ROW . cocessing Fee Category Determination Decision							
For FLPMA and MLA Rights-of-Way							
Application Serial Number: Serial number will be assigned							
Applicant: Judah Oil LLC							
Address: PO Box 568, Artesia, NM 88211							
Agent: James Campanella							
Address:							
			•	enances			
Application for: Convert Dow B 28 Fed No.1 to commercial SWD well with related appurtenances Location: T. 17 S., R. 31 E., Sec. 28 - IPA							
Location. 1.1/3., K. 51 E.	, 360. 20 •						
Pre-Application Meeting Hel	d: 🖾 No	□ Yes Esti	mated Processing R	equirements:			
Date:	•	Type	e of ROW:	LPMA			
Land Use Plan Conformed?	∐ No	.					
Land Ose I lan Comormed:	- 140	— res NEP	'A Action Required: E	A			
Personnel Needed for Processing Processing Fee Schedule for FLPMA							
Realty Specialist/		· and	MLA Rights-of-Wa	ıy			
Land Law Examiner	14	Processing and Monitoring	Federal Work Hours	Processing and Monitoring fee			
Cultural/Paleontological	4	Category	Involved	per application as of January 1, 2010. To be adjusted			
Resources				annually for changes in the IPD-GDP.			
T and E Species Wildlife/Fisheries	<u>0</u>	1. Applications for new grants,	Estimated Federal work	\$111.00			
Air/Water/Soils	-0	assignments, renewels, and	hours are >1 <=8.	, 3111.00			
Recreation/Visual	0	amendments to existing grants.		,			
Cave/Karst	0 -0 -0 -4	2. Applications for new grants,	Estimated Federal work	\$392.00			
Range		assignments, renewels, and	hours are >8 <=24.				
Fluids/Minerals	4	amendments to existing grants.					
Administration/Contracting	1	3. Applications for new grants, assignments, renewels, and	Estimated Federal work hours are >24 <=36.	\$738.00			
Manager	1	amendments to existing grants.	10012 818 224 7230.				
Othe	0	4. Applications for new grants,	: Estimated Federal work	. \$1,057.00			
Othe	0	assignments, renewels, and	hours are >36 <=50.	71,037.00			
Total Hours:	28	amendments to existing grants.					
_		5. Master agreements	Varies.				
				•			
	•	C Barlinstina for any serve	F-A:	· · · · · · · · · · · · · · · · · · ·			
•		6. Applications for new grants, assignments, renewels, and	Estimated Federal work hours are >50.	•			
		amendments to existing grants.					
	•	L	·	•			
•		:					
			•	· · · · · · · · · · · · · · · · · · ·			
be appropriate Processing Category rocessing fees for Categories 1-4 are	for this app non-refund	lication is Category 3. The lable. See enclosed table for Cate	Processing fee for this Caregory definitions and fee	tegory is \$_\$738.00 schedule.			
Prepared By:	Lofton, Owen		8/12/2010 *				
	Real	ty Specialist	Date				
Approved By:	Lo	fton, Owen	8/12/2010	· 			
	Authorized Officer		Date				

DatePrepared: 8/12/2010

BEFORE THE OIL CONSERVATION
COMMISSION
Santa Fe, New Mexico
Case No. 14547 & 14472 Exhibit No. M
Submitted by:
JUDAH OIL, LLC
Ilearing Date: June 29, 2011

