

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-141  
Revised October 10, 2003  
Submit 2 Copies to appropriate  
District Office in accordance  
with Rule 116 on back

### Release Notification and Corrective Action

#### OPERATOR

Initial Report  Final Report

Name of Company <b>PLATINUM EXPLORATION, INC.</b>	Contact <b>CHUCK FINLEY</b> ← sent to 4-21-06
Address <b>550 West Texas, Suite 500, Midland, TX 79701</b>	Telephone No. <b>432-687-1664</b>
Facility Name <b>M.M. Harris SWD Well #2</b>	Facility Type <b>SWD Well</b> 30025 071680000

Surface Owner <b>Dean Kinsolving</b>	Mineral Owner	Lease No.
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#### LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	8	12S	38E	660	NORTH	660	WEST	LEA

Latitude N 33° 17' 55.1" Longitude W 103° 07' 32.2"

#### NATURE OF RELEASE

Type of Release <b>Produced Water</b>	Volume of Release <b>150 BBLs</b>	Volume Recovered <b>150 BBLs</b>
Source of Release <b>SWD WELL SUCTION TANK</b>	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>DISCOVERED 6:00 AM 3-28-06 - Spill occurred approximately 5:00 AM same day - advised Paul Sheeley</b>	
By Whom? <b>Chuck Finley</b>	Date and Hour <b>3-28-06 - Advised at 10:00 AM</b>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.\*

Describe Cause of Problem and Remedial Action Taken.\*  
SWD Well lost vacuum causing suction tank to overflow.

Describe Area Affected and Cleanup Action Taken.\*  
Vacuum truck used to recover fluids inside berm

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCED rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCED marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCED acceptance of a C-141 report does not relieve the operator of responsibility for compliance with federal, state, or local laws and/or regulations.

Signature:	<b>OIL CONSERVATION DIVISION</b>	
Printed Name: <b>Bo Vizcaino</b>	<i>Paul Sheeley</i> Approved by District Supervisor:	
Title: <b>Sr. Project Manager</b>	Approval Date: <b>4-21-06</b>	Expiration Date: <b>6-21-06</b>
E-mail Address: <b>bo@etechenv.com</b>	Conditions of Approval: <b>*</b>	Include Attached <input checked="" type="checkbox"/> G-mix & salt away proc.
Date: <b>April 18, 2006</b>	Phone: <b>432-563-2200</b>	

\* Attach Additional Sheets If Necessary

incident - application - PAC0611650212  
groundwater ~ 50' \* Please include vertical delineation. Check for possible groundwater impact. *Paul Sheeley*



April 18, 2006

Mr. Paul Sheeley  
NMOCED  
726 E. Michigan Drive, Suite 165  
Hobbs, NM 88240-3456

Subject: M.M. Harris SWD Well No. 2 Spill, Corrections to C-141 Submittal.

Dear Mr. Sheeley:

On behalf of our client, Platinum Exploration, Inc., Etech Environmental and Safety Solutions, Inc. (Etech) hereby submits for your review an amended copy of Form C-141 for the spill that occurred on March 28, 2006 and reported to the NMOCED on the same day. The C-141 was returned on April 5, 2006 due to incorrect information, missing information, and apparently submitted as a "final" report. The corrected C-141 form is attached. The following corrections have been made:

The GPS coordinates for the spill site are as follows:

N 33° 17' 55.1" and W 103° 07' 32.2"

The initial report was apparently checked as a "final report". This is inaccurate and was intended to serve as the initial notification. The events leading to the release are as follows:

The 500 barrel fiberglass tank ran when the SWD well lost suction and caused the suction tank to overflow. Most of the oil and produced water was contained within the confines of the firewall. However, an area measuring approximately 40 feet by 80 feet outside the containment area was impacted by the overspray. The overspray impacted vegetation and soils to a depth of one-quarter inch to one inch in depth.

Since the depth of contamination in the area affected by the overspray is minimal, the plan is to till the soils and add soil amendments (G-Mix or Salt-Away) to reduce the hydrocarbon and chloride contents in the soils outside the containment. The soils inside the containment will be "soil washed" with a surfactant which will cause separation of hydrocarbons from the soil matrix. The hydrocarbons will be skimmed off the water layer. The resulting soils will be blended with fresh soils and be used as firewall materials. TPH and chloride confirmation samples will be collected on the resultant soils and submitted to Environmental Lab of Texas for TPH and chloride analyses. A final report for closure will be issued once all the remediation activities are completed and TPH and chloride concentrations are below regulatory limits.

Please review the information and let me know if your concerns are adequately addressed in this letter. I can be reached at (432) 563-2200, on my cell phone at (432) 631-2595, or by e-mail at [bo@etechenv.com](mailto:bo@etechenv.com). Thank you.

Sincerely,  
Etech Environmental and Safety Solutions, Inc.

Bo Vizcaino  
Sr. Project Manager

Cc: Mr. Conrad Turner  
Mr. Chuck Finley  
Mr. Shane Estep



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor

cc: MIKE  
CITOCK  
BOB

RECEIVED  
APR 07 2006  
BY: \_\_\_\_\_

Joanna Pruskop  
Cabinet Secretary  
Acting Director  
Oil Conservation Division

## RE-SUBMIT NOTICE

TO: Company/Operator Platinum  
From: NMOCD Rep. Paul Sheeley Date: 4-5-06

Please Note Your Attached C-141 Report(s) has been rejected because of the following reason(s):  
Please make corrections and re-submit within 7 days unless otherwise allowed or marked for a longer time period.

- Wrong form: See proper form enclosed.
- Incorrect or inaccurate information: See comments below.
- "Initial" or "Final" box not marked.
- Missing Information: See comments below.
- Wrong Operator! Operator is responsible to submit C-141 for all leaks & spills on their leases, pipelines and/or properties under their control.
- Improper Disposal of Oilfield Waste without NMOCD Approval:
  - Road spreading without NMOCD approval.
  - Landfilling without permit or NMOCD approval.
  - Burying of Oilfield Waste without NMOCD Approval.
  - Onsite disposal without NMOCD Approval.
  - Building roads, barns ditches with contaminated soils without NMOCD Approval.
- Not Signed.
- NMOCD Cannot accept your C-141 as a "final" report at this time. Please do the following:
  - Submit a Site Corrective Action Plan for NMOCD approval within \_\_\_\_\_ days.
  - Please describe in detail what Clean-up Action was taken and area affected. If none taken explain why.
  - Please Describe in detail what Remediation action will be taken. If none planned please explain why.
  - Operator has indicated off-site disposal; please indicate where waste was disposed of.
  - Was vertical extent of contamination checked? If Yes, please provide information. If No please provide explanation.
  - Please provide vertical extent of contamination within 15 days. Please collect samples for two or more of the following: TPH  BTEX  Chloride  Other . Please provide a plot map of sample locations and depth sample was collected.

Comments:

cannot accept as "final report"

No GPS. No sign per rule 103 + rule 310B

Remediation plan required per rule 116

Please re-submit C-141 or information requested and include a copy of this notice.

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Revised October 10, 2003

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with Rule 116 on back  
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report  Final Report

Name of Company <b>PLATINUM EXPLORATION, INC.</b>	Contact <b>CHUCK FINLEY</b>
Address <b>530 WEST TEXAS, SUITE 500, MIDLAND, TEXAS 79701</b>	Telephone No. <b>432-687-1664</b>
Facility Name <b>M. M. HARRIS SWD WELL NO. 2</b>	Facility Type <b>SWD WELL</b>
Surface Owner <b>DEAN KINSOLVING</b>	Mineral Owner _____ Lease No. _____

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	8	12-S	38-E	660	NORTH	660	WEST	LEA

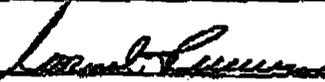
Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

Type of Release <b>PRODUCED WATER</b>	Volume of Release <b>150 BBL'S</b>	Volume Recovered <b>150 BBL'S</b>
Source of Release <b>SWD WELL SUCTION TANK</b>	Date and Hour of Occurrence _____	Date and Hour of Discovery _____
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? <b>DISCOVERED 6:00 A.M. 03-28-06 - SPILL OCCURRED APPROXIMATELY 5:00 AM SAME DAY - ADVISED PAUL SHEELY</b>	
By Whom? <b>CHUCK FINLEY</b>	Date and Hour <b>03-28-06 - ADVISED AT 10:00 AM</b>	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse _____	
If a Watercourse was Impacted, Describe Fully. *		
Describe Cause of Problem and Remedial Action Taken. *		
<b>SWD WELL LOST VACUUM CAUSING SECTION TANK TO OVERFLOW</b>		
Describe Area Affected and Cleanup Action Taken. *		
<b>VACUUM TRUCK USED TO RECOVER FLUIDS INSIDE BERM</b>		

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OIL CONSERVATION DIVISION

Signature: 	Approved by District Supervisor:	
Printed Name: <b>CONRAD TURNER</b>	Approval Date:	Expiration Date:
Title: <b>ADMINISTRATION</b>	Conditions of Approval:	
E-mail Address: <b>cturner@3wireless.com</b>	Attached <input type="checkbox"/>	
Date: <b>03-28-06</b>	Phone: <b>432-687-1664</b>	

\* Attach Additional Sheets if Necessary