



Case File

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

November 22, 2004

Platinum Exploration Inc.
550 West Texas Avenue – Suite 500
Midland, Texas 79701

Attention: **Diane Kuykendall**
Regulator Analyst

Case 13392

Re: *Administrative application (administrative application reference No. pSEM0-428147329) for an exception to the well location provisions of the rules and regulations governing the South Knowles-Devonian Pool (36480) for Platinum Exploration Inc.'s ("Platinum") existing Lawrence "19" Well No. 1 (API No. 30-025-32737) to be re-completed utilizing horizontal drilling techniques such that the resulting drainhole's producing area will extend beyond the standard setback requirements from the outer boundary of the proposed project area, being a standard 80-acre lay-down oil spacing and proration unit, comprising the N/2 NW/4 of Section 19, Township 17 South, Range 39 East, NMPM, Lea County, New Mexico.*

Dear Mr. Kuykendall:

As I stated in my letter to you dated October 28, 2004, the Division had received the above-described administrative application on October 7, 2004. I received Ms. Dorothea Logan's reply to this letter on November 12, 2004; however, on November 10, 2004 I received correspondence from Ms. Claudette Hill Culp of Lubbock, Texas objecting to Platinum's administrative application. Ms. Culp's letter was dated October 12, 2004; the corresponding envelope shows a postmark of October 22, 2004. She used an old outdated address for the New Mexico Oil Conservation Division that was on your letter to her on October 5, 2004, "2040 South Pacheco." Rule 104.F (4) provides for a 20-day waiting period from the date the Division receives the application. This would have the 20-day waiting period for Platinum's application ending on October 27, 2004. The Division will honor Ms. Culp's objection since: (i) your application was not completed until November 12, 2004; and (ii) you somehow provided the wrong address to the parties notified of this application while sending the original filing to the correct address which resulted in Ms. Culp's delay.

This application will therefore be set for hearing before a Division Hearing Examiner on the next available docket scheduled for December 16, 2004. In order to expatiate this matter I have prepared the following advertisement in this matter:



121

RETURN
TO SENDER
NOT DELIVERABLE OCT
AS ADDRESSED 2004
UNABLE TO FORWARD

LOCK 7

1210

Mr. Mike Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

8502 Oxford Avenue
Lubbock, Texas 79423

7342209152

8502 Oxford Avenue
Lubbock, Texas 79423
October 12, 2004

Mr. Mike Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Non Standard Location Application
Lawrence 19 #1
Sec. 19 T 17S R39E
660 ft. FNL 1980 ft. FWL
API #30-025-32737
Lea County, New Mexico

Case 13392

Dear Mr. Stogner:

My brother, James M. Hill, and I are opposed to the above non standard application on Lawrence 19 #1. This well is 660 feet from our closest property line, and we feel this is unfair drainage of the Knowles formation.

This is likely to deplete oil that could otherwise be produced on our land:

T-17-S, R-39-E NMPM
Sec. 19: E/2
Lea County, New Mexico
Gross Acres - 320

Sincerely,

Claudette Hill Culp

Claudette Hill Culp

PLATINUM EXPLORATION INC.

550 WEST TEXAS AVENUE, SUITE 500

MIDLAND, TEXAS 79701

OFFICE (432) 687-1664 • FAX (432) 687-2853

October 5, 2004

Claudette Hill Culp
8502 Oxford Avenue
Lubbock, TX 79413

RE: Non Standard Location Application
Lawrence 19 #1
Sec 19, T17S, R39E
660' FNL & 1980' FWL
API #30-025-32737
Lea County, NM

RECEIVED
NOV 10 2004
OIL CONSERVATION DIVISION

Case 13392

Gentlemen:

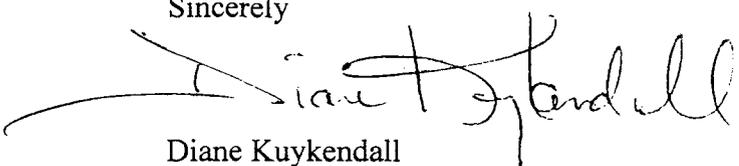
Platinum Exploration Inc. has submitted an Application to the Oil Conservation Division for the non standard location for the above referenced well. A copy of the Application is attached for your review.

Please accept this letter as the required notification. If you object, you may notify the following within 20 days:

Mike Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Should you have any questions regarding the Application, please contact myself or Greg Rasmussen.

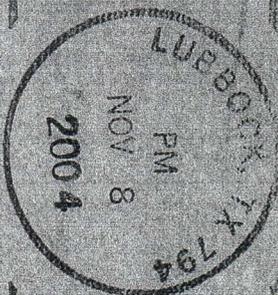
Sincerely



Diane Kuykendall
Regulatory Analyst

attachment

Laundette Alice Culp
8502 Oxford Ave,
Fulwood, Texas 79423



Mr. Mike Stegner
Oil Conservation Division
1220 St. Francis ~~Street~~
Santa Fe, New Mexico 87505