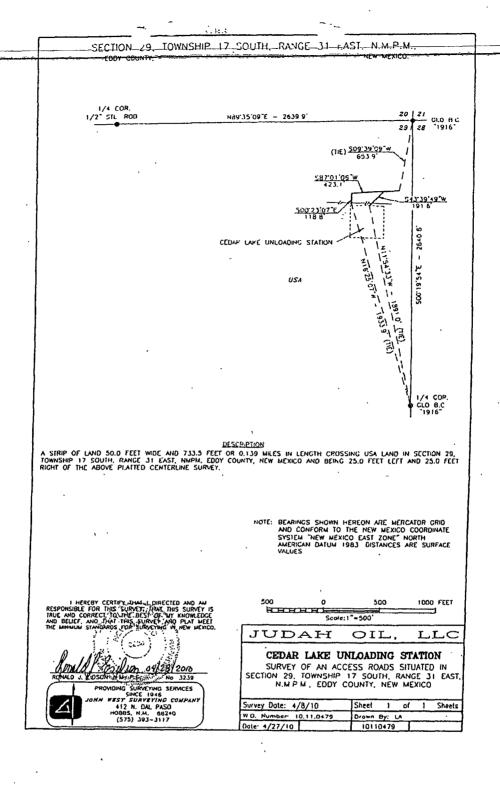
Processing Fee ID: PROCFEE-10-995

STANDARD FORM 299 (\$/2009) Prescribed by DOM/SDA/DOT P L. 96417 and Federal Register Notice 5-22-95	APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS AND FACILITIES ON FEDERAL LANDS		FORM APPROVED OMB NO. 1004-0189 Expires: April 30, 2012 FOR AGENCY USE ONLY	
preapplication meetir	g with representatives of the	applicant should completely review this package and achedule a agency responsible for processing the application. Each agency net in preparing and processing the application, Many times, with on can be completed at the preapplication meeting.	Application Number Date filed	
I Name and address of app	licant (include zip code)	2. Name, title, and address of authorized agent if different from Item I (include tip code)	3. TELEPHONE (area code) Applicant	
Jodah Oll, LLC		James B Campanella	575-746-1280	
PO Box 568 Artesia, NM 88211-0568		PO Box 568 Artesia, NM 88211-0568	Authorized Agent	
			James B. Campanella	
4. As applicant are you? (ch	ack one)	5. Specify what application is for: (check one)		
e, [Individual		u Now authorization		
b. Corporation*	•	b. Renewing existing authorization No:		
c. Partnership/Assoc	ation*	c. Amend existing authorization No.		
d State Government	State Agency	d. Assign existing authorization No.		
e 🔲 Local Governmen	t	e. Existing use for which no authorization has been rec	elved*	
f. Tedoral Agency		f. Other*		
• if checked; complete su	ptemental puge	° if checked provide details under item 7		
6. If an individual, or perme	rship are you a citizen(s) of t	he United States? 🗹 Yes 🔲 No		
			1	
8. Attach a map covering are	a and show location of projec	⊅ proposal		
9 State or local government	pprovel. Attached	Applied for Not required		
10. Nonreturnable application	fce. Attached No	t required -		
II. Does project cross internate	onal boundary or affect inter	mational waterways? Yes No (If "yes," Indicate of	п шар)	
		y to construct, operate, maintain, and terminate system for which a		
ames B. Campanelis is Mans le is financistly able to be res		ll, LLC and is currently majority owner in two SWD's and d project.	owner operator of oil and gas wells.	
ontinued on page 2)		This fo	rm is authorized for local reproduction.	

SUPPLEMENTAL					
NOTE: The responsible agency(ies) will provide additional instructions	CHECK APPROPRIATE ULOCK				
I - PRIVATE CORPORATIONS	ATTACHED	FILED*			
a Articles of Incorporation					
b Corporation Bylaws					
c. A certification from the State abowing the corporation is in good standing and is entitled to operate within the State.					
d Copy of resolution authorizing filing					
c. The name and address of each shareholder owning 3 percent or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is sutherized to vote and the name and address of each affiliate of the entity together with, in the case of an affiliate controlled by the entity, the number of shares and the percentage of any class of voting stock of that affiliate owned, directly or indirectly, by that entity, and in the case of an affiliate which controls that entity, the number of shares and the percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate.					
I Is application is for an oil or gas pipeline, describe any related right-of-way or temporary use permit applications, and identify previous applications.					
g. If application is for an oil and gas pipeline, identify all Federal lands by agency impacted by proposal.					
() - PUBLIC CORPORATIONS					
a. Copy of law forming corporation					
b. Proof of organization					
c. Copy of Bylaws					
d. Copy of resolution authorizing filing					
c. If application is for an oil or gas pipeline, provide information required by hom "I-f" and "I-g" above.					
III - PARTNERSHIP OR OTHER UNINCORPORATED ENTITY					
a. Articles of association, if any					
b. If one partner is authorized to sign, resolution authorizing action is		Ø			
c. Name and address of each participant, partner, association, or other					
d. If application is for an oil or gas pipeline, provide information required by ltem "I-P" and "I-g" above					
• If the required information is stready filed with the agency processing this application and is current, check block entitled "Filed." Provide the file identification information (e.g., number, date, code, name) If not on file or current, attach the requested information. 1) Judah OR, LLC 5% (operator) James B. Campanélia PO Bos 568 Artesis, NM 88211-0568					
2) Levi Oil and Gas, LLC 65% James B Campanella Member/Manager PO Bot 568 Artesia, NM 88211-0568					
3) VSW 2 E&P, LLC ユデル Van Welch Member/Manager 2207 Psirwey Dr. Doncan, OK 73533					
i) Asher Oil, LLC 5% Kevin Jones Member/Manager 12808 Lorien Way Oklahoma City, OK 73710					

(Continued on page 5)

(SF-299, page 4)



		<u> </u>
ונו	Describe other reasonable alternative routes and modes considered.	
	Lease Road to Dow "B" 28 Federal well location:	•
	•	
	. Why were those alternatives not selected?	
-	Attached	
		·
c	. Give explanation as to why it is necessary to cross Federal Lands	9.1.41
	The disposal well is located on Federal land. The land in the surrounding area is f	rederal land.
	·	
14.	List authorizations and penting applications filed for similar projects which may provide informa-	
	New Mexico State Application, C-108 Application to Inject, 8-27-2010, Red Lake S Sections 27, 28, 11 T- 17S, R-28W, Eddy County, New Mexico	,
15.	Provide statement of need for project, including the economic feasibility and items such as:	(a) cost of proposal (construction, operation, and maintenance), (b)
	estimated cost of next best alternative; and (c) expected public benefits.	
	There is a lot of drilling and production activity in this area. Because of significant to service this area. The disposal project will cust approximately \$2,000,000.00 to o	
	\$20,000.00 per month.	
_		
16,	Describe probable officers on the population in the area, including the social and economic aspect	
	This project is located 5 miles cast Loco Hills, NM. It should reduce the traffic in I	Coco Hims where there is an active asshores well.
17.	Describe fikely environmental effects that the proposed project will have on. (a) air quality; (b the control or structural change on any stream or other body of water; (e) existing noise levels;	
	and soil stability.	and (i) no surface or the land, including togetation, permanosi, soil
	Attached.	
18.	Describe the probable effects that the proposed project will have on (a) populations of fish, pla	anthie, wildlife, and marine life, including threatened and endangered
	species; and (b) marine marturals, including hunting, cepturing, collecting, or killing these anim	nals,
	Attached.	
		•
19.	State whather any harmorlane managing as defined in this party will be used and and a	
	State whether any hazardous material, as defined in this paragraph, will be used, produced, transp facilities, or used in the construction, operation, maintenance or termination of the right-of-wa	ne na ante al lea Garlliera 1966 — alessa — escalate adecamente contrator de la
	pollutat or contaminant that is listed as hazardous under the Comprehensive Environmental Resident et seq., and its regulations. The definition of hazardous under the Comprehensive Environmental Resident et seq., and its regulations. The definition of hazardous unbetances under CERCLA Include Recovery Act of 1976 (RCCA), as amended, 42 U.S.C. 901 et seq., and its regulations. The term does it not otherwise specifically listed or designated as a hazardous substance under CERCLA Section.	nonse, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. is any "hazardous wasto" as defined in the Resource Conservation and
	as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 9001 et seq., and its regulations. The term does	m hazardous materials also includes any nuclear or byproduct material and include petroleum, including crude oil or any fraction thereof that
		in 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.
	There will be no hazardous material stored or disposed of or used in this project.	
		·
20.	Name all the Department(s)/Agency(ics) where this application is being filed	
	Bureau of Land Management - Carlabad New Mexico Office	•
	•	
I Trons		
believ	EBY CERTIFY, That I am of legal age and authorized to do business in the State nod that I have pe to that the information submittled is correct to the best of my knowledge.	ersonally examined the information contained in the application and
	ture of Applicant ()	Dates
30000	Com Dans	9-30 20/0
Title I States	8, U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person known any false, flectious, or freudulent statements or representations as to any matter within its jurisdict	ngly and willfully to make to any department or agency of the United tion
(Cont	oued on page 3)	(SF-299, page 2)
		(or -275, page 2)

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NOTICES

NOTE: This applies to the Department of the Interior/Bureau of Land Management (BLM).

