

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

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Platinum Exploration, Inc. 550 W. Texas Ave, Suite 500 Midland, Texas 79701		² OGRID Number 227103
		³ API Number 30 - 025-07172
⁴ Property Code 35186	⁵ Property Name Liberty	⁶ Well No. 1
⁹ Proposed Pool 1 SWD; Devonian		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no. G	Section 8	Township 12S	Range 38E	Lot Idn	Feet from the 1980	North line	Feet from the 1980	East line	County Lea
--------------------	--------------	-----------------	--------------	---------	-----------------------	------------	-----------------------	-----------	---------------

⁸ Proposed 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
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code S	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3870' GR
¹⁶ Multiple N	¹⁷ Proposed Depth 12800	¹⁸ Formation Devonian	¹⁹ Contractor	²⁰ Spud Date ASAP
Depth to Groundwater 0-170		Distance from nearest fresh water well >1/2 mile		Distance from nearest surface water None
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17	13 3/8	50	354	325	Surf - circ
11	8 5/8	32	4480	2100	Surf - circ
7 7/8	5 1/2	17/20	12034	1150	5770- calc

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

This is a re-entry of an existing wellbore (API # 30-025-07172). All casing is currently set. The 5 1/2" casing is tied back to 3494', inside the 8 5/8" casing set at 4500'. We intend to re-enter this Skelton well to convert to SWD, permit currently being filed, and deepen from the current TD of 12494' to 12800' new TD. We will run a 4-1/2" Arrowset packer on 2 7/8" injection tubing and set at 12,170'. We will be disposing of Devonian produced water back into the Devonian formation from 12223' to 12800'.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

Re-Entry

SWD-998

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Greg Rasmussen *Greg Rasmussen ENG.*

Title: Eng.

E-mail Address: mailto: Ras@t3wireless.com

Date: 3-05-06

Phone: 432-687-1664

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title:

PETROLEUM ENGINEER

Approval Date:

APR 13 2006

Expiration Date:

Conditions of Approval Attached ☐

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-07172		² Pool Code 96101		³ Pool Name SWD; Devonian	
⁴ Property Code 35186		⁵ Property Name Liberty			⁶ Well Number 1
⁷ OGRID No. 227103		⁸ Operator Name Platinum Exploration, Inc.			⁹ Elevation 3870' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North line	Feet from the	East line	County
G	8	12S	38E		1980				Lea

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code N/A	¹⁵ 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.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature Date 3-05-06	
	Greg Rasmussen Printed Name	
	¹⁸ SURVEYOR CERTIFICATION 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.	
	Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	

CURRENT

LIBERTY # 1 (formerly Oberholtzer No. 2)

#65

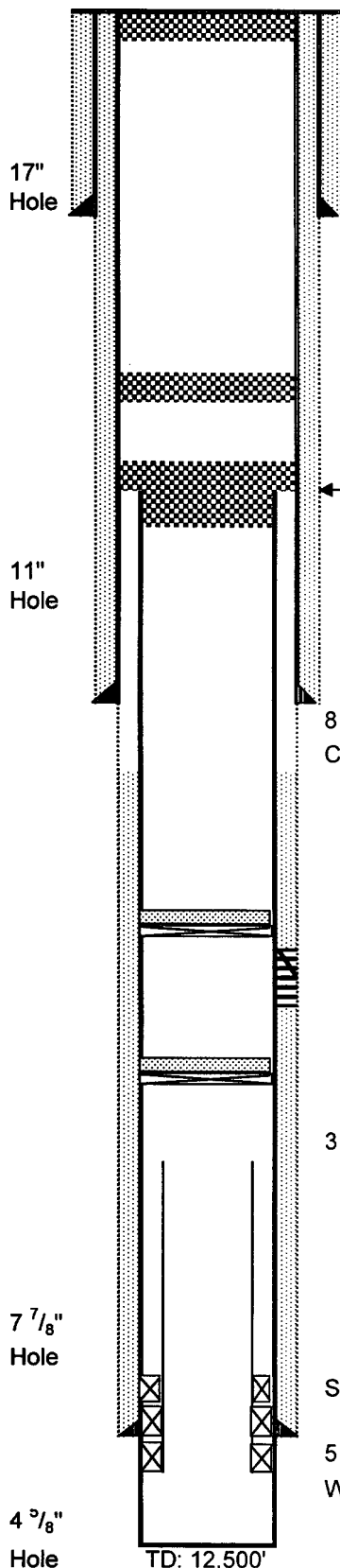
GL: 3,870' KB: 3,873'

1980' FNL & 1980' FEL
Unit G, Sec 8, T-12S, R-38E
Lea County, NM

API#: 30-025-07172

Well Type: Plugged (3/30/1977)

Convert to SWD by Rice Eng (1/60)
(in Devonian)



Cmt Plug @ surface w/ 10 sx

13 ³/₈" 50# @ 357' w/ 325 sx
Circ Cmt to sfc.

spotted plug @ 2294'; top @ 2178'

Shot off 5 ¹/₂" csg @ 3,494' & pulled (3/77)
spotted 50 sx f/ 3,300'- 3,565'; tagged

8 ⁵/₈" 32# @ 4480' w/ 2, 100 sx
Circ Cmt to sfc.

Set CIBP @ 9,450', topped w/ 35' cmt (3/77)
RePerf 9,498'-9,503' (9/76); press up 1,000#, did not hold;
Perf 9,450'-63' (9/76) Temp Aband
Perf 9498'-9508' (1/29/58)

PB to 9,600'

3 ¹/₂" Tubing parted @ 9,550'

Set 4 ¹/₂" Hydril liner 12,223'-11,983'

5 ¹/₂" 17/20# @ 12,034' w/ 1,150 sx
WO for SWD: DO to 12,500' (4 ⁵/₈" hole) (1/60)

TD: 12,500'
PBSD: 12,494'

Formation Tops:	
Rustler	2274
Salado	2324
Yates	3063
San Andres	4451
Glorieta	5909
Tubb	7153
Abo	7669
Wolfcamp	9086
Cisco	9822
Strawn	10500
Atoka	10920
Lwr Miss.	11348
Woodford Sh	11939
Devonian	12029
O/W contact	12053

8/2/2005 JMR

PROPOSED

LIBERTY # 1SWD (formerly Oberholtzer No. 2)

#65

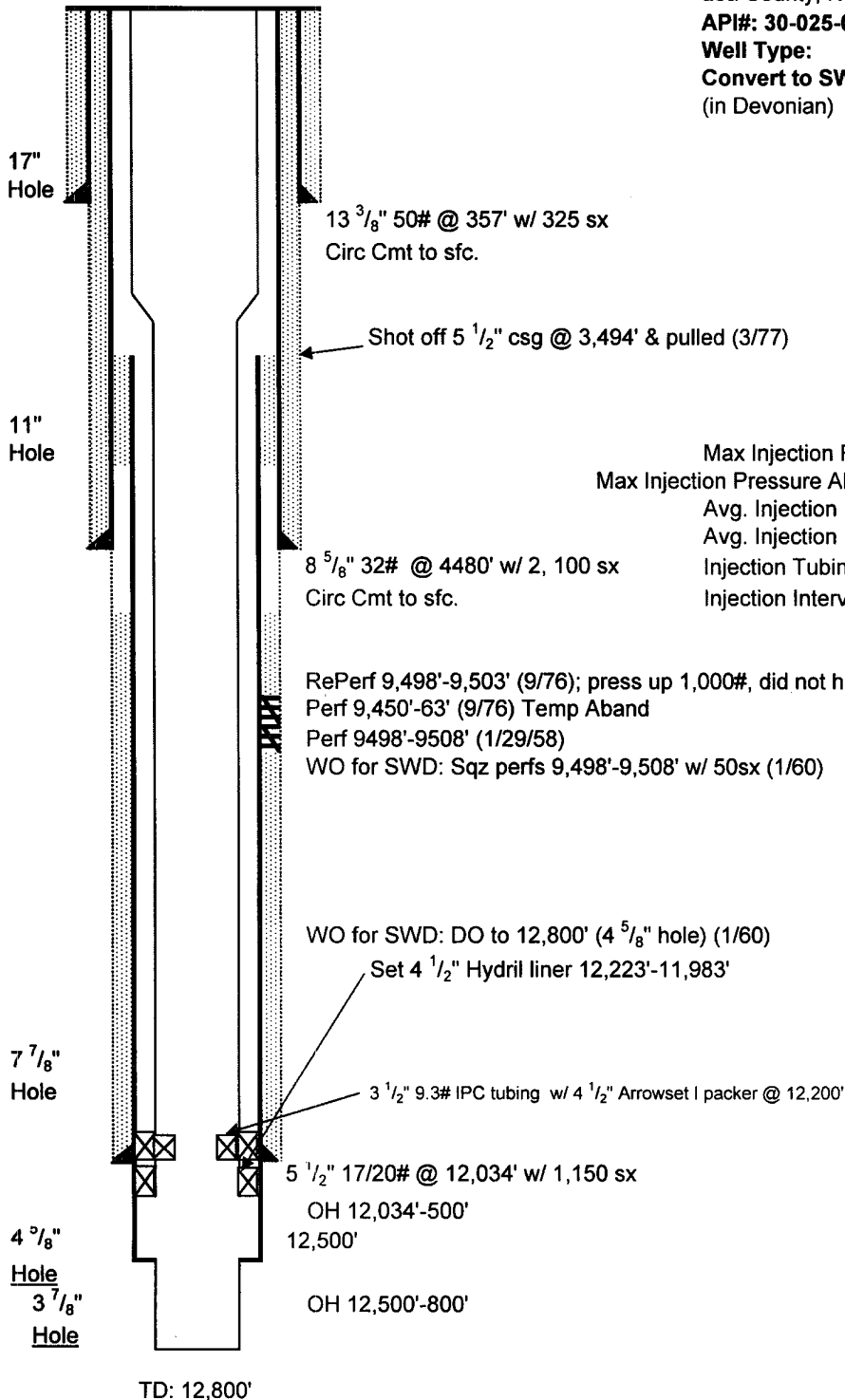
GL: 3,870' KB: 3,873'

1980' FNL & 1980' FEL
Unit G, Sec 8, T-12S, R-38E
Lea County, NM

API#: 30-025-07172

Well Type: Plugged (3/30/1977)

Convert to SWD by Rice Eng (1/60)
(in Devonian)



TUBING DETAIL:

Max Injection Rate
Max Injection Pressure Allowed:
Avg. Injection Rate
Avg. Injection Pressure
Injection Tubing
Injection Interval

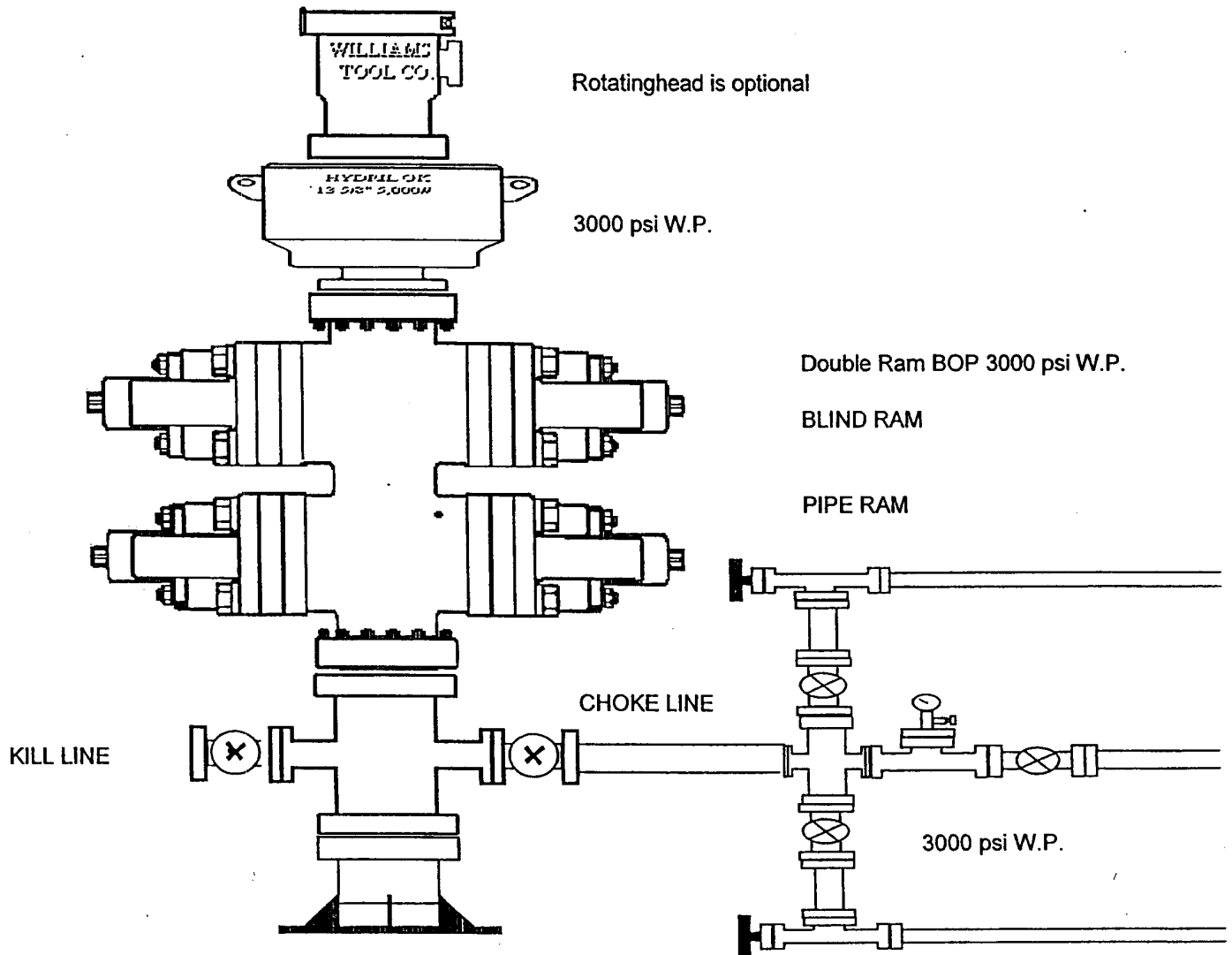
20,000 BPD
2,413 psi
15,000 BPD
100 psi
4 1/2" & 3 1/2" 9.3# L-80 IPC Tubing
12,223' to 12,800' Devonian

Admin Order : SWD-998

Formation Tops:	
Rustler	2,274 ft
Salado	2,324 ft
Yates	3,063 ft
San Andres	4,451 ft
Glorieta	5,909 ft
Tubb	7,153 ft
Abo	7,669 ft
Wolfcamp	9,086 ft
Cisco	9,822 ft
Strawn	10,500 ft
Atoka	10,920 ft
Lwr Miss.	11,348 ft
Woodford Sh	11,939 ft
Devonian	12,029 ft
O/W contact	12,053 ft

1/20/06 JMR

3M BOP



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

Form C-144
June 1, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

For drilling and production facilities, submit to
appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe
office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Platinum Exploration, Inc.</u> Telephone: <u>432-687-1664</u> e-mail address: <u>Ras@t3wireless.com</u>		
Address: <u>550 W. Texas, Suite 500 Midland, TX 79701</u>		
Facility or well name: <u>Liberty #001</u> API #: <u>30-025-07172</u> U/L or Qtr/Qtr <u>G</u> Sec <u>8</u> T <u>12S</u> R <u>38E</u>		
County: <u>Lea</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>1600</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet	(20 points)
	50 feet or more, but less than 100 feet xx	(10 points)
	100 feet or more	(0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.) >1000'	Yes	(20 points)
	No XX	(0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) >1000'	Less than 200 feet	(20 points)
	200 feet or more, but less than 1000 feet	(10 points)
	1000 feet or more XX	(0 points)
Ranking Score (Total Points)		10

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☐ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 3-05-06

Printed Name/Title Greg Rasmussen Eng.

Signature Greg Rasmussen ENG.

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:


Printed Name/Title

PETROLEUM ENGINEER

Signature

Date:

APR 13 2006

 The sender of this message has requested a read receipt. [Click here to send a receipt.](#)

Mull, Donna, EMNRD

From: Phillips, Dorothy, EMNRD
To: Mull, Donna, EMNRD
Cc:
Subject: RE: Financial Assurance Requirement
Attachments:

Sent: Thu 4/13/2006 9:45 AM

All three have blanket bonds and none appear on Jane's list. Happy Easter!

From: Mull, Donna, EMNRD
Sent: Thursday, April 13, 2006 9:30 AM
To: Phillips, Dorothy, EMNRD
Cc: Macquesten, Gail, EMNRD; Sanchez, Daniel J., EMNRD
Subject: Financial Assurance Requirement

Dorothy,

Is the Financial Assurance Requirements for these Operators OK?

Platinum Exploration Inc, (227103)
Yates Petroleum Corp (25575)
Pride Energy Co (151323)

Please let me know. Thanks Donna