

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM 94864	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR LAYTON ENTERPRISES, INC.			7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR 3103 79th St., Lubbock TX 79423			8. FARM OR LEASE NAME EL ZORRO H FEDERAL	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 2080' ENL 510' FEL Sec. 1, T9S, R36E At proposed prod. zone (same)			9. WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9 miles east-northeast of Crossroads, New Mexico			10. FIELD AND POOL, OR WILDCAT WILDCAT	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 560			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 1, T9S, R36E	
16. NO. OF ACRES IN LEASE 320			12. COUNTY OR PARISH Lea	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 12,500			20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, CR, etc.) GR: 4,039'			22. APPROX. DATE WORK WILL START* October 15, 1995	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2	13-3/8	54	350	350 sx Class C (circ)
12-1/4	8-5/8	32	4,150	1,100 sx HL + 200 sx Cl. C (circ)
7-7/8	5-1/2	20 & 23	12,500	1,700 sx HL + 300 sx Cl. C H. (circ)

Propose to drill to approximately 12,500' to test the Devonian formation.
See supplement drilling data for casing & BOP details.

If test is favorable will run and cement 5 1/2" production casing -
perforate favorable zones - run tubing and stimulate as necessary.

OPER. OGRID NO. 13178

PROPERTY NO. 17754

POOL CODE

EFF. DATE 10/13/95

API NO. 30-025-33147

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 Ronald E. Stefan TITLE President DATE 9/8/95
(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY (Signature) TITLE DATE 10-11-95
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
3D-025-33147	—	WILDEAT
Property Code	Property Name	Well Number
17754	El Zorro "H"	1
OGRID No.	Operator Name	Elevation
013178	Layton Enterprises Inc.	4039'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	1	9 S	36 E		2080	NORTH	510	EAST	LEA

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

<div style="display: flex; justify-content: space-between;"> OR A NON-STANDARD UNIT THE 2080' </div>			
<u>Lot 4 - 40.12 Ac</u>	<u>Lot 3 - 40.09 Ac</u>	<u>Lot 2 - 40.05 Ac</u>	<u>Lot 1 - 40.02 Ac</u>
<div style="position: relative; width: 100%; height: 100%;"> <div style="position: absolute; top: 0; right: 0; text-align: right;"> 4037.9' 4037.3' 4036.8' 4035.1' </div> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);"> </div> </div>			
<div style="display: flex; justify-content: space-between;"> <div style="width: 40%;"> <p style="transform: rotate(-90deg); transform-origin: left top;">RECEIVED</p> <p style="transform: rotate(-90deg); transform-origin: left top;">OCT 1 10 1995</p> </div> <div style="width: 60%;"> <div style="border: 1px solid black; padding: 5px;"> <h3 style="text-align: center; margin: 0;">OPERATOR CERTIFICATION</h3> <p style="font-size: small; margin: 5px 0;">I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <div style="margin-bottom: 10px;"> </div> <div style="display: flex; justify-content: space-between;"> Signature <u>DONALD R. Layton</u> </div> <div style="display: flex; justify-content: space-between;"> Printed Name <u>PRESIDENT</u> </div> <div style="display: flex; justify-content: space-between;"> Title <u>9-30-95</u> </div> <div style="display: flex; justify-content: space-between;"> Date </div> </div> </div> </div>			
<div style="border: 1px solid black; padding: 5px;"> <h3 style="text-align: center; margin: 0;">SURVEYOR CERTIFICATION</h3> <p style="font-size: small; margin: 5px 0;">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.</p> <div style="text-align: center; margin: 10px 0;"> <u>September 27, 1995</u> </div> <div style="display: flex; justify-content: space-between;"> Date Surveyed <u>L. JONES</u> </div> <div style="display: flex; justify-content: space-between;"> Signature & Seal of Professional Surveyor </div> <div style="display: flex; justify-content: space-between;"> W.O. No. 5344a </div> <div style="display: flex; justify-content: space-between;"> Certificate No. Gary L. Jones 7977 </div> </div>			

SUPPLEMENTAL DRILLING DATA

LAYTON ENTERPRISES, INC.
No. 1 El Zorro "H" Federal
SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 1, T9S, R36E
Lea County, N.M.

NM 94864

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	9630'

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

0 - 300' - Fresh Water
4080' - Oil in San Andres formation
9630' - Oil in Bough formation

4. PROPOSED CASING PROGRAM:

13-3/8" Casing - 54.5#, H-40, ST&C, cemented at 350'±
with sufficient Class C to circulate.
8-5/8" Casing - 32#, H-40, ST&C, cemented at 4150'±
with 1100 sx HL + 200 sx Class C
to circulate.
5-1/2" Casing - 12,500' - 20#, N-80 and 23#, N-80, LT&C
Cemented with 2000 sx.

Equivalent or better grades and weights of casing may be substituted. Additional cement may be used as appropriate.

5. PRESSURE CONTROL EQUIPMENT: The blowout preventer equipment will consist of 3000#WP double-ram preventers and choke manifold, and 3000#WP annular type preventer. A sketch of the BOP stack is attached.