The Privacy Act of 1974 provides that you be furnished with the following information in connection with the information provided by this application for an authorization

AUTHORITY: 16 U.S.C. 310 and 5 U.S.C. 301.

PRINCIPAL PURPOSE: The primary uses of the records are to facilitate the (1) processing of claims or applications; (2) recordation of adjudicative actions; and (3) indexing of documentation in case files supporting administrative actions.

ROUTINE USES: BLM and the Department of the Interior (DOI) may disclose your information on this form: (1) to appropriate Federal agencies when concurrence or supporting information is required prior to granting or acquiring a right or interest in lands or resources; (2) to members or the public who have a need for the information that is maintained by BLM for public record; (3) to the U.S. Department of Justice, court, or other adjudicative body when DOI determines the information is necessary and relevant to litigation; (4) to appropriate Federal, State, local, or foreign agencies responsible for investigating, prosecuting violation, enforcing, or implementing this statule, regulation, or order; and (5) to a congressional office when you request the assistance of the Member of Congress in writing.

EFFECT OF NOT PROVIDING THE INFORMATION: Disclosing this information is necessary to receive or maintain a benefit. Not disclosing it may result in rejecting the application.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The Federal agencies collect this information from applicants requesting right-of-way, permit, license, lease, or certifications for the use of Federal Lands.

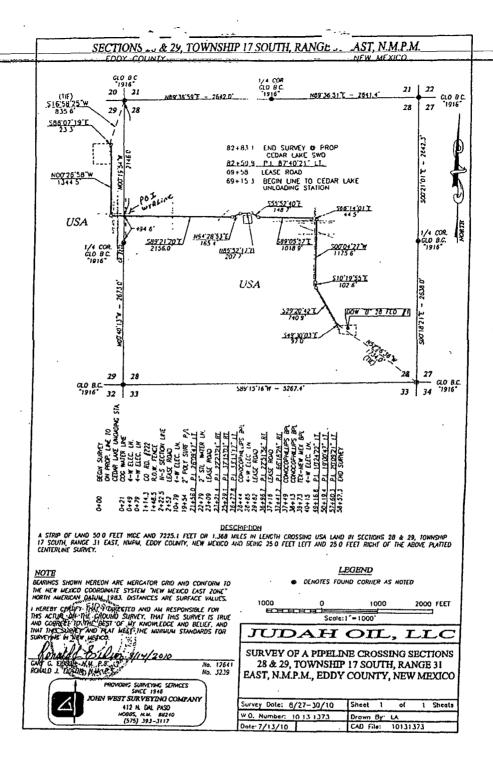
Federal agencies use this information to evaluate your proposal.

No Federal agency may request or sponsor and you are not required to respond to a request for information which does not contain a currently valid OMB Control Number.

BURDEN HOURS STATEMENT: The public burden for this form is estimated at 25 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management (1004-0189), Bureau Information Collection Clearance Officer (WO-630) 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

A reproducible copy of this form may be obtained from the Burcau of Land Management, Division of Lands, Realty and Cadastral Survey, 1620 L Street, N.W., Rm. 1000 LS, Washington, D.C. 20036.

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Cedar Lake Federal SWD Project Application for Transportation Attachment

