OCD-ARTESIA

Form 3160-3 FORM APPROVED OMB No 1004-0137 Expires March 31, 2007 EA 687 (April 2004) UNITED STATES 5 Lease Serial No DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 6. If Indian, Allotee or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTER 7 If Unit or CA Agreement, Name and No. REENTER DRILL la. Type of work: 8. Lease Name and Well No. Oil Well Gas Well X Other X Single Zone lb. Type of Well: Multiple Zone Oxy Jamoca Federal # 1 Name of Operator 9. API Well No. Judah Oil, L.L.C 30-015-32265 3a. Address 3b. Phone No. (include area code) 10 Field and Pool, or Exploratory 575-748-5488 PO Box 568 Artesia, NM 88210 SWD: Wolfcamp 4. Location of Well (Report location clearly and in accordance with any State requirements*) 11. Sec., T. R. M. or Blk and Survey or Area Section 29 At surface 900 FNL x 660 FEL, UL"A", Section 29, T17S, R31E Eddy County, NM T17S, R31E, Eddy County, NM **NMPM** At proposed prod. zone 12. County or Parish 13 State 14. Distance in miles and direction from nearest town or post office* Eddy NM 6 miles NE Loco Hills, New Mexico 15. Distance from proposed 16 No. of acres in lease 17 Spacing Unit dedicated to this well location to nearest property or lease line, ft (Also to nearest drig, unit line, if any) 660 18. Distance from proposed location* to nearest well, drilling, completed, 20. BLM/BIA Bond No. on file 19. Proposed Depth 9750 NMB 000 451 applied for, on this lease, ft Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* Estimated duration 3754 GL ASAP after BLM approval 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form; 1. Well plat certified by a registered surveyor. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 3. A Surface Use Plan (if the location is on National Forest System Lands, the Operator certification SUPO shall be filed with the appropriate Forest Service Office). Such other site specific information and/or plans as may be required by the Name (Printed/Typed) Billy E. Prichard Agent for Judah Oil, L.L.C Approved by (Signature) /s/ Don Peterson Name (Printed/Typed) Office Title CARLSBAD FIELD OFFICE FIELD MANAGER Application approval 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.
Conditions of approval, if any, are attached. APPROVAL FOR TWO YEARS 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)

Approval Subject to General Requirements & Special Stipulations Attached

SEE ATTACHED FOR CONDITIONS OF APPROVAL

RECEIVED

AUG 4 2011

NMOCD ARTESIA

Accepted for record

NMOCD

January 6, 2011

DESIGNATION OF AGENT

Bureau of Land Management Carlsbad Field Office 620 E Greene Street Carlsbad, NM 88220

RE: Agent Authorization

Gentlemen:

Please be informed that Billy (Bill) Prichard with Pueblo West Consulting is an Agent employed by Judah Oil, LLC. He is authorized to prepare and submit APDs, Right of Way applications, and other BLM-required forms.

Sincerely yours,

James B Campanella Member/Manager

Agents contact information:

Billy (Bill) Prichard Pueblo West Consulting 125 Greathouse Village Decatur, TX 76234

Phone - 432-934-7680 billy@pwllc.net

P.O. Box 568 611 W Mahone, Suite D Artesia, NM 88211-0568 • Office: (505) 746-1280 Fax: (505) 746-1290 E-Mail: judahoil@yahoo.com March 14, 2011

Bureau of Land Management Oil and Gas Division 2909 W. Second Street Roswell, NM 88201-2019

Re: Jamoca Fed. #1

<u>UL-A, Sec-29, T-17S, R-31-E</u> 990' FNL, 660 FEL, Eddy Co, NM

To Whom It May Concern:

Judah Oil, LLC assumes all financial responsibility, for re-entry, operating, plugging, and abandoning, for the Jamoca Federal #1. Judah will follow all State and Federal laws and regulations in the operation of this property.

This well is bonded with New Mexico statewide bond # NMB000451, with addition bonding, bond #1057961.

Sincerely,

James B. Campanella

Member/Manager

Enc/tav

P.O. Box 568 611 W Mahone, Suite D Artesia, NM 88211-0568 Office: (575) 746-1280 Fax: (575) 746-1290 E-Mail: judahoil@yahoo.com

JUDAH OIL, LLC

Oil and Gas Operating jbc@judahoil.com

June 2, 2011

United States Department of the Interior Bureau of Land Management Carlsbad District Office 620 E. Greene Street Carlsbad, NM 88220

Re:

Application for Permit to Drill (Re-Enter)

Judah Oil, LLC Jamoca Federal #1

Eddy County, New Mexico ROW Permit – Pending



Gentlemen:

Judah Oil, LLC respectfully requests permission to re-enter the Jamoca Federal #A1 located 900 FNL and 660 FEL, Section 29, T-17-S, R-31-E, Eddy County, New Mexico. This well was drilled and completed by Oxy USA WATP Limited Partnership on 11/14/2002. Initial completion was in the Morrow Formation through perfs 11,640' – 11,662'. The well stopped producing in August 2004. It was P/A'd by Oxy in January 2009.

