

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 Property Code 005787	⁵ Property Name Fox B State LH 2338-1	⁶ Well No. 4
⁹ Proposed Pool 1 Allison San Andres		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. E	Section 36	Township 8S	Range 36E	Lot Idn	Feet from the 2,040	North/South line North	Feet from the 350	East/West line West	County Roosevelt
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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
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4054'
¹⁶ Multiple No	¹⁷ Proposed Depth 5,200'	¹⁸ Formation San Andres	¹⁹ Contractor TBA	²⁰ Spud Date ASAP
Depth to Groundwater 200'		Distance from nearest fresh water well 1.7 mile		Distance from nearest surface water —'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 1,200 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
18"	14"	36	40	Redi-Mix to →	SURFACE
12 - 1/4"	8 - 5/8"	24	2,100	1,100	SURFACE
7 - 7/8"	5 - 1/2"	15.5	5,200	1,500	SURFACE

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.

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway**

Propose to drill to 5,200' to test San Andres.
Will set 8-5/8" casing at 2,100' and circulate cement to surface.
At TD will run logs - set 5-1/2" casing and pump cement - circulate to surface.
As indicated by logs, will perforate and treat San Andres zone(s) and equip for production.
Blowout preventers will be standard double ram 2000 psi series.

600
SEP 28 2006
10:10:00

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 NMOC 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: <i>Harry W. Wink</i>	
Title: President		Title: OC FIELD REPRESENTATIVE II/STAFF MANAGER	
E-mail Address: Laytonoil@aol.com		Approval Date: SEP 28 2006 Expiration Date: [REDACTED]	
Date: 9/25/2006	Phone: (806) 745-4638	Conditions of Approval Attached <input type="checkbox"/>	

DISTRICT I
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1901 W. Grand Avenue, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30 - 041 - 20928	Pool Code 01190	Pool Name ALLISON SAN ANDRES
Property Code 005787	Property Name FOX B STATE	Well Number 4
OGRID No. 013178	Operator Name LAYTON ENTERPRISES, INC.	Elevation 4054'

Surface Location

UL or lot No. E	Section 36	Township 8 S	Range 36 E	Lot Idn	Feet from the 2040	North/South line NORTH	Feet from the 350	East/West line WEST	County ROOSEVELT
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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 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 unleased mineral interest in the land including the proposed bottom hole 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. Signature 9/25/2006 Date Donald R. Layton, President Printed Name	
	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. SEPTEMBER 18, 2006 Date Surveyed Signature & Seal of Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS	