 1650 feet FSL, and 2210 feet FWL, Section 28, TS 17S, Range 31E

ULP 1028 FSL 1227 FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change of Operator
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

As required per Onshore Orders, Judah Oil, LLC has taken over as operator for Yeso Energy, Inc. on the above described effective 8/11/2010. Judah Oil, LLC as a new operator accepts all terms, conditions, restrictions and stipulations concerned for any and all operation conducted on the lease or portion of this lease as described above.

Operator Contact Info:

Judah Oil, LLC
PO Box 568
Artesia, NM 88211-0568

Responsible Party:

James B Campanella
575-746-1280
575-748-5488
575-746-1290 Fax

SEE ATTACHED FOR
CONDITIONS OF APPROVALWrong Information
D. & - NMOC D
Corrected

Bonding Coverage LC-029420-B Bond Amount: \$25,000.00 plus an additional \$100,000.00 Bond # NMB00451

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

James B. Campanella

Title Member/Manager

Signature

Date

08/11/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ JD Whitlock Jr

Title

LPET

Date

8/31/10

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

DENIED

not operator of record

10-18-10
Daniel May
NMOC D (575) 748-1283x113

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

Conditions of Approval

Judah Oil LLC

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

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

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

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

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

Do one of the following.

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

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

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

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