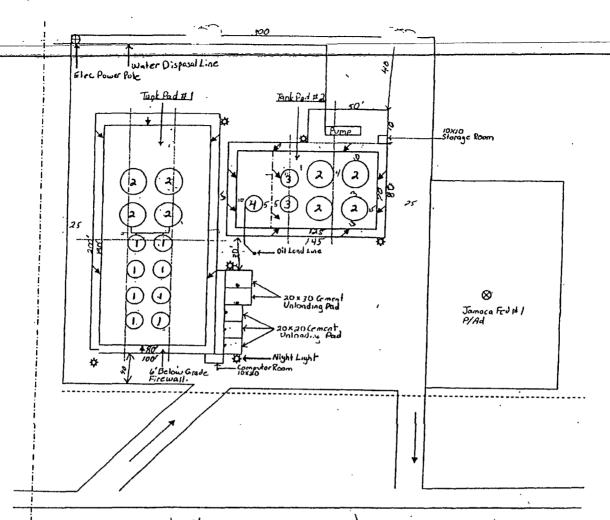
- 7. A) The truck Unloading Station will receive produced water from water trucks hauling water from area wells and pipelined water from area wells. The facility will send water to different Salt Water Disposal wells located in Section 28 and 29, T-17-S, R-31-E, Eddy County, NM. A 4" fiberglass pipeline will be buried to transfer water from the Unloading Station to the Dow "B" 28 Federal #1 water disposal well located in UL-P, Section 28, T-17-S, R-31-E. A 4" poly pipeline will be buried from the Unloading Station to a POI located on the east side of CR 222, which will transfer pipelined water from area wells to the Unloading Station. There will be two lease roads that will service the Unloading Station. The lease road to the disposal well location already exist.
 - B) Cedar Lake unloading station will be located in the NE/4 NE/4, Sect. 29, T-17-S, R-31-E and shall have 8-500 bbl water storage tanks, 8-1000 bbl water storage tanks, 2-750 gun barret, 1-500 bbl skim oil holding tank, 5 unloading pads, computer shed, 1 storage shed, 6 night lights, 4 lightning protection static lines, disposal pump, 2 water transfer pumps, and 1 charge pump. (Sile facility diagram attached). The two tank pads shall sit 6' below grade for spill protection, and will be lined with 2-40 mill liners.
 - C) The unloading station will be 300'x300'. The pad will have 6' caliche and 4' base material. The access road to the unloading station shall also consist of 6" caliche and 4" base material. The road will have 3° grade for water run-off.
 - D) The term requested for the lease is 30 years.
 - E) This facility will operate year round.
 - The estimated volume of water to be disposed is 10,000 bwpd.
 - G) The construction of this project will begin within 2 weeks after approval and should be completed within 60 days.
- 13. B) The lease road is approximately % of a mile long to the proposed disposal well location.
 1)The proposed Unloading Station will be located

approximately 200' off pavement (CR-222) and this will greatly reduce the amount of truck traffic off pavement.

To have as little disturbance as possible.

 To provide the quickest and easiest access for trucks hauling water to be disposed.

Disposal Battery will serve other disposal well prospects in the immediate area, and in centrally located to these wellbores.



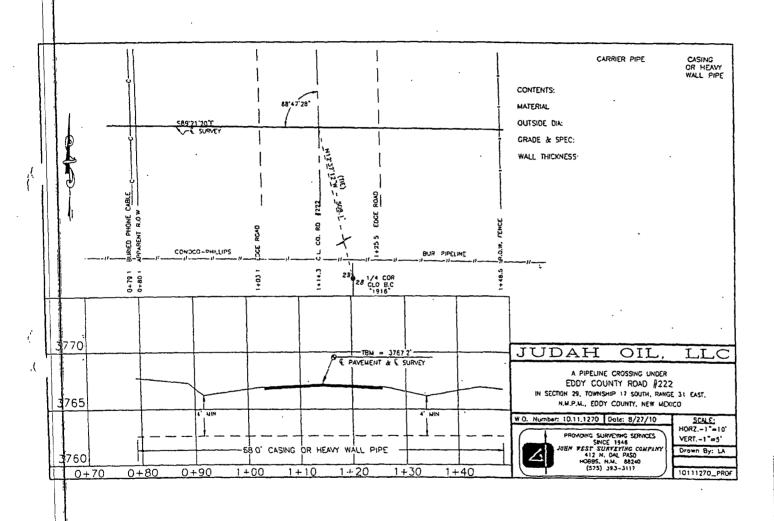
1. 500 BBL F4 Water Tak 2. 1000 BBL FG Water Tak 3. 750 BBL F4 Gen Barrell Tak 4.500 BBL Steel Oil Taak

4.500 BBL Steel Oil Tank
Tank Bod #1 +#2 Will be located 6' below girle
Tank Pads will have 2-40 mill liners with liner pads.

