

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**

<sup>1</sup> Operator Name and Address LAYTON ENTERPRISES, INC. 3103 - 79th St., Lubbock, TX 79423		<sup>2</sup> OGRID Number 013178
<sup>3</sup> Property Code 005788 5786		<sup>4</sup> API Number 30 - 025 - 38145
<sup>5</sup> Property Name Fox A State V-2522		<sup>6</sup> Well No. 8
<sup>9</sup> Proposed Pool 1 Allison San Andres South		<sup>10</sup> Proposed Pool 2

**7 Surface Location**

UL or lot no. K	Section 2	Township 9S	Range 36E	Lot Idn	Feet from the 1650	North/South line South	Feet from the 2100	East/West line West	County Lea
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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**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 4049'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 5,200	<sup>18</sup> Formation San Andres	<sup>19</sup> Contractor TBA	<sup>20</sup> Spud Date ASAP
Depth to Groundwater 200'		Distance from nearest fresh water well .3 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

<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.

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.

Permit Expires 1 Year From Approval Date Unless Drilling Underway

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<sup>23</sup> 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"/>		<b>OIL CONSERVATION DIVISION</b>	
Printed name: Donald R. Layton		Approved by: <i>Gay W. Wink</i>	
Title: President		Title: <b>OCD FIELD REPRESENTATIVE II/STAFF MANAGER</b>	
E-mail Address: Laytonoil@aol.com		Approval <b>SEP 29 2006</b> Expiration Date:	
Date: 9/25/2006	Phone: (806) 745-4638	Conditions of Approval Attached <input type="checkbox"/>	

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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 - 025 - 38145	Pool Code 1190 01220	Pool Name ALLISON SAN ANDRES SOUTH
Property Code 005788	Property Name FOX A STATE	Well Number 8
OGRID No. 013178	Operator Name LAYTON ENTERPRISES, INC.	Elevation 4049'

Surface Location

UL or lot No. K	Section 2	Township 9 S	Range 36 E	Lot Idn	Feet from the 1650	North/South line SOUTH	Feet from the 2100	East/West line WEST	County LEA
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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

	<b>OPERATOR CERTIFICATION</b>  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	
	<b>SURVEYOR CERTIFICATION</b>  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 19, 2006 Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. Gary L. Jones 7977 BASIN SURVEYS	