

OPER. OGRID NO. 13178
PROPERTY NO. 5705
BUREAU OF LAND MANAGEMENT
DEPARTMENT OF THE INTERIOR
COMMISSION

Form approved.
Budget Bureau No. 1004-0136
August 31, 1985

APPLICATION FOR PERMIT TO DRILL
1a. TYPE OF WORK DRILL DE
b. TYPE OF WELL
OIL WELL GAS WELL OTHER
2. NAME OF OPERATOR LAYTON ENTERPRISES, Inc.
3. ADDRESS OF OPERATOR 3103 79th St. Lubbock, TX 79423

5. LEASE DESIGNATION AND SERIAL NO.
EXICO 98240
2C 069300

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 2180' FNL 880' FWL SEC. 1, T9S, R36E
At proposed prod. zone SAME Unit E

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME EL ZORRO G FEDERAL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
9 MILES E-NE. OF CROSSROADS NEW MEXICO

9. WELL NO. 2
10. FIELD AND POOL, OR WILDCAT
ALLISON DEVONIAN

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 880'
16. NO. OF ACRES IN LEASE 320
17. NO. OF ACRES ASSIGNED TO THIS WELL 40

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 1, T 9S, R 36E

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2440'
19. PROPOSED DEPTH 12,500
20. ROTARY OR CABLE TOOLS ROTARY

12. COUNTY OR PARISH 13. STATE
LEA NM

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4046 GL
22. APPROX. DATE WORK WILL START*
SEPT 15, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<u>17 1/2</u>	<u>13 3/8</u>	<u>54</u>	<u>350</u>	<u>350 ST CLASS C (CIRC)</u>
<u>12 1/2</u>	<u>8 9/8</u>	<u>32</u>	<u>4,150</u>	<u>1100 ST HL + 300 ST CLC (CIRC)</u>
<u>7 7/8</u>	<u>5 1/2</u>	<u>23</u>	<u>12,500</u>	<u>1700 ST HL + 300 ST CL. H</u>

PROPOSE TO DRILL TO APPROXIMATELY 12,500'
TO TEST THE DEVONIAN FORMATION
SEE SUPPLEMENTAL DRILLING DATA FOR CASING & BOP DETAIL.
IF TEST IS FAVORABLE WILL RUN AND CEMENT
5 1/2" PRODUCTION CASING - PERFORATE FAVORABLE
ZONES - RUN TUBING AND STIMULATE AS NECESSARY.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Ronald L. Layton TITLE PRESIDENT DATE 7-15-96

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
(ORIG. SGD.) RICHARD L. MANUS Area Manager
APPROVED BY _____ TITLE _____ DATE AUG 27 1996
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side