

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
Revised March 17, 1999

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address <b>LAYTON ENTERPRISES, INC.</b> <b>3103 79th St.</b> <b>Lubbock, Texas 79423</b>		<sup>2</sup> OGRID Number <b>013178</b>
<sup>3</sup> Property Code <b>005786</b>		<sup>4</sup> API Number <b>30-025-03556</b>
<sup>5</sup> Property Name <b>FOX A STATE</b>		<sup>6</sup> Well No. <b>1</b>

<sup>7</sup>Surface Location

UL or lot no. <b>F</b>	Section <b>2</b>	Township <b>9S</b>	Range <b>36E</b>	Lot Idn	Feet from the <b>1980</b>	North/South line <b>North</b>	Feet from the <b>2070</b>	East/West line <b>West</b>	County <b>Lea</b>
---------------------------	---------------------	-----------------------	---------------------	---------	------------------------------	----------------------------------	------------------------------	-------------------------------	----------------------

<sup>8</sup>Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>9</sup> Proposed Pool 1 <b>Allison San Andres South</b>					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code <b>P</b>	<sup>12</sup> Well Type Code <b>O</b>	<sup>13</sup> Cable/Rotary <b>Rotary</b>	<sup>14</sup> Lease Type Code <b>S</b>	<sup>15</sup> Ground Level Elevation <b>4062 GL</b>
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth	<sup>18</sup> Formation	<sup>19</sup> Contract	<sup>20</sup> Spud Date

<sup>21</sup>Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
<b>17 1/2</b>	<b>13 3/8</b>	<b>54.5</b>	<b>360</b>	<b>325</b>	<b>Circulated</b>
<b>12 1/4</b>	<b>8 5/8</b>	<b>32</b>	<b>4245</b>	<b>2520</b>	<b>Circulated</b>
<b>7 7/8</b>	<b>4 1/2 Liner</b>	<b>11.6</b>	<b>9725 - 4045</b>	<b>500</b>	<b>6000</b>

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.  
Describe the blowout prevention program, if any. Use additional sheets if necessary. **This well is no longer economic in the Penn Zone. Propose to Plug Back to test the San Andres Zone. Intend to set CIBP @9600' w/5 sx cement to cover Bough C Perfs @9653 -61. Perforate selected San Andres Zones 4830-5030, treat w/acid, and swab test. If production potential is indicated, will install pumping equipment & test for production. Blowout preventer will be standard 3000# Double Ram. Steel pits only will be utilized.**

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Donald R. Layton</i> Printed name: <b>Donald R. Layton</b> Title: <b>President</b> Date: <b>9-16-2004</b> Phone: <b>806/745-4638</b>		<b>OIL CONSERVATION DIVISION</b> Approved by: <i>Paul J. [Signature]</i> Title: <b>PETROLEUM ENGINEER</b> Approval Date: <b>SEP 24 2004</b> Expiration Date: Conditions of Approval: Attached <input type="checkbox"/> <b>SEP 24 2004</b>	
--	--	---	--

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway  
Plugback

District I  
PO Box 1988, Hobbs, NM 88241-1988  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1008 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-03556		Pool Code	Pool Name Allison San Andres
Property Code 005786	Property Name FOX A STATE		Well Number 1
OGRID No. 013178	Operator Name LAYTON ENTERPRISES, INC.		Elevation 4062 GL

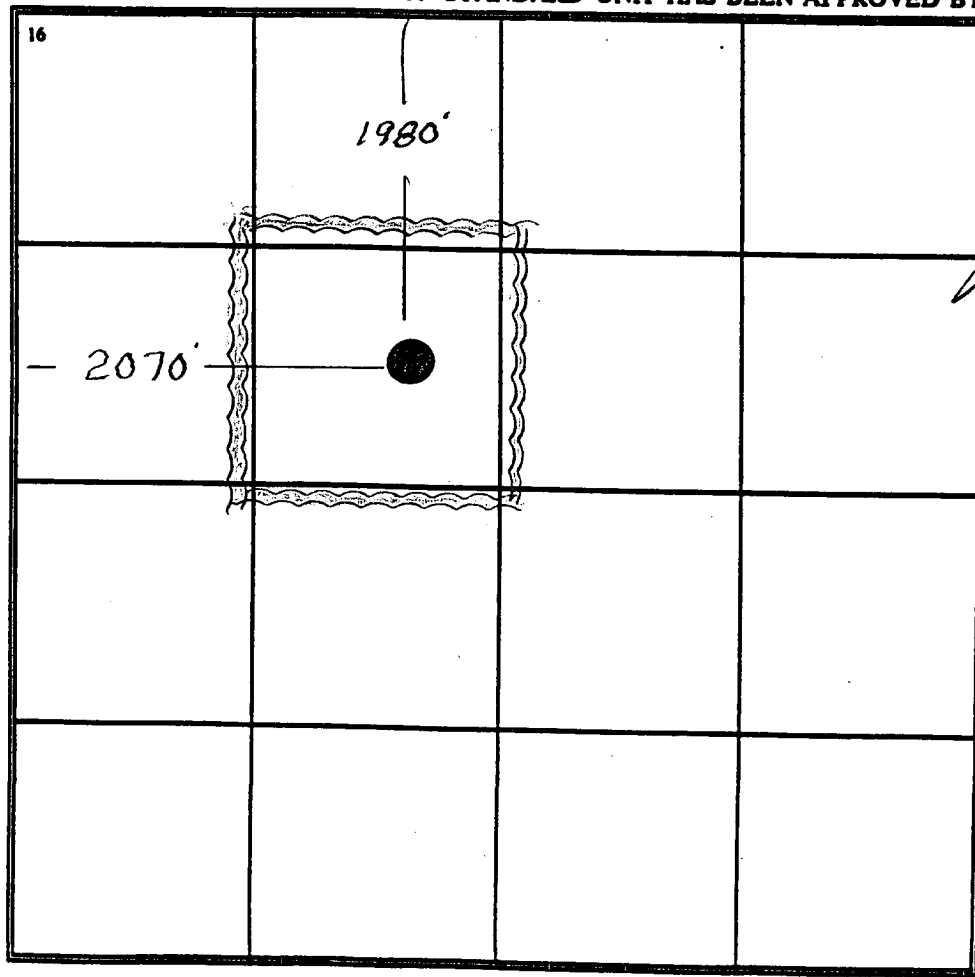
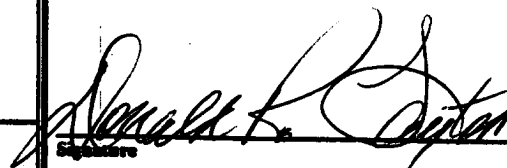
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	2	9S	36E		1980	North	2070	West	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> 	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature</p> <p>Donald R. Layton Printed Name</p> <p>President Title</p> <p>9-16-2004 Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>1961 Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>See Original Plat</p> <p>Certificate Number</p>