

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

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APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST PLATINUM EXPLORATION INC. 1) FINDING THAT OPERATOR KNOWINGLY AND WILLFULLY VIOLATED 19.15.4.201 NMAC AS TO FOUR WELLS AND ASSESSING PENALTIES FOR THOSE VIOLATIONS; 2) REQUIRING OPERATOR TO RETURN SAID WELLS TO COMPLIANCE WITH 19.15.4.201 NMAC BY A DATE CERTAIN; AND 3) AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE IN THE EVENT OF NON-COMPLIANCE, LEA COUNTY, NEW MEXICO.

CASE NO. 13845

ENTRY OF APPEARANCE AND  
PRE-HEARING STATEMENT

The Oil Conservation Division submits this entry of appearance and pre-hearing statement pursuant to OCD Rule 1211 [19.15.14.1211 NMAC].

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Gail MacQuesten  
Oil Conservation Division  
Energy, Minerals and Natural  
Resources Department  
1220 S. St. Francis Drive  
Santa Fe, NM 87505  
(505) 476-3451  
FAX: 476-3462

RESPONDENT

Platinum Exploration Inc.

Platinum Exploration Inc.  
550 West Texas Avenue, Suite 200  
Midland, TX 79701  
(432) 687-1664  
(432) 687-2853 (FAX)

West Texas State Bank

West Texas State Bank  
P.O. Box 7409  
Odessa, TX 79760

**STATEMENT OF THE CASE**

The Oil Conservation Division (OCD) seeks an order finding that Platinum Exploration Inc. (Platinum) knowingly and willfully violated 19.15.4.201 NMAC as to four inactive wells and assessing penalties for those violations. In addition, the OCD seeks an order requiring Platinum to return those wells to compliance by a date certain, and authorizing the OCD to plug the wells and forfeit the applicable financial assurance if Platinum does not comply. Platinum has posted \$50,000 letter of credit through West Texas State Bank in Odessa, Texas.

The four wells at issue in this case were the subject of inactive well agreed compliance order 123. That order has expired.

**APPLICANT'S PROPOSED EVIDENCE**

WITNESS:

ESTIMATED TIME:

Daniel Sanchez, Enforcement and Compliance  
Manager

10 min.

Dorothy Phillips, Financial Assurance Administrator

by affidavit

**PROCEDURAL MATTERS**

None.

Respectfully submitted  
this 20<sup>th</sup> day of December 2006 by



Gail MacQuesten  
Oil Conservation Division  
Energy, Minerals and Natural  
Resources Department  
1220 S. St. Francis Drive  
Santa Fe, NM 87505  
(505) 476-3451

Attorney for the Oil Conservation Division

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing pleading was served upon the following this 20<sup>th</sup> day of December 2006:

Platinum Exploration Inc.

550 West Texas Avenue, Suite 200  
Midland, TX 79701  
(432) 687-2853 (FAX)  
(By first class mail and FAX)

West Texas State Bank  
P.O. Box 7409  
Odessa, TX 79760  
(By first class mail)

  
Gail MacQuesten