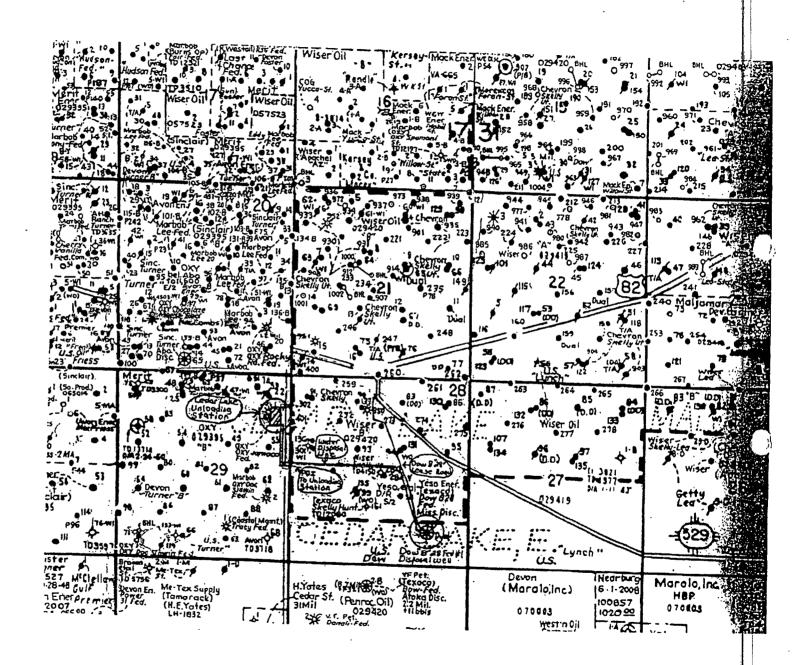
Judah Oil, LLC

Cedar Lake SWD Unloading Station

UL-A, Section 29, Township 17 South, Range 31 East Eddy County New Mexico



- This will not affect air quality. 17.
 - A) B) The Unloading Station facility will be painted to visibly blend in as much as possible. This is a very active area for oil and gas operations.
 - The water quality in this area is very hard and brackish. There is no fresh water wells C) within several miles of this proposed project.
 - D) No streams or bodies of water in this area.
 - E) No adverse affects of noise levels
 - Approximately 2/3 of Unloading Station will be constructed on new disturbance and 1/3 on P/A location (Oxy Jomoka Fed #1). The water line will be installed down existing ROW and will be re-seeded after construction. Dow "B" Federal #1 is an existing location with existing lease road.
- No marine life present in this area. This project is located in San 18. Dune Lizard and Prairie Chicken area. We have contacted the BLM staff and have therefore located the Unloading Station where there will be very minimal impact. The water disposal line will be ran along existing right-of-ways and will be buried. The disposal well location will have no tank battery and very minimal
 - No affects on animal life.



GENERAL INFORMATION ALASKA NATIONAL INTEREST LANDS

This application will be used when applying for a right-of-way, pennit, becase, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest Lands Conservation Act Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and

Transportation and utility systems and facility uses for which the application may be used are:

- Canals, ditches, flumes, laterala, pipes, pipelines, tunnels, and other systems for the transportation of water.
- 2. Pinelines and other systems for the transportation of liquids other than water, including oil, natural gas, synthetic liquid and gaseous firels, and any refined product produced therefrom
- 3. Pipelines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.
- 4. Systems for the transmission and distribution of electric energy.
- 5. Systems for transmission or reception of radio, television, telephone telegraph, and other electronic signals, and other means of communications.
- 6. Improved rights-of-way for snow machines, air cushion vehicles, and all-terrain vehicles.
- 7. Roads, highways, railroads, tunnels, tramways, airports, landing strips, docks, and other systems of general transportation.

This application must be filed simultaneously with each Federal department or agency requiring authorization to establish and operate

In Alaska, the following agencies will help the applicant file an application and identify the other agencies the applicant should contact and possibly file with:

U.S. Department of Agriculture FOREST SERVICE (USFS) Alaska Regional Office (Region 10) Physical Address: Federal Office Building rederal Ollice Building 709 West 9th Street Junesu, Alaska 9980? Mailling Address: P.O. Box 21628 Juneau, Alaska 99802 Telephone: 907-586-8806

U.S. Department of the Interior BURRAU OF INDIAN AFFAIRS (BIA) Alaska Regional Office (Juneau) Hatting/Physical Address: P.O. Box 25520 709 West 9th Street Inners. Alaska 60907 Juncau, Alaska 99802 Telephone: 800-645-8397

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT (BLM) Alaska State Office Malling/Physical Address: 222 West 7th Avenue #13 Anchorage, Alaska 99513 Telephone: 907-271-5960

U.S. Department of the Interior NATIONAL PARK SERVICE (NPS) Alaska Regional Office (Anchorage) Mailing/Physical Address: 240 West 5th Avenue, Room 114 Anchorage, Alaska 99501 Telephone: 907-644-3501.

