

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
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address LAYTON ENTERPRISES, INC. 3103 - 79th St., Lubbock, TX 79423		² OGRID Number 013178
		³ API Number 30 - 025 - 33188
⁴ Property Code 022241	⁵ Property Name Gomez "A"	⁶ Well No. 1
⁹ Proposed Pool 1 Crossroads Devonian-North		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	9	9S	36E		1870	South	1944	East	Lea

8 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
J	9	9S	36E		2220	South	2290	East	Lea

Additional Well Information

¹¹ Work Type Code N Horizontally	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 4,069 GL
¹⁶ Multiple	¹⁷ Proposed Depth 13,100	¹⁸ Formation Devonian	¹⁹ Contractor Norton	²⁰ Spud Date 10-15-2006
Depth to Groundwater 180'		Distance from nearest fresh water well 400'		Distance from nearest surface water
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 2,000 bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 - 1/2 "	13 - 3/8 "	48	405	400	CIRC
12 - 1/4 "	9 - 5/8 "	36 & 40	4,165	1,410	CIRC
8 - 3/4 "	7 "	26	12,000	2,400	SURFACE
6 "	4 - 1/2 " liner	12.6	11,950-13,100	—	—

²² 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, originally drilled in 1995, is producing from the Crossroads Devonian-North Field. The well is only marginally economic due to low oil and high water production. We propose to squeeze cement into existing perfs @ 12,954-84, then cut and pull 5-1/2" casing from free point estimated to be from 8,000' - 10,000', set 50 sk plug at casing stub and set 3° whipstock. Will then move in drilling equipment and drill 8-3/4" hole deviated 3° to 6° to 12,000'. Drilling will be oriented on 315° NW azimuth. At 12,000' will set and cement 7" casing. Will then run directional drilling equipment with 6" bit to build 90° turn to intersect Devonian zone at 12,940' at a point 2,072' FSL & 2,156' FEL of Section 9, and continuing on horizontally approximately 200' to a point 2,220' FSL & 2,290' FEL. A 4-1/2" slotted liner will be set from 11,950' to 13,100' and the well tested for production.

Permit Expires 1 Year From Approval

Date Unless Drilling Underway

Horizontally

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Donald R. Layton		Approved by: Chris Williams	
Title: President		Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER	
E-mail Address: Laytonoil@aol.com		Approval Date: Expiration Date:	
Date: 8 / 31 / 2006	Phone: (806) 745-4638	Conditions of Approval Attached SEP 11 2006	

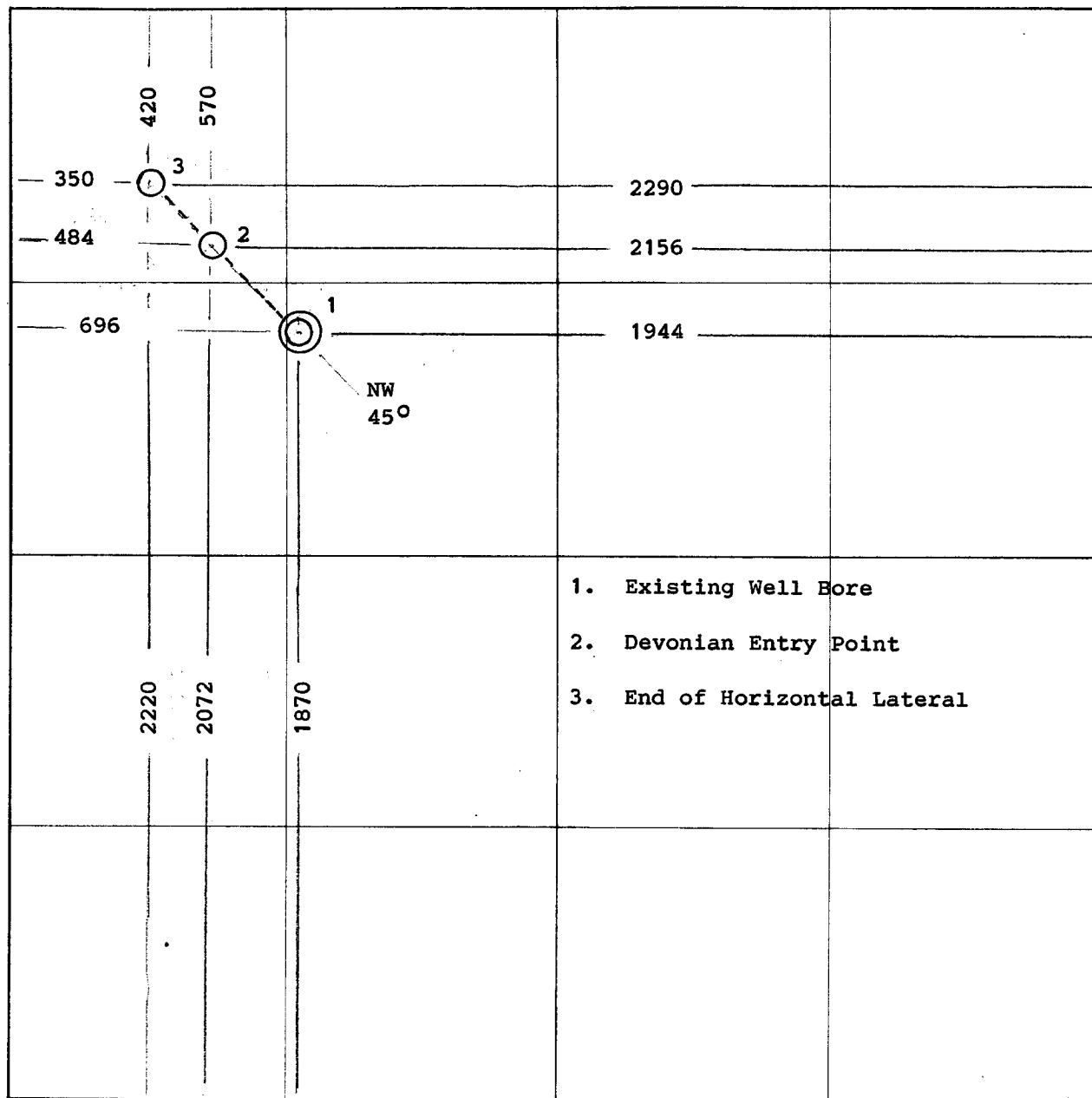
<p>16</p>	<p>SEE ATTACHED DETAIL</p>			<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or soleleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Donald R. Layton</i> Signature _____ Date 8-31-06</p> <p>Donald R. Layton Printed Name President</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>Date of Survey _____ Signature and Seal of Professional Surveyor: _____</p> <p>SEE ORIGINAL SURVEY</p> <p>Certificate Number _____</p>

