

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒ 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, Texas 79423

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

At surface

760' FSL 560' FEL Sec. 25, T8S, R36E

At proposed prod. zone

same

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

8 miles east-southeast from Milnesand, N.M.

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

560'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED TO THIS WELL

80 ac.

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

1320'

19. PROPOSED DEPTH

9800

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4050 GL

22. APPROX. DATE WORK WILL START\*

August 15, 1988

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'	400 sx Class C (circ.)
12-1/4"	8-5/8"	32#	4100'	1100 sx HL + 200 sx C
7-7/8"	5-1/2"	17#-20#	9800'	1000 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 *Donald L. Layton* TITLE President DATE 5/25/88

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE JUN 29 1988

APPROVED BY S/Levi Deike, Acting TITLE Area Manager

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT IN ADVANCE.

\*See Instructions On Reverse Side

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE TITLE TO THOSE RIGHTS IN THE SUBJECT LEASE WHICH WOULD ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.

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.