

Apr-18-2006 03:06 PM Etech Environmental and Safety 432-563-2213

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

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

Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

Name of Company PLATINUM EXPLORATION, INC.	Contact CHUCK FINLEY	← Sent to 4-21-06
Address 550 West Texas, Suite 500, Midland, TX 79701	Telephone No. 432-687-1664	
Facility Name M.M. Harris SWD Well #2	Facility Type SWD Well	30025 071680000
Surface Owner Dean Kinsolving	Mineral Owner	Lease No.

LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	8	12S	38E	660	NORTH	660	WEST	LEA

Latitude N 33° 17' 55.1" Longitude W 103° 07' 32.2"

NATURE OF RELEASE

Type of Release Produced Water	Volume of Release 150 BBLs	Volume Recovered 150 BBLs
Source of Release SWD WELL SUCTION TANK	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? DISCOVERED 6:00 AM 3-28-06 - Spill occurred approximately 5:00 AM same day - advised Paul Sheeley	
By Whom? Chuck Finley	Date and Hour 3-28-06 - Advised at 10:00 AM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

SWD Well lost vacuum causing suction tank to overflow.

Describe Area Affected and Cleanup Action Taken.*

Vacuum truck used to recover fluids inside berm

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with federal, state, or local laws and/or regulations.

OIL CONSERVATION DIVISION

Signature:

Printed Name: Bo Vizcaino

Title: Sr. Project Manager

E-mail Address: bo@etechenv.com

Date: April 18, 2006

Phone: 432-563-2200

Approved by District Supervisor:

Approval Date: 4-21-06

Conditions of Approval: *

Expiration Date: 6-21-06

Include
Attached ☒ G-mix
& Salt away proc.

* Attach Additional Sheets If Necessary

incident - PAC0611650212
application - PAC0611650
groundwater ~ 50' Please include vertical delineation. Check for possible groundwater impact. *Paul Sheeley*



April 18, 2006

Mr. Paul Sheeley
NMOCB
726 E. Michigan Drive, Suite 165
Hobbs, NM 88240-3456

Subject: M.M. Harris SWD Well No. 2 Spill, Corrections to C-141 Submittal.

Dear Mr. Sheeley:

On behalf of our client, Platinum Exploration, Inc., Etech Environmental and Safety Solutions, Inc. (Etech) hereby submits for your review an amended copy of Form C-141 for the spill that occurred on March 28, 2006 and reported to the NMOCB on the same day. The C-141 was returned on April 5, 2006 due to incorrect information, missing information, and apparently submitted as a "final" report. The corrected C-141 form is attached. The following corrections have been made:

The GPS coordinates for the spill site are as follows:

N 33° 17' 55.1" and W 103° 07' 32.2"

The initial report was apparently checked as a "final report". This is inaccurate and was intended to serve as the initial notification. The events leading to the release are as follows:

The 500 barrel fiberglass tank ran when the SWD well lost suction and caused the suction tank to overflow. Most of the oil and produced water was contained within the confines of the firewall. However, an area measuring approximately 40 feet by 80 feet outside the containment area was impacted by the overspray. The overspray impacted vegetation and soils to a depth of one-quarter inch to one inch in depth.

Since the depth of contamination in the area affected by the overspray is minimal, the plan is to till the soils and add soil amendments (G-Mix or Salt-Away) to reduce the hydrocarbon and chloride contents in the soils outside the containment. The soils inside the containment will be "soil washed" with a surfactant which will cause separation of hydrocarbons from the soil matrix. The hydrocarbons will be skimmed off the water layer. The resulting soils will be blended with fresh soils and be used as firewall materials. TPH and chloride confirmation samples will be collected on the resultant soils and submitted to Environmental Lab of Texas for TPH and chloride analyses. A final report for closure will be issued once all the remediation activities are completed and TPH and chloride concentrations are below regulatory limits.

Please review the information and let me know if your concerns are adequately addressed in this letter. I can be reached at (432) 563-2200, on my cell phone at (432) 631-2595, or by e-mail at bo@etechenv.com. Thank you.

Sincerely,
Etech Environmental and Safety Solutions, Inc.

Bo Vizcaino
Sr. Project Manager

Cc: Mr. Conrad Turner
Mr. Chuck Finley
Mr. Shane Estep

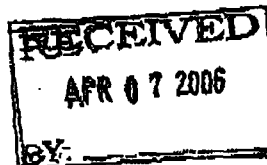
Apr-18-2006 03:06 PM Etech Environmental and Safety 432-563-2213



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

cc: Mike
Ottuck
Bob
C. 4-7-06



Joanna Prusop
Cabinet Secretary
Acting Director
Oil Conservation Division

RE-SUBMIT NOTICE

TO: Company/Operator Platinum

From: NMOCD Rep. Paul Sheeley

Date: 4-5-06

Please Note Your Attached C-141 Report(s) has been rejected because of the following reason(s):
Please make corrections and re-submit within 7 days unless otherwise allowed or marked for a longer time period.

- ☐ Wrong form: See proper form enclosed.
- ☒ Incorrect or inaccurate information: See comments below.
- ☐ "Initial" or "Final" box not marked.
- ☒ Missing Information: See comments below.
- ☐ Wrong Operator! Operators are responsible to submit C-141 for all leaks & spills on their leases, pipelines and/or properties under their control.
- ☐ Improper Disposal of Oilfield Waste without NMOCD Approval:
 - ☐ Road spreading without NMOCD approval.
 - ☐ Landfilling without permit or NMOCD approval.
 - ☐ Burying of Oilfield Waste without NMOCD Approval.
 - ☐ Onsite disposal without NMOCD Approval.
 - ☐ Building roads, bars dykes with contaminated soils without NMOCD Approval.
- ☐ Not Signed.
- ☒ NMOCD Cannot accept your C-141 as a "final" report at this time. Please do the following:
 - ☐ Submit a Site Corrective Action Plan for NMOCD approval within days.
 - ☐ Please describe in detail what Clean-up Action was taken and area affected. If none taken explain why.
 - ☐ Please Describe in detail what Remediation action will be taken. If none planned please explain why.
 - ☐ Operator has indicated off-site disposal; please indicate where waste was disposed of.
 - ☒ Was vertical extent of contamination checked? If Yes, please provide information. If No please provide explanation.
 - ☒ Please provide vertical extent of contamination within 15 days. Please collect samples for two or more of the following: TPH ☒ BTEX ☒ Chloride ☒ Other . Please provide a plot map of sample locations and depth sample was collected.

Comments:

☒ cannot accept as "final report"
☒ No GPS. No sign per rule 103 & rule 3108
☒ Remediation plan required per rule 116

Please re-submit C-141 or information requested and include a copy of this notice.

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side of form

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company PLATINUM EXPLORATION, INC.	Contact CHUCK FINLEY
Address 530 WEST TEXAS, SUITE 500, MIDLAND, TEXAS 79701	Telephone No. 432-687-1664
Facility Name M. M. HARRIS SWD WELL NO. 2	Facility Type SWD WELL
Surface Owner DEAN KINSOLVING	Mineral Owner Lease No.

LOCATION OF RELEASE


Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
D	8	12-S	38-E	660	NORTH	660	WEST	LEA

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release PRODUCED WATER	Volume of Release 150 BBL'S	Volume Recovered 150 BBL'S
Source of Release SWD WELL SUCTION TANK	Date and Hour of Occurrence	Date and Hour of Discovery
Was Immediate Notice Given? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom? DISCOVERED 6:00 A.M. 03-28-06 - SPILL OCCURRED APPROXIMATELY 5:00 AM SAME DAY - ADVISED PAUL SHEELY