SECTION PLAT

Scale: 1 inch = 400 feet

Printed in U.S.A.

SECTION 9 SE/4 TOWNSHIP 9S RANGE 36E COUNTY LEA STATE NEW MEXICO



PRINTED IN U.S.A.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33188		Pool Code	Pool Name WILDCAT-DEVONIAN
Property Code 17949	Property Name ALESHIRE 9		Well Number # 1
OGRID No. 147404	Operator Name COBRA OIL & GAS CORPORATION		Elevation 4069

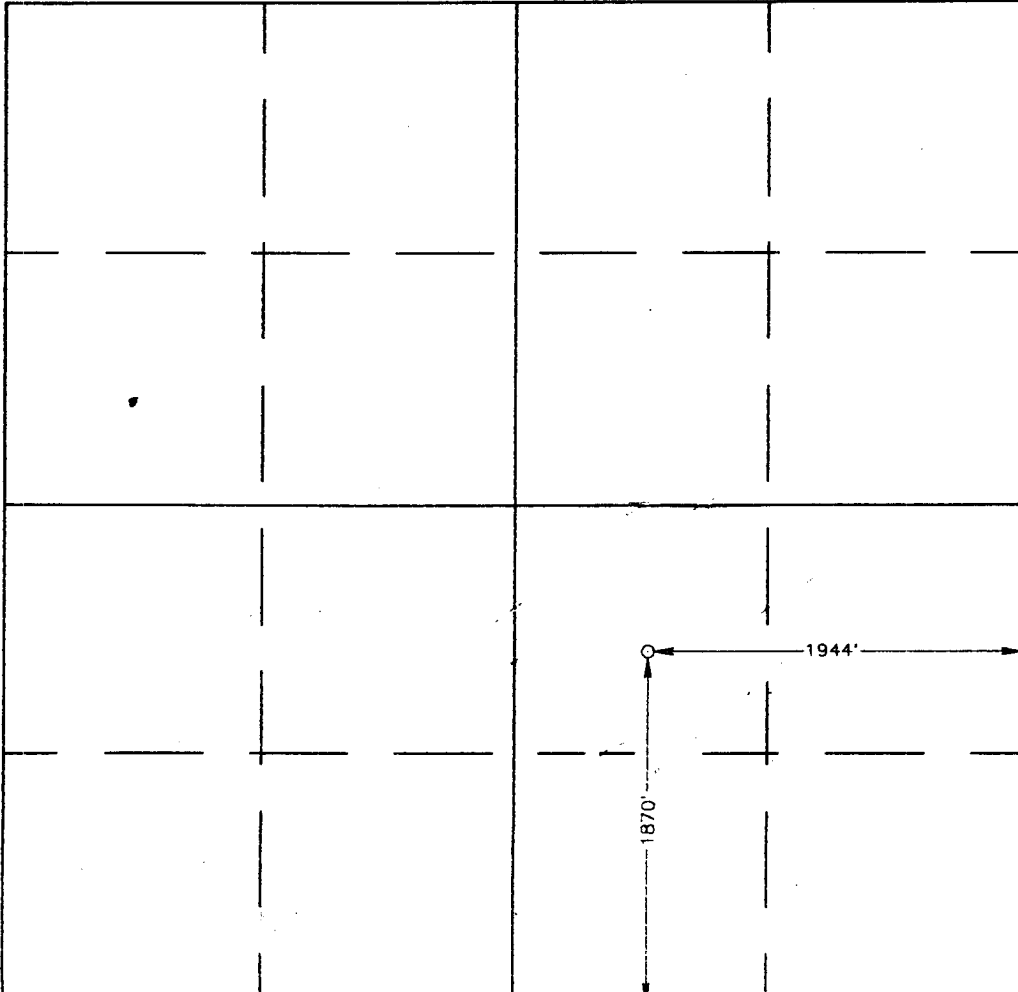

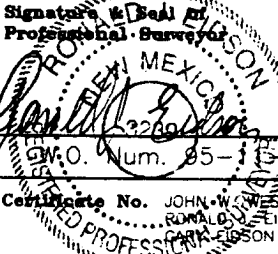
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	9	9 S	36 E		1870	SOUTH	1944	EAST	LEA

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
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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Joe T. Janica Printed Name Agent Title 11/22/95 Date
	SURVEYOR CERTIFICATION 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. NOVEMBER 18, 1995 Date Surveyed Signature & Seal of Professional Surveyor  P.O. Num. 85-1829 Certificate No. JOHN W. WEST 676 RONALD J. EIDSON 3239 CARR EIDSON 12641