

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:**

**CASE NO. 15138  
ORDER NO. R-13866**

**IN THE MATTER OF THE HEARING CALLED BY THE OIL  
CONSERVATION DIVISION FOR A COMPLIANCE ORDER AGAINST  
PLATINUM EXPLORATION, INC. FINDING THAT THE OPERATOR IS IN  
VIOLATION OF RULE 19.15.25.8 NMAC AS TO ONE WELL, REQUIRING  
OPERATOR TO BRING SAID WELL INTO COMPLIANCE WITH RULE  
19.15.25.8 NMAC BY A DATE CERTAIN, AND IN THE EVENT OF NON-  
COMPLIANCE, DECLARING THE WELL ABANDONED AND AUTHORIZING  
THE DIVISION TO PLUG THE WELL IN LEA COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on June 12, 2014, at Santa Fe, New Mexico, before Examiner Richard I. Ezeanyim.

NOW, on this 23<sup>rd</sup> day of July, 2014, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

**FINDS THAT:**

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.

(2) The Division seeks a compliance order against Platinum Exploration, Inc. (“operator”), finding that the operator is in violation of Rule 19.15.25.8 NMAC as to one well, requiring the operator to plug and abandon the well by a date certain, and authorizing the Division to plug and abandon the well and forfeit any applicable financial assurances if the operator fails to comply with this order.

The Division appeared at the hearing through legal counsel and presented the following testimony.

(3) Platinum Exploration, Inc. ("Platinum") is the operator of record of Rose Eaves Well No. 1 (**API No. 30-025-07290**) ("**the subject well**"), located in Unit N of Section 35, Township 16 South, Range 38 East, NMPM, Lea County, New Mexico.

(4) Harold James Rasmussen (President) and Gregory J. Rasmussen (Vice President) are the officers of record for Platinum Exploration, Inc.

(5) The blanket bond posted by Platinum in the form of Letter of Credit No. 06-2004 for \$50,000 was forfeited as a result of non-compliance with the Oil Conservation Division (OCD) Order No. R-13190.

(6) The operator is required to plug and abandon, or temporarily plug and abandon a well in accordance with Division Rule 19.15.25.8 NMAC within ninety (90) days after a period of one year of continuous inactivity. The subject well has been inactive for a continuous period in excess of one year plus ninety days, and is neither plugged and abandoned nor on approved temporary abandonment status.

(7) The Oil Conservation Division gave notice of this application to Platinum Exploration, Inc., but the operator did not appear at the hearing to oppose the granting of this application.

**The Division Concludes as Follows:**

(8) Platinum is the operator of record for the subject well and is responsible for compliance with the Division rules with respect to the subject well.

(9) NMSA 1978, Section 70-2-14(B) provides, in relevant part that, "If any of the requirements of the Oil and Gas Act [70-2-1 NMSA 1978] or the rules promulgated pursuant to that act have not been complied with, the Oil Conservation Division, after notice and hearing, may order any well plugged and abandoned by the operator or surety or both in accordance with division rules."

(10) Platinum is in violation of the inactive well Rule 19.15.25.8 NMAC, and should plug and abandon the well by a date certain, and authorizing the Division to plug and abandon the well, and forfeit any financial assurance if Platinum fails to comply with this order.

**IT IS THEREFORE ORDERED THAT:**

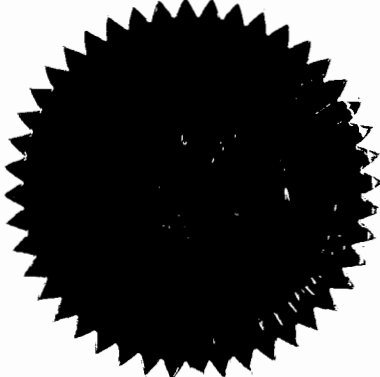
(1) The application of the Oil Conservation Division for a compliance order against Platinum Exploration, Inc. is hereby granted. Platinum Exploration, Inc. shall plug and abandon the subject well or place the well in approved temporary abandonment status by September 22, 2014.

(2) After September 22, 2014, Platinum Exploration, Inc. shall be in violation of this order if the work described in Ordering Paragraph (1) above is not yet done, and

the Division may plug and abandon the subject well, remediate the well site, and collect any applicable financial assurance.

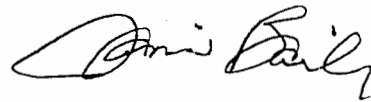
(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JAMI BAILEY  
Director