U.S. Department of the Interior FISH AND WILDLIFE SERVICE Alaska Regional Office (Region 7)
Malling/Physical Address:
1011 East Tudor Road
Anchorage, Alaska 99501
Telephone, 907-271-5011

Note. Filings with any Department of the Interior agency may be filed with any office noted above or with the:

U.S. Department of the Interior OFFICE OF ENVIRONMENTAL POLICY AND COMPLIANCE Alaska Regional Office (Anchorage) Regional Environmental Officer 1689 C Street, Room 119 Auchorage, Alaska 99501 Telophone: (907) 271-5011

U.S. Department of Transportation FEDERAL AVIATION ADMINISTRATION Alaska Regional Office (Anchorage) 212 West 7th Avenue, #14 Anchorage, Alaska 9931 Telephone: 907-271-5269

NOTE - The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are. Federal Aviation Administration (FAA), Coast Quard (USCG), Federal Highway Administration (FHWA), Federal Resilroad Administration (FRA)

OTHER THAN ALASKA NATIONAL INTEREST LANDS

Use of this form is not limited to National Interest Conservation Lands of Alaska.

Individual departments/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described abo

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency

SPECIFIC INSTRUCTIONS

(Items not listed are self-explanatory) .

- Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.
- Cenerally, the map must show the section(s), township(s), and ranges within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.
- 9, 10, and 12 The responsible agency will provide additional instructions.
- 3. To add 12 The respirators agency with provide auditorial in as much detail as possible, discussing why certain routes or modes were rejected and why it is necessary to cross Federal lands will assist the agency(ies) in processing your application and reaching a final decision. Include only reasonable alternate routes and modes as related to current technology and economics.
- 14 The responsible agency will provide instructions.
- 15 Generally, a simple statement of the purpose of the proposal will be sufficient. However, major proposals located in critical or sensitive areas may require a full analysis with additional specific information. The responsible agency will provide additional instructions.
- win provine administrations.

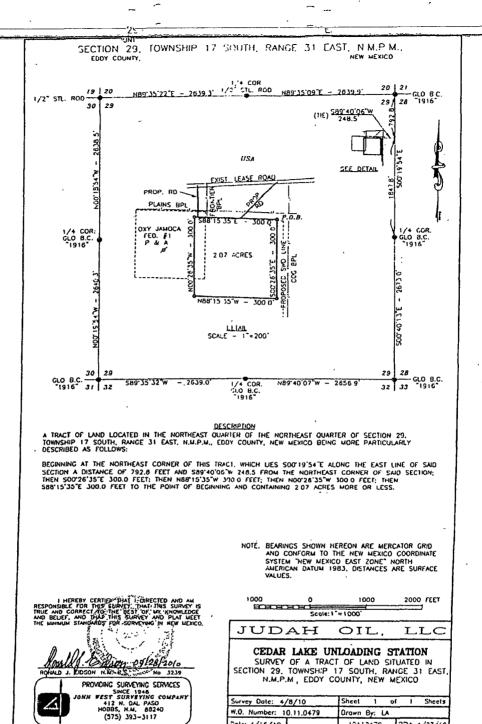
 16 through 19 Providing this information in as much detail as possible will assist the l'ederal agency(ics) in processing the application and reaching a decision. When completing these items, you should use a sound judgment in furnishing relevant information. For example, If the project is not near a stream or other body of water, do not address this subject. The responsible agency will provide additional instructions.

Application must be signed by the applicant or applicant's authorized

If additional space is needed to complete any item, please put the information on a separate sheet of paper and identify it as "Continuation of Item".

(For supplemental, see page 4)

(SF-299, page 3)



Dale: 4/15/10

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