JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

2004 DEC 15 AM 11 30

Case 13401

December 14, 2004

Hand Delivered

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing are an original and one copy of <u>two</u> applications to abolish pool rules, together with proposed advertisements, filed on behalf of Platinum Exploration, Inc. Please set these matters for the January 6, 2005 Examiner hearing.

The advertisements were previously e-mailed to you.

Very truly yours,

llu ames Bruce

Attorney for Platinum Exploration, Inc.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

2004 DEC 15 AM 11 30

No. 13401

APPLICATION OF PLATINUM EXPLORATION, INC. TO ABOLISH THE SPECIAL RULES AND REGULATIONS FOR THE KNOWLES (DEVONIAN) POOL, LEA COUNTY, NEW MEXICO.

APPLICATION

Platinum Exploration, Inc. applies for an order abolishing the special rules and regulations for the Knowles (Devonian) Pool (the "Pool"), and in support thereof, states:

1. Applicant is an operator in the Pool.

2. The Pool was created by Commission Order No. 850, and currently covers the following lands in Lea County, New Mexico:

Township 16 South, Range 38 East, N.M.P.M. Section 34: E½ Section 35: All Township 17 South, Range 38 East, N.M.P.M. Section 2: N½ Section 3: NE¼

3. Commission Order No. R-23 instituted special rules for the Pool, providing for 80 acre spacing, wells to be in the northwest or southeast quarter-quarter section of a quarter section, and wells to be located within 150 feet of the center of such quarter-quarter section.

4. Applicant requests that the special pool rules for the Pool be abolished, and that the Pool henceforth be developed under statewide well spacing and location rules.

5. Applicant requests that the operator of any existing spacing unit within the Pool, at its option, be allowed retain an 80 acre unit for that well. 6. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the relief requested above be granted.

Respectfully submitted,

lle

James Bruce Post Office Box 1056 Santa Fe, New Mexico 87504 (505) 982-2043

Attorney for Platinum Exploration, Inc.

Proposed Advertisement

<u>Case 1340</u>: Application of Platinum Exploration, Inc. to abolish the special rules and regulations for the Knowles (Devonian) Pool, Lea County, New Mexico. Applicant seeks an order abolishing the special rules and regulations for the Knowles (Devonian) Pool, and instituting statewide well spacing and location regulations for the pool. The pool rules currently provide for 80-acre spacing, wells to be in either the northwest or southeast quarter-quarter section within a quarter section, and wells to be within 150 feet of the center of such quarter-quarter section. The pool covers all or parts of Sections 34 and 35, Township 16 South, Range 38 East, N.M.P.M., and Sections 2 and 3, Township 17 South, Range 38 East, N.M.P.M. The pool is centered approximately 3 miles north-northeast of Knowles, New Mexico.