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FAX TRANSMITTAL FORM

To

Name: Florene Davidson
Agency:
Oil Conservation Division
Fax: 476-3462

- Urgent
- For Review
- Please Comment
- Please Reply

From

W. Thomas Kellahin

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Date sent: 9-1-04
Time sent: 3:40 pm
Number of pages including cover page:

-3-

Re: Case 13320
Application of Platinum Exploration Inc.
for Salt Water Disposal
Lea County, New Mexico

Dear Florene:

Attached is my pre-hearing statement of behalf of Woody

Regards,



CC James Bruce, Esq.
Attorney for Applicant

Woody Investments, LLC
Attn: Dwain Woody
Fax: 806-747-8272

WTP
9/1/04

NOTICE OF CONFIDENTIALITY

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**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 HEARING:**

**APPLICATION OF PLATINUM EXPLORATION INC.
FOR APPROVAL OF A SALT WATER DISPOSAL WELL,
LEA COUNTY, NEW MEXICO**

CASE 13320

PRE-HEARING STATEMENT

**Dwain Woody and Woody Investments, LLC submits this pre-hearing statement as
required by the New Mexico Oil Conservation Division.**

APPEARENCES OF THE PARTIES

APPLICANT

Platinum Exploration, Inc.

ATTLICANT'S ATTORNEY

James Bruce

OPPONENT

**Dwain Woody
Woody Investments LLC
HC 70, Box 97L
Lovington, NM 88260**

**Phone 806-749-3911
Fax 806-747-6272**

OPPONENT'S ATTORNEY

**Thomas Kellahin, Esq.
P. O. Box 2265
Santa Fe, New Mexico 87504
505-982-4285**

STATEMENT OF THE CASE

OPPONENT:

Dwain Woody and Woody Investments LLC (Woody") are the surface owners for the NW/4 of Section 35, T36S, R38E within which is located the Whitten Well No. 1 that Platinum Exploration seeks Division approval to re-enter and convert to salt water disposal.

Platinum has not obtained the permission of Woody to use this well for disposal. Platinum's production wells are not located within the NW/4 of Section 35. There are no production wells within the NW/4 of Section 35. Platinum has no right nor does the Division have any authority to allow the disposal of water produce from wells not located within the NW/4 of Section 35.

PROPOSED EVIDENCE

OPPONENT

WITNESSES

EST. TIME

EST. EXHIBITS

NONE

PROCEDURAL MATTERS

Woody seeks a provision in this order precluding the use of the Whitten Well No. 1 for the disposal of water produced "off-lease."

KELLAHIN & KELLAHIN



**W. Thomas Kellahin
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Fax 505-982-2047
E-mail: kellahin@earthlink.net**

CERTIFICATE OF SERVICE

I certify that on September 1, 2004, I served a copy of the foregoing documents by:

- US Mail, postage prepaid
- Hand Delivery
- Facsimile

to the following:

James Bruce, Esq.
Fax 505-982-2151



W. Thomas Kellahin

**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:**

**APPLICATION OF PLATINUM EXPLORATION,
INC. FOR APPROVAL OF A SALT WATER
DISPOSAL WELL, LEA COUNTY, NEW MEXICO.**

Case No. 13320

ENTRY OF APPEARANCE

James Bruce enters his appearance in the above case on behalf of the applicant, Platinum Exploration, Inc.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Platinum Exploration, Inc.

Midland, Texas 79702

Attention: Greg Rasmussen
(432) 687-1664

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

Woody Investments, LLC

OPPONENT'S ATTORNEY

W. Thomas Kellahin

STATEMENT OF THE CASE

APPLICANT

Applicant seeks approval to use its Whitten Well No. 1, located 990 feet from the north line and 1680 feet from the west line (Unit C) of Section 35, Township 16 South, Range 38 East, NMPM, to dispose of produced water into the Devonian formation from an openhole interval of 12,250-13,000 feet.

OPPONENT

*WVJ
2/1/04*

PROPOSED EVIDENCE

APPLICANT

WITNESSES
Greg Rasmussen
(engineer)

EST. TIME
20 min.

EXHIBITS
(a) Form B-108
(b) Cross-section
(c) Notice affidavit

OPPONENT

WITNESSES

EST. TIME

EXHIBITS

PROCEDURAL MATTERS

-None-

Respectfully submitted,



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

Attorney for Platinum
Exploration, Inc.

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing pleading was served upon the following counsel of record this 1st day of September, 2004, by facsimile transmission:

W. Thomas Kellahin
Kellahin & Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-2047


James Bruce