

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 87210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

WELL API NO. 30-041-00016
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LH-2338-1
7. Lease Name or Unit Agreement Name:  FOX "B" STATE
8. Well No. 1
9. Pool name or Wildcat Allison San Andres

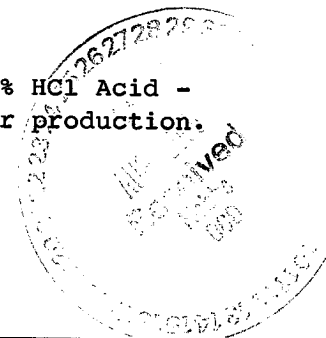
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator LAYTON ENTERPRISES, INC.	
3. Address of Operator 3103 79th St. LUBBOCK, TEXAS 79423	
4. Well Location Unit Letter <sup>D</sup> : 660 feet from the North line and 660 feet from the West line Section 36 Township 8S Range 36E NMPM County Roosevelt	
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 4079 GL	

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: PLUG BACK <input checked="" type="checkbox"/>

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

7-18-05 )  
7-19-05 ) Drilled out cement - Test casing to 1500 Psi.

8-17-05 Perforated 4954-66, 4986-98, 5010-15 @ 4/ft.  
Ran tbg & Packer to 4896 - Treated w/3000 gal 20% HCl Acid -  
Preparing to install pumping equipment & test for production.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Donald R. Layton TITLE President DATE 8-19-05

Type or print name DONALD R. LAYTON Telephone No. 806/745-4638  
(This space for State use)

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE SEP 13 2005  
Conditions of approval, if any: