



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

9-19-88

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

NSL-2590

RE: Proposed:

MC _____
DHC _____
NSL X _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Layton Enterprises Inc. El Zorro C Fed #3-C 11-9-36
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK JS

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed



September 12, 1988

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Unorthodox Location - Allison Penn Field
El Zorro "C" Federal No. 3-C
Sec 11, T9S, R36E
Lea County, New Mexico

Gentlemen:

We request approval of the captioned drilling location. Pool rules require wells to be drilled within 150 feet of the center of a forty acre unit. This location does not meet that requirement.

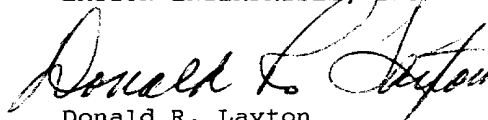
The two abandoned wells in this 80 acre proration unit are both in the center of the 40 acre units. A re-entry attempt was made on the well in the "C" unit but was not successful. The well in the "D" unit is in a condition which prohibits re-entry.

The captioned location is located near the center of the proration unit; not nearer to the lease line. It was necessary to locate at that point due to the three pipelines and the electric power lines located in the immediate vicinity which are indicated on the attached plat.

All offset operators are this date being notified of our request by copies of this letter. Your consideration is greatly appreciated.

Very truly yours,

LAYTON ENTERPRISES, INC.


Donald R. Layton
President

xc: Bison Petroleum Corp.
Discovery Operating, Inc.
Petroleum Production Management, Inc.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-128
 Effective 1-1-65

All distances must be from the outer boundaries of the Section.

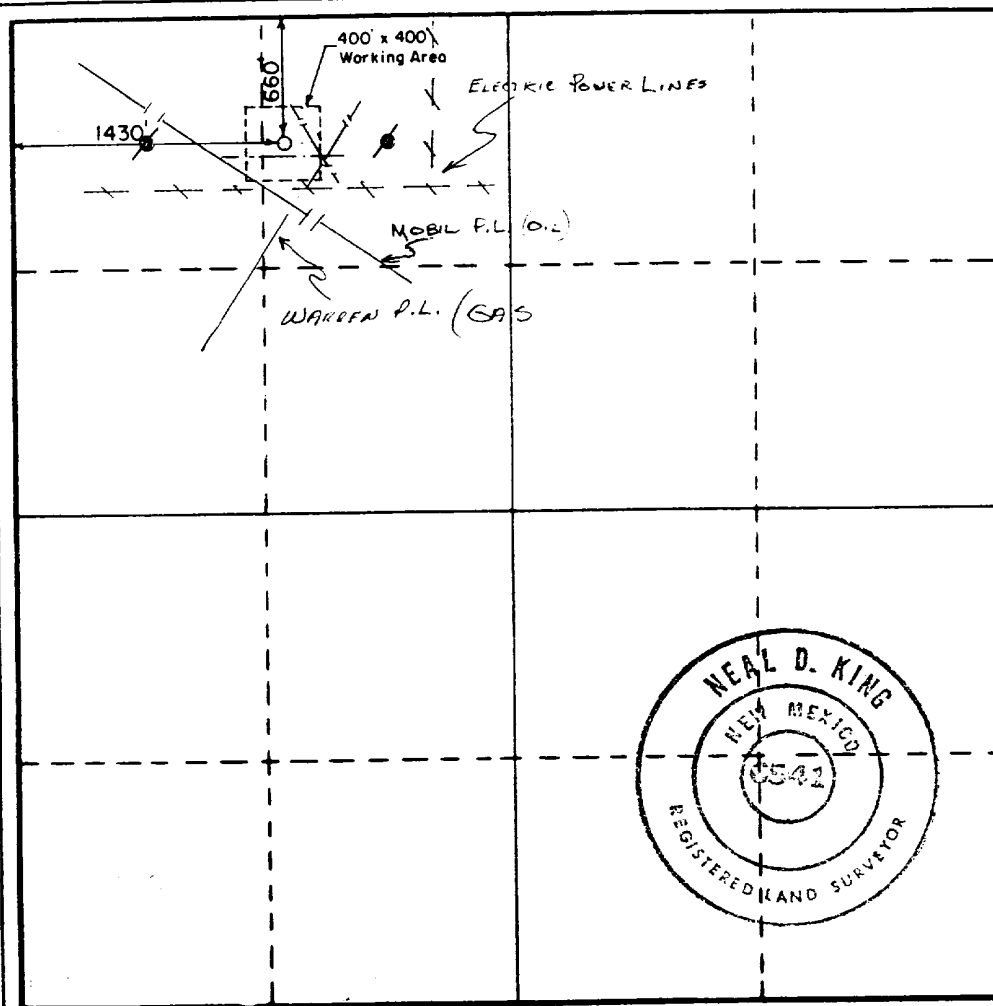
Operator Layton Enterprises			Lease El Zoro Federal "C"		Well No. 3
Unit Letter: C	Section 11	Township 9S	Range 36E	County Lea	
Actual Footage Location of Well: 660 feet from the North line and 1430 feet from the West line					
Ground Level Elev. 4052	Producing Formation Penn	Pool Allison		Dedicated Acreage: 80 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 interests 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 necessary.) _____

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 interests, has been approved by the Commission.



CERTIFICATION

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

Donald R. Layton
 Name

Donald R. Layton

Position

President

Company

LAYTON ENTERPRISES, INC.

Date

8-8-88

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 knowledge and belief.

Date Surveyed

8-5-88

Registered Professional Engineer
 and/or Land Surveyor

Neal D. King
 Certificate No.
 6541

