

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 53389
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input 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 Street Lubbock, Texas 79423		8. FARM OR LEASE NAME El Zorro Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 660' FNL, 510' FEL Sec. 25-8S-36E At proposed prod. zone Same		9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8 Miles East-Southeast of Milnesand, New Mexico		10. FIELD AND POOL, OR WILDCAT Allison - Penn
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 510'	16. NO. OF ACRES IN LEASE 320	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 25-8S-36E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. -	19. PROPOSED DEPTH 9800'	12. COUNTY OR PARISH 13. STATE Roosevelt N.M.
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4053' GR		17. NO. OF ACRES ASSIGNED TO THIS WELL 80 Ac. (N½NE½)
22. APPROX. DATE WORK WILL START* Upon Approval		20. ROTARY OR CABLE TOOLS Rotary

PROPOSED CASING AND CEMENTING PROGRAM

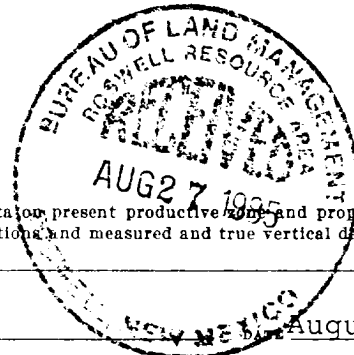
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	54.5#	350'	500 sx Class C (Circ)
11"	8-5/8"	32.0#	4000' ±	1100 sx HL+200 sx Class C (Circ)
7-7/8"	5-1/2"	17 23.0#	9800'	500 sx To Isolate All Oil Gas And Water Zones

Propose to drill to approximately 9800' to test Bough "C" and intermediate formations.

See Supplemental Drilling Data for casing and BOP details.

Run 5-1/2" production casing, perforate favorable zones.

Run tubing and stimulate as necessary.



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 <u>Jerry H. Long</u> TITLE <u>Agent</u>		APPROVAL DATE <u>August 26, 1985</u>
(This space for Federal or State office use)		
PERMIT NO. _____	APPROVED BY <u>S/Phil Kirk</u> TITLE <u>Area Manager</u> DATE <u>9-18-85</u>	
CONDITIONS OF APPROVAL, IF ANY:		

*See Instructions On Reverse Side