Form 3160-3
(November 1983)
(formerly 9-331C)

N.M. OIL CONS COM
P.O. BOX 1980
HOBBS NEW MEXICO
UNITED ~
DEPARTMENT OF
BUREAU OF LAND

OPER. OGRID NO. _13178_
PROPERTY NO. _5782_ -E*
POOL CODE _001220_
EFF. DATE _2/3/95_
API NO. _30-025-D3567_

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO D

1a. TYPE OF WORK

DRILL ☐ RE-ENTRY ☒ DEEPEN ☐   PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☒   GAS WELL ☐   OTHER   SINGLE ZONE ☒   MULTIPLE ZONE ☐

2. NAME OF OPERATOR

LAYTON ENTERPRISES, INC.

3. ADDRESS OF OPERATOR

3103 79th ST LUBBOCK, TX. 79423

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface   660' FNL 1980' FEL

At proposed prod. zone   SEC 11, T9S, R36E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

9 MI. E-SE MILNESAND, N.M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)   660

16. NO. OF ACRES IN LEASE   320

17. NO. OF ACRES ASSIGNED TO THIS WELL   40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH   5100

20. ROTARY OR CABLE TOOLS   ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)   ~~GES~~ 4040 GL

5. LEASE DESIGNATION AND SERIAL NO.   NM 57713

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME   EL ZORRO "C" FEDERAL

9. WELL NO.   4

10. FIELD AND POOL, OR WILDCAT   ALLISON SAN ANDRES, SOUTH

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA   SEC 11, T9S, R36E

12. COUNTY OR PARISH   LEA   **13. STATE**   NM

22. APPROX. DATE WORK WILL START*   1-10-95

BUREAU OF LAND MANAGEMENT
RECEIVED
DEC 19 1994

23. ~~PROPOSED~~ **Existing** CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15	10¾	33	485	500 SX - CIRCULATED
10	7⅝	26	5010	2300 SX - CIRCULATED
6¾	5½	17	4790-9713	300 SX @ SHOE
				250 SX SQUEEZE OVER TOP

RE-ENTRY OF P-A PRODUCING WELL
FORMERLY MOBIL OIL CORP. CHILDERS FED #1

PROPOSE TO RE-ENTER P-A WELL USING EXISTING ROAD & WELL
LOCATION - REMOVE MARKER & INSTALL WELL HEAD - MOVE IN
ROTARY DRILLING EQUIPMENT AND DRILL OUT CEMENT PLUGS
TO ± 5100' - TEST CASING TO 500 PSI - PERFORATE AND
ACIDIZE SAN ANDRES ZONE AT SELECTED INTERVALS FROM
4870 - 4970 — INSTALL PUMPING EQUIPT AND TEST
FOR PRODUCTION. BLOWOUT PREVENTER WILL BE 3000# DOUBLE RAM UNIT
ALTHOUGH ONLY VERY LOW PRESSURE ANTICIPATED - STEEL DRILLING
PITS WILL BE UTILIZED WITH 9# BRINE DRLG FLUID.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED _Donald R. Layton_   TITLE _PRESIDENT_   DATE _11-18-94_

(This space for Federal or State office use)

PERMIT NO. _____

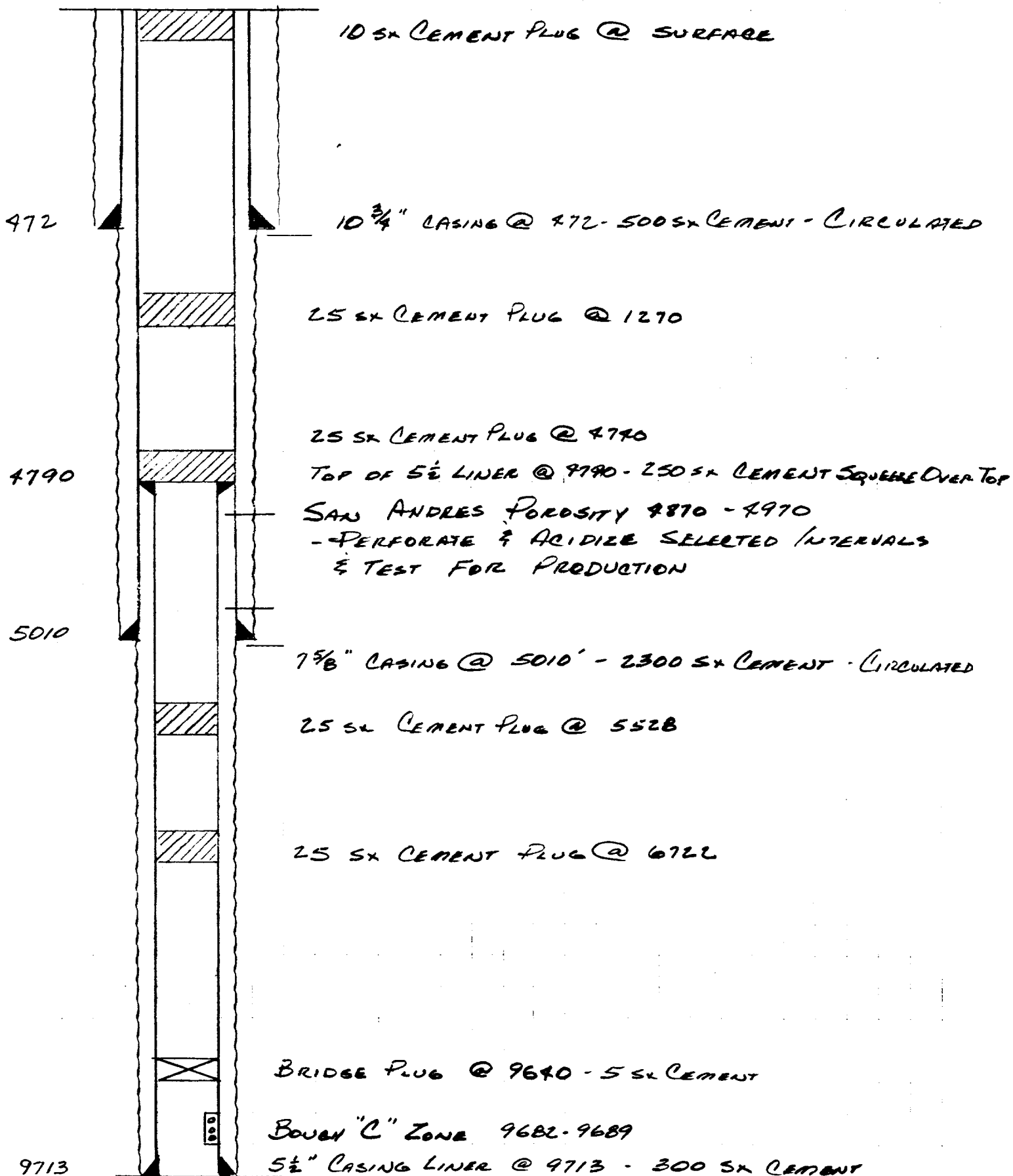APPROVED BY _/s/ Yolanda Vega_   TITLE _AREA MANAGER_   DATE _1-31-95_

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL DATE _____

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

*See Instructions On Reverse Side

LAYTON ENTERPRISES, INC.
EL ZORRO "C" FEDERAL No. 4
LEA COUNTY, NEW MEXICO

10 SX CEMENT PLUG @ SURFACE

472 — 10¾" CASING @ 472 - 500 SX CEMENT - CIRCULATED

25 SX CEMENT PLUG @ 1270

25 SX CEMENT PLUG @ 4740

4790 — TOP OF 5½ LINER @ 4790 - 250 SX CEMENT SQUEEZE OVER TOP

SAN ANDRES POROSITY 4870 - 4970
- PERFORATE & ACIDIZE SELECTED INTERVALS
  & TEST FOR PRODUCTION

5010 — 7⅝" CASING @ 5010' - 2300 SX CEMENT - CIRCULATED

25 SX CEMENT PLUG @ 5528

25 SX CEMENT PLUG @ 6722

BRIDGE PLUG @ 9640 - 5 SX CEMENT

BOUGH "C" ZONE   9682 - 9689

9713 — 5½" CASING LINER @ 9713 - 300 SX CEMENT

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico
_nergy, Minerals and Natural Resources Depart. .c

Form C-102
Revised 1-1-89

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

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
LAYTON ENTERPRISES, INC.	EL ZORRO "C" FEDERAL	4

Unit Letter	Section	Township	Range		County
B	11	9S	36E	NMPM	

Actual Footage Location of Well:
660 feet from the NORTH line and 1980 feet from the EAST line

Ground level Elev.	Producing Formation	Pool	Dedicated Acreage:
4040	SAN ANDRES	ALLISON SAN ANDRES, SOUTH	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
   ☐ Yes   ☐ No   If answer is "yes" type of consolidation _____
   If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if neccessary. _____
   No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

660'

1980'

11
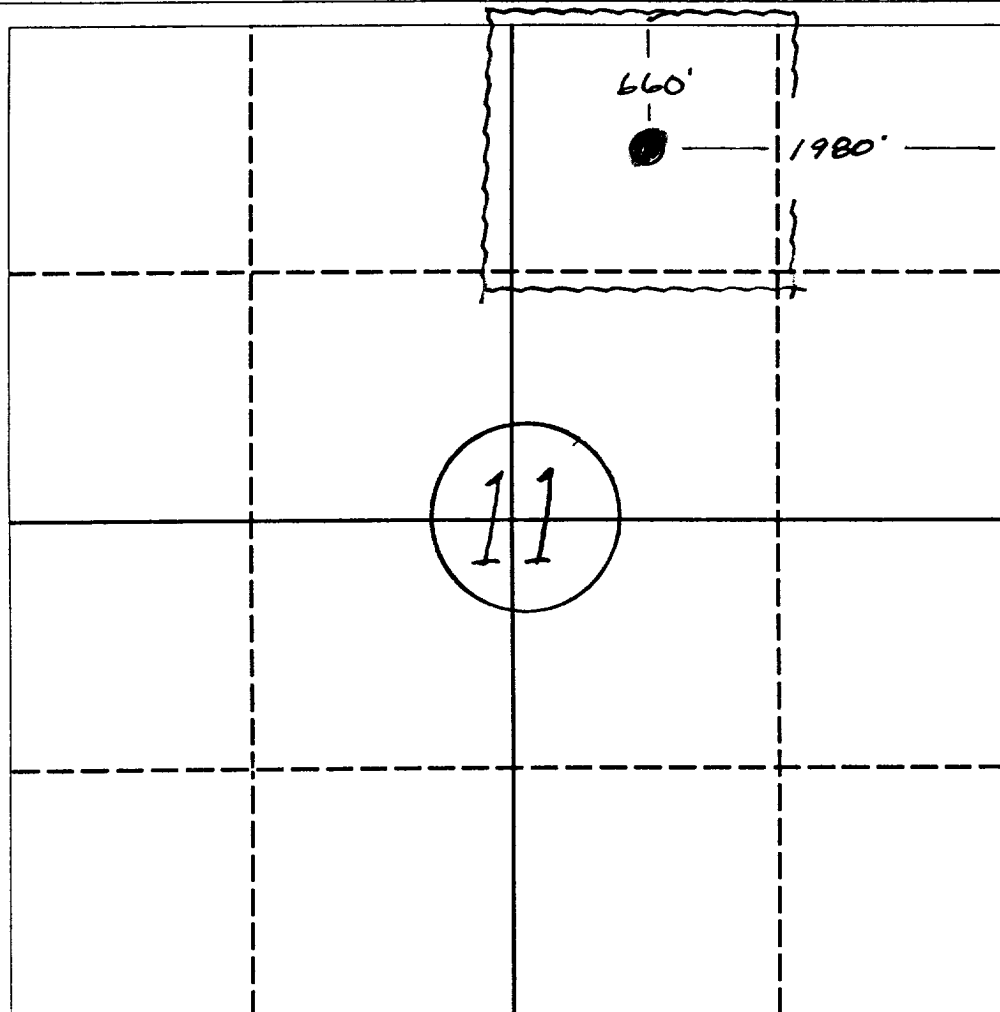
OPERATOR CERTIFICATION
I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief.

Signature
Donald R. Layton

Printed Name
DONALD R. LAYTON

Position
PRESIDENT

Company
LAYTON ENTERPRISES, INC.

Date
11-18-94

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 supervison, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
12-30-1953

Signature & Seal of
Professional Surveyor

(S) W. D. GILL

Certificate No.
1415

| 0 | 330 | 660 | 990 | 1320 | 1650 | 1980 | 2310 | 2640 | 2000 | 1500 | 1000 | 500 | 0 |

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Operator:

Layton Enterprises, Inc.
3103 79th St.
Lubbock TX   79423

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:
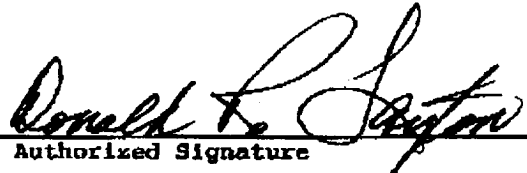
Lease No.: NM 57713

Legal Description of Land: N½ Sec 11, T9S, R36E, Lea County, NM

Formations: All

Bond Coverage: Statewide Personal Bond and Letter of Credit

BLM Bond File No.: NM 2077

_____
Authorized Signature

Donald R. Layton, President
Name, Title

1/26/95
Date

SUPPLEMENTAL DRILLING DATA

LAYTON ENTERPRISES, INC.
No.4 El Zorro "C" Federal
NW¼ NE¼ Sec. 11, T9S, R36E
Lea County, N.M.

NM 57713

The following items supplement Form 3160-3 in accordance with instructions contained in Onshore Oil and Gas Order No.1:

1. SURFACE FORMATION: Tertiary

2. ESTIMATED TOPS OF GEOLOGIC MARKERS:

Red Beds	300'	Glorieta	5520'
Rustler Anhydrite	2270'	Abo	7730'
Yates	2830'	Wolfcamp	8270'
San Andres	4080'	Bough C	9680'

3. ESTIMATED DEPTHS TO WATER, OIL OR GAS FORMATIONS:

    0 - 300' - Fresh Water

    4880' - Oil in San Andres formation

    9680' - Oil in Bough formation

4. PROPOSED CASING PROGRAM:

    10 3/4 " Casing - 32.75#, H-40, ST&C, cemented at 485' with 500 sx Class C to circulate.

    7 5/8 " Casing - 26.4# J-55 ST&C, cemented at 5010' with 2300 sx Class C - Circulated.

    5 1/2 " Casing Liner - 17#, N-80, X-Line, Set from 4790' to 9713' Cemented with 300 sx. Class C on bottom Plus 250 sx squeezed over top.

5. PRESSURE CONTROL EQUIPMENT: The blowout preventer equipment will consist of 2000 #WP double-ram preventers.

-1-

6. CIRCULATING MEDIUM:

          0' -   TD: Brine base mud with weight of
                               9.0   #/Gal. to minimize pressure on
                               production zone.

7. AUXILIARY EQUIPMENT: Safety valve to fit the drill pipe in use will be kept on the rig floor at all times.

8. TESTING, LOGGING AND CORING PROGRAM:

    Logging: Logs will include GR-CNL, FDC and DLL logs as determined by well-site geologist.

    Coring: None planned

9. ABNORMAL PRESSURES, TEMPERATURES OR HYDROGEN SULFIDE:

   None anticipated

10. ANTICIPATED STARTING DATE: Work will start as soon as the Application is approved and will continue for about 60 days.

DRILLING HEAD

BLIND RAMS

PIPE RAMS

CASING
HANGER

KILL LINE   2"   2"   FLOW LINE
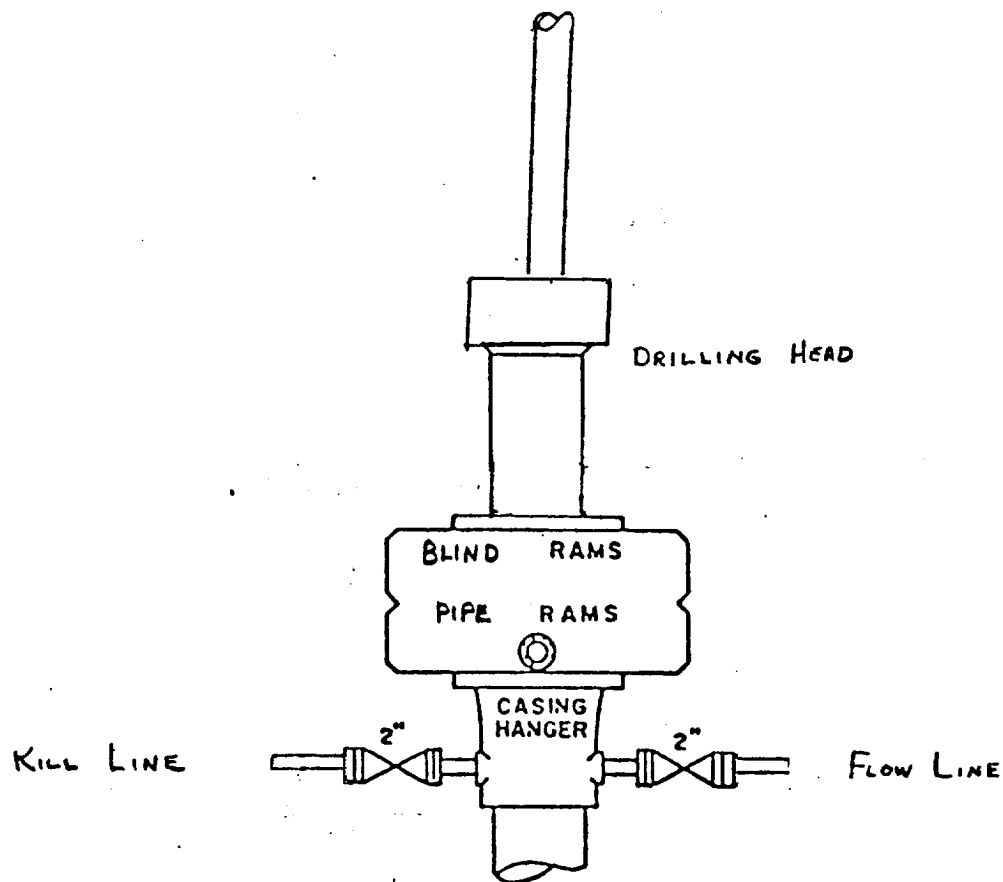
BOP STACK

2000 PSI WORKING PRESSURE

SJS