Judah plans to re-enter the Jamoca Federal #1 wellbore and convert to a Commercial SWD with the proposed injection zone being the Wolfcamp Formation, the perforations 8890' – 9685'. The location and work area have been staked. It is approximately 6 miles north east of Loco Hills, New Mexico.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill (Re-Enter) and supporting evidence is hereby submitted.

- I. Application for Permit to Drill (Re-Enter).
 - (1) Form 3160.3 Application for Permit to Drill

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Accepted for record NMOCD

P.O. Box 568 611 W Mahone, Suite D Artesia, NM 88211-0568 Office: (575) 746-1280 Fax: (575) 746-1290 E-Mail: judahon@yanoo.com

Page 1 of 4

- (2) Form C-102 Location and Acreage Dedication Plat certified by Gary L. Jones, Registered Land Surveyor No. 7977 in the State of New Mexico, dated September 1, 2001, and was previously submitted by Oxy USA in the original APD dated March 11, 2002.
- (3) The elevation of the current P/A'd location is 3754 feet above sea level.
- (4) The geologic name of the surface formation is Permian Rustler.
- (5) A Pulling Unit with Reverse Rig will be utilized to re-enter the wellbore. The casing is existing and has cement circulated behind all string.
- (6) Proposed injection depth is 8890' 9685'. A Cast Iron Bridge Plug will be set below perfs at 9750' +/-. The Injection Packer will be set at 8800' +/-.
- (7) The tops of important geologic markers. (Previously submitted by Oxy6 USA on Form 3160-4 dated January 8, 2003, Exhibit "A".

Abo	7100' (estimated)
Wolfcamp	8504'
Penn	9864'
Strawn	10,706'
Atoka	11,004'
Morrow	11,326'

(8) Possible water, oil, gas or other mineral bearing formations which may be encountered: Primary Objective: Wolfcamp 8890'

(9) Pressure Control Equipment

The blowout preventer equipment (BOP) shown in **Exhibit "B"** will consist of a double ram type (3000 psi WP) consisting of 2 3/8" pipe rams on top and blind rams on bottom. Both units are manually operated. A 900 series flanged casing head with a maximum WP of 3000#'s will be installed on 5 ½" 17# production casing and utilized continuously until total depth is reached and the well completion is complete. All BOP and associated equipment will be tested before drilling out the surface plug and before perforating procedure begins. Pipe rams will be operated and checked each 24 hours and each time the workover string is pulled out of the hole. These functions will be documented on daily work-over reports. A 2" kill line and a 2" choke line will be installed on the casing spool below the ram type BOP. Other accessory BOP equipment will include a choke manifold shown in **Exhibit "C"** and choke line having a WP rating of 3000 psi, will be set prior to perforating.

(10) Casing & Cementing Program

All casing is existing and was cemented in place when the well was originally drilled.

Surface:

Collapse Burst Tension
Hole Size Interval OD Csg Weight Collar Grade DF DF DF
17 ½" 0-430 13 3/8" 48# ST&C H40 1.97 3.7 9.01J

Intermediate:

Collapse Burst Tension
Hole Size Interval OD Csg Weight Collar Grade DF DF DF
12 ¼" 430'-4517' 9 5/8" 36-40# ST7E K-55 1.18 1.73 3.44J

*DV Tool set at 2515'. Circulated casing w/rig pump & wash 60' to bottom. Pumped 1st Stage cement, 400 sx 35:65:6 POZ, tailed w/200 sx "C". Displaced 2/200 bbls FW & then 137 bbls mud. Bumped plug w/1233 psi. Bleed pressure, float holding. Drop bomb & open DV tool. Circulated DV tool. Circulated some cement off of DV tool. Cemented 2nd stage w/200 sx Thixotropic, 1300 sx 35:64:6 POZ & tailed w/100 sx "C". Circulated 125 sx to pit. Bumped plug 2/1619 psi, close DV tool.

Production:

Collapse Burst Tension

Hole Size Interval OD Csg Weight Collar Grade DF DF DF

8 3/4 4517'-11,904' 5 1/2" 17# LT&C L-80/P-110 /1.12 /1.31 /1.89J

*Pumped 1000 Gals Surebond 3 ahead. Pumped 1740 sx lead, tailed w/100 sx. Displaced w/274 bbls FW. Bumped plug w/3000 psi. Bled off pressure, float holding. Had full returns thru out cement job.

RIH w/ CBL from 3400'-11,789', TOC @ 4020'. Perf 2 squeeze holes @ 3775', M&P 850 sx CL "C" cement w/2% CaCL2, circ 68 sx cement to pit.

(11) Mud Program

Will encounter mud weights of 8.4 ppg to 10 ppg as cement plugs are drilled out from surface to 9800'.

P.O. Box 568 611 W Mahone, Suite D Artesia, NM 88211-0568 Office: (575) 746-1280 Fax: (575) 746-1290 E-Mail: าบปลโดย(ปีขอโดย

^{*}Cement circulated with 200 sx 35:65 POZ/C with 6% Bentonite + 2% CACL2 = .25#/sx Cello-Seal followed by .150 sx CL "C" with 2% CACL2.

- (12) Well Testing Set Co A

 All perforated intervals will be tested for economical quantities of hydrocarbons. The findings will be reported to the Carlsbad BLM Field Office after testing has been completed.
- (13) No lost circulation is expected. No H2S was encountered during the original drilling and completion of this well therefore no abnormal temperatures or H2S gas are anticipated. The highest anticipated BHP would be 4400 psi.
- (14) The start date for the re-entry will be upon BLM approval of this application. It should take approximately 21 days to complete the re-entry process.
- (15) Multi-Point Surface Use and Operation Plan is attached.

Should any additional information be needed, please feel free to call me at 575-748-5488 on my cell phone or the office at 575-746-1280.

Truly yours,

James B Campañella

Member/Manager

Judah Oil, LLC

Jbc/dk

Attachments

Judah Oil,L.L.C. Oxy Jamoca Federal # 001 API # 30-015-32265

900 FNL x 660 FEL Unit Letter "A", Section 29, T17S,R31E, Eddy County, New Mexico
Per NMOCD SWD-1249

PROPOSED TD: 9750 feet

BOP PROGRAM: 0 to 9750feet - 7 1/16th 3M Hydraulic Double with pipe & blind rams

CASING IN PLACE AS FOLLOWS:

13 3/8" 48# H40 casing set in 17 1/2" hole at 430 feet. Cemented with 580 sacks of cement. Cement topped off with 5 yards of Readi-Mix cement.

9 5/8" 36#,40# K55 & N80 casing set in 12 ½" hole at 4517 feet. DV Tool at 2515 feet. Cemented in 2 Stages as follows.

Stage 1 - 400 SX 35:63:6 POZ, TAILED WI 200 SX 'C". Cement circulated Stage 2 - 200 SX THIXOTROPIC, 1300 SX 35:64:6 POZ & TAILED w/ 100 SX "C". Circulated to surface.

5 1/2"17# P-110 & L80 casing set in 8 3/4" hole at 11904 feet.

Cemented with 1740 SX LEAD, TAILED w/ 100 SX.

No record of cement types

Cement Bond log indicated TOC at 4020 feet. Perforated at 3775 feet and circulated cement to the surface with 850 sacks Class "C" cement.

Morrow perforations 11558-11562 feet 11640-11662 feet

Well PA 1/5/2009

MUD: 0 – 9750ft Fresh/Brine Weight 8.9-9.2 ppg, Vis 28-30 sec

Additional well in NENE (A) Sec 29 T17S R31E

1.	Linn Operating, Inc.	Turner B – 91	140 FNL	1300 FEL	3001526603
2.	Arco O&G Corp.	Turner B – 74	330 FNL	990 FEL	3001505456
3.	Lynn Operating, Inc.	Turner B – 59	560 FNL	660 FEL	3001505446
4.	Socorro Petr. Co.	Turner B – 22	660 FNL	660 FEL	3001505439

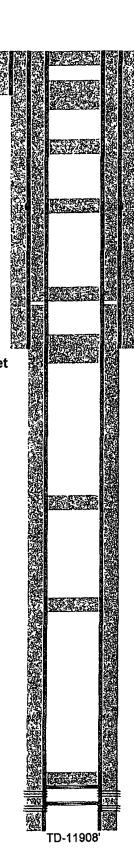
OXY USA WTP LP - Proposed OXY\\Jamoca Federal #1

API No. 30-015-32265 20sx Surface 25sx @ 500-380' WOC-Tag 25sx @ 1610-1500' 30sx @ 2580-2450' 30sx @ 3845-3705' 30sx @ 4590-4445' WOC-Tag Tagged per plugging report at 4019 feet

