Form 3160-5 (August 2007)

### OPERATOR'S COPY

**AMENDED** 

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5. Lease Serial No. LC-029420-B

SUNDRY 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. 6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.				7. If Unit of CA/Agreement, Name and/or No		
1. Type of Well Oil Well  Gas V	Well Other			8. Well Name and No. Dow "B" 28 Federal		
2. Name of Operator Judah Oil, LLC	**************************************			9. API Well No. 30-015-28676	······································	
3a. Address PO Box 588. Ariesia, NM. 88211-0568		3b. Phone No (include area code) 575-746-1280		10. Field and Pool or Exploratory Area Cedar Lake, East Morrow/Shugart		
4. Location of Well (Footage, Sec., T. ULP, 1028 FSL, 1227 FEL, Section 28. TS 175	R.M., or Survey Description 5, Range 31E	j		11. Country or Parish, Eddy, NM	State	
12. CHE	CK THE APPROPRIATE BO	X(ES) TO INDICATE NATUR	RE OF NOTIC	CE, REPORT OR OTHI	ER DATA	
Type of Submission	TYPE OF ACTION					
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat		uction (Start/Resume)	Water Shut-Off Well Integrity	
Subsequent Report	Casing Repair Change Plans	New Construction Plug and Abandon		mplete porarily Abandon	Other Change Of Opera	
Final Abandonment Notice	Convert to Injection	Plug Back		r Disposal		
<ol> <li>Describe Proposed or Completed O</li> </ol>	peration; Clearly state all per	tinent details, including estimat	ed starting dat	e of any proposed work	and approximate duration thereof	

the proposal is to deepen directionally or recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 the lease as described above.

Operator Contact Info: Judah Oil, LLC PO Box 568 Artesia, NM 88211-0568

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Repsonsible Party: James B. Campanella 575-746-1280 575-748-5488 575-746-1290 Fax

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 (PrintedTyped)		
James B. Companellas	Title Member/Manager	
	Date 08/11/2010	
THIS SPACE FOR FEDER	RAL OR STATE OFFICE USE	
Approved by		
Approved by D. W. Littland a	Title LPET Date	131/10
Conditions of approval, it any, are attached. Approval of his indice does not that the applicant holds legal or equitable title to those rights in the subject lease which wou entitle the applicant to conduct operations thereon	office CFO	
Title 18 U.S.C. Service 1001 and Title 43 U.S.C. Section 1212 make it a crime for any per-	son knowingly and willfully to make to any department or agen	cy of the United States any

Title 18 U.S.C. Section 1001 and Title fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico

Case No 's 14547 & 14472 Exhibit No 1 Submitted by

JUDAH OIL, LLC Hearing Date November 4, 2010 J000031

9:00 [TX/RX NO 6154] 2008



#### BUREAU OF LAND MANAGEMENT 😞 Carlsbad Field Office 620 Eäst 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

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



OPERATOR'S CC. FORM APPROVED OM B No 1004-0135 Expires: January 31, 2004 Form 3160-5 UNITED STATES (September 2001) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Lease Senal No LC-029420-B SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160 - 3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE- Other Instructions on reverse side. 1. Type of Well Oil Well 🗆 🗆 Gas Well□□ Other Well Name and No. Dow"R" Foder #1 Vove 2. Name of Operator Judah Oil, LLC 9. API Well No. 29-015-28140 3b. Phone No (include area code) 575-746-1280 P.O. Box 568 Artesia, NM 88211-0568 10. Field and Pool, or Exploratory Area Cedar Lake, East Morrow/Shugart 4. Location of Well (Footage, Sec., T, R, M., or Survey Description) 11. County or Parish, State ULK-1650 feet FSL, and 2310 feet FWL, Section 28, TS 17S, Range 31E Eddy, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair Other Change of Operator New Construction Recomplete Subsequent Report Change Plans Temporarily Abandon Plug and Abandon Final Abandonment Notice Convert to Injection Plug Back 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 recomplete 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 recompletion 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 Oll, LLC PO Box 568 Artesia, NM 88211-0568 SEE ATTACHED FOR Responsible Party: CONDITIONS OF APPROVAL James B Campanella 575-746-1280 575-748-5488 575-746-1290 Fax 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. Campan Title Member/Manager Signature 08/11/2010 THIS SHACE FOR FEDERAL OR STATE OFFICE USE 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 Office

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)

which would entitle the applicant to conduct operations thereon.

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

## **Conditions of Approval**

#### Judah Oil LLC

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

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# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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FORM APPROVED OMB No 1004-0137 Expires. July 31, 2010

5.	Lease	Seria	ıl No
LC	-029	420-	В

6. If Indian, Allottee or Tribe Name

	form for proposals to a Use Form 3160-3 (APD			•		
SUBM	IT IN TRIPLICATE - Other inst	tructions on pag	e 2.		7. If Unit of CA/Agree	ement, Name and/or No.
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Oil Well  Gas	Well Other				8. Well Name and No. Dow "B" 28 Federal	
2. Name of Operator Judah Oil, LLC					9. API Well No 30-015-28676	
3a. Address PO Box 568 Artesia, NM 88211-0568		Phone No. (inclu	de area code	)	10. Field and Pool or Exploratory Area	
A Location of Wall (Footgra Can T		5-746-1280			Cedar Lake, East Morrow/Shugart  11. Country or Parish, State	
DEK, 1028 FSL, 1227 FEL. Section 28, TS 17S, Range 31E			Eddy, NM	State		
12. CHE	CK THE APPROPRIATE BOX(E	S) TO INDICAT	E NATURE (	OF NOTIC	CE, REPORT OR OTH	ER DATA
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Final Abandonment Notice  13. Describe Proposed or Completed C	Convert to Injection	Plug Back			r Disposal	
testing has been completed. Final determined that the site is ready for the site is read	udah Oil, LLC has taken over as erms, conditions, restrictions an	s operator for Ye	eso Energy, oncerned fo	Inc., on t	he above described e d all operation conduc	ffective 8/11/2010. Judah Oil,
14. I hereby certify that the foregoing is t						
Sames 13 (GAIPAN	1/4	Title	Member/Ma	anager		
Signatur			08/11/2010	·		
	THIS SPACE FOR	RFEDERAL	OR STAT	E OFF	ICE USE	
Approved by			Cirlo.		In.	ate
Conditions of approval, if any, are attached that the applicant holds legal or equitable tentitle the applicant to conduct operations	tle to those rights in the subject leas	varrant or certify	Title Office			arv

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