6. CIRCULATING MEDIUM:

0 - 350': Fresh Water mud

350' - 4000': Brine mud with additives necessary to control viscosity to 28-34 Sec. and weight to 9.6-10.1#/Gal.

4000' - 9500': Brine mud with additives to control viscosity to 28-34 Sec. and weight to 9.4-9.7#/Gal. with minimum water loss.

9500' - TD: Brine base mud with weight of 9.0-9.3#/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:

DST: Drill stem tests will be made when samples, drilling time or other data indicate a test is warranted.

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.

Bottom Hole pressure at TD estimated to be approximately 4900 psi based on H. L. Brown well $\frac{1}{2}$ mile west (4860 psi @ 12,412'), Layton Enterprises Fox A #5 $1\frac{1}{2}$ miles west (4885 psi @ 12,470') and Mobil Oil Cox #1 $\frac{3}{4}$ mile southwest (5035 psi @ 12,650').

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

LAYTON ENTERPRISES, INC.
 No. 1 El Zorro "H" Federal
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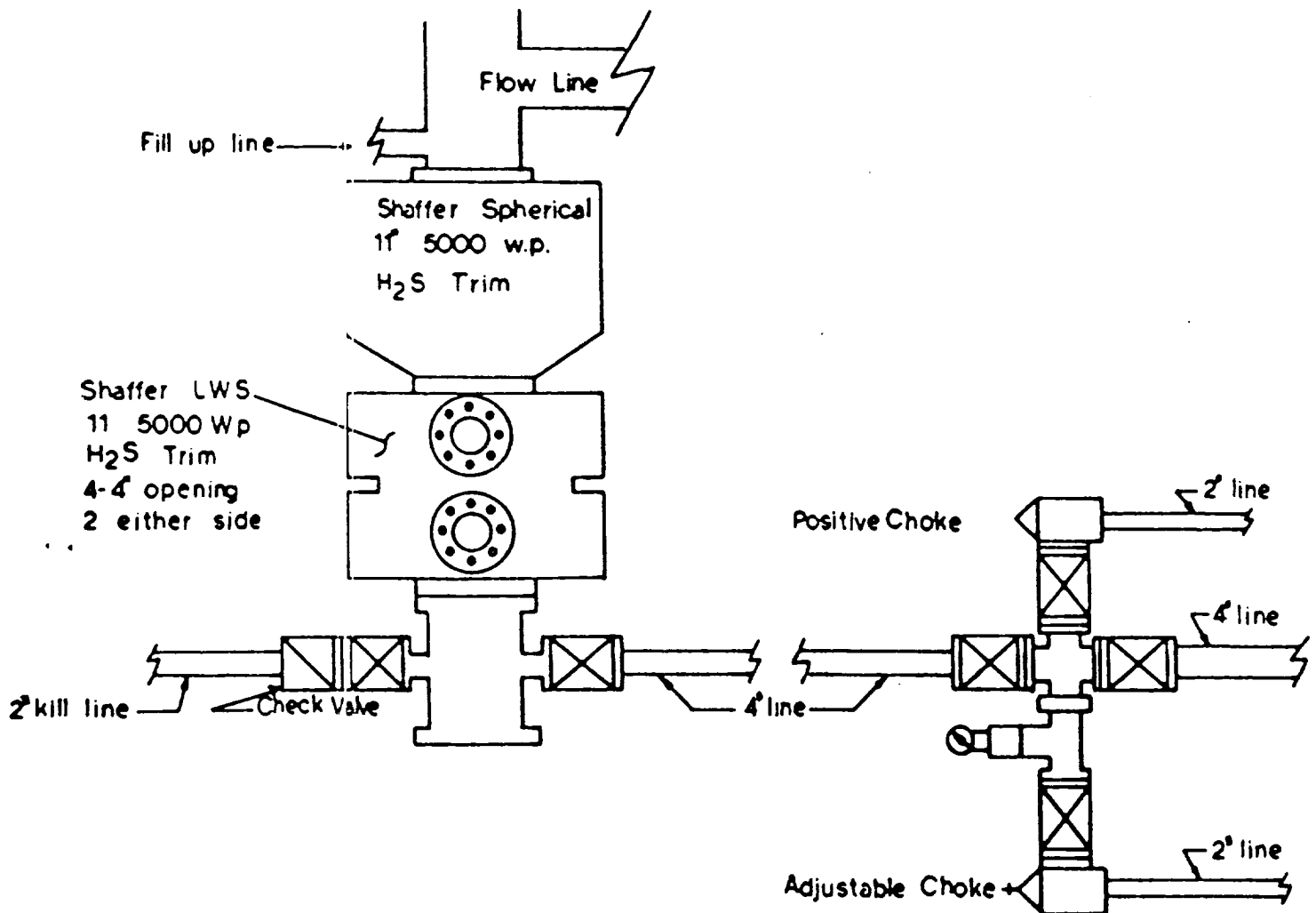


EXHIBIT D