35sx @ 7135-6965'

35sx @ 8600-8410'

40sx @ 11464-11276' 4/07-CIBP @ 11500' w/ 4sx cmt 2/07-CIBP @ 11600'



17-1/2" hole @ 430' 13-3/8" csg @ 430' w/580sx-TOC-Surf-Circ

12-1/4" hole @ 4517' 9-5/8" csg @ 4517' DV Tool @ 2515' 1st w/600sx-TOC-2510'-Circ 2nd w/1400sx-TOC-Surf-Circ

*11/02-Perf @ 3775'sqz 840sx circ cmt to surf

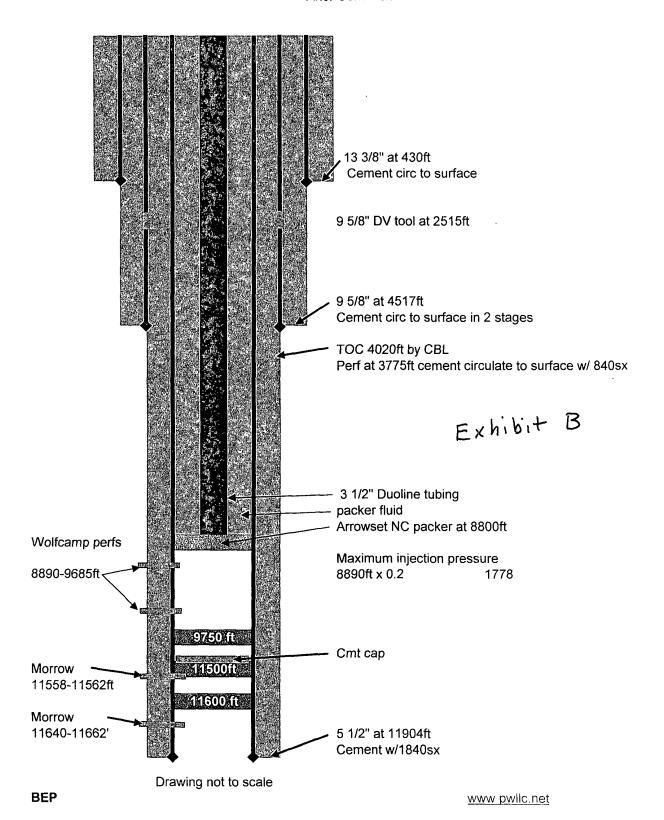
Exhibit B

Current well diagram Prior to Re-entry

> 8-3/4" hole @ 11908' 5-1/2" csg @ 11904' w/1840sx-*TOC-4020'-CBL

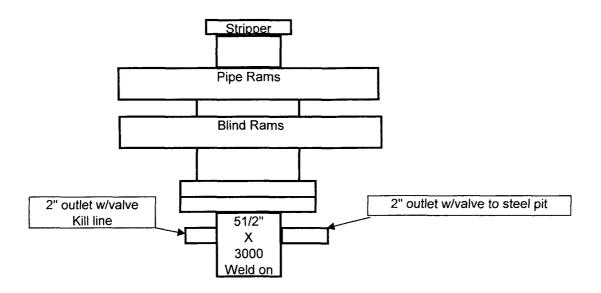
Perfs @ 11558-11562' Perfs @ 11640-11662'

Oxy Jamoca Federal # 001 API # 30-015-32265 UL"A", Sec.29,T17S,R31E Eddy, County, NM After Conversion



Judah Oil,L.L.C. Oxy Jamoca Federal # 001 API 30-015-32265 Exhibit A

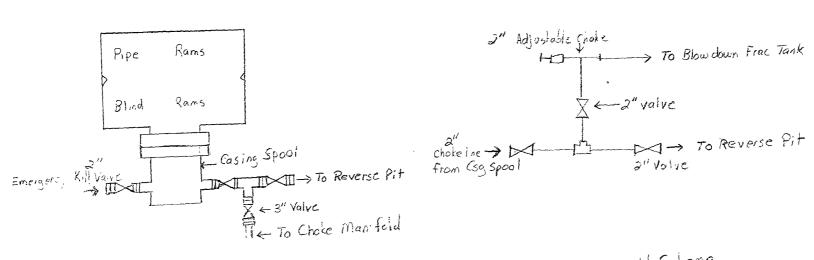
7 1/16" x 3000 Hydraulic Double BOP



BEP www.pwllc.net

Blowout Preventor Scheme

7/15 3000# ram type preventers with one set blind rams and one set 23/8 pipe rams. BOP is monually operated.



Choke Manifold Scheme