



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

1/24/95

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

NSL-3478

RE: Proposed:

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

Gentlemen:

I have examined the application for the:

Leyton Enterprises, Inc. For A State #5-F 2-9s-36e
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed



January 16, 1995

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

Re: Non-Standard Location -- Allison Penn Field
Fox "A" State No. 5-F
Sec. 2, T9S, R36E
Lea County, New Mexico

Gentlemen:

The captioned well was drilled in October 1991 to a depth of 12,500' to test the Devonian. This zone tested 100% water and the well was temporarily abandoned. Subsequently a bridge plug with cement cap was set to isolate the Devonian zone, the casing tested, and the well placed in extended shut-in status to June 19, 1997.

It is our intention to attempt completion in the "Bough" Penn zone. However, pool rules require wells to be located within 150 feet of the center of a 40 acre unit. This well location does not meet that requirement, and we request approval of a non-standard location.

We are currently producing our Fox "A" State No. 1-F located only 350 feet north of the captioned location. This well was a re-entry of a P-A well re-completed in 1990. It is a light marginal producing well, a condition we attribute at least in part to formation damage incurred in the original plugging operation, and we feel we can make a much better well from the new completion in the No. 5 well. We may wish to continue to produce the No. 1 well also for the time being but eventually intend to plug it back to test the San Andres zone.

This well is located near the center of the 640 acre lease and there are no other offset operators to the proration unit.

Attached are copies of the ownership map and our application filed with the district office. Your consideration of our request is greatly appreciated.

Very Truly Yours,

LAYTON ENTERPRISES, INC.

Ronald R. Layton
Donald R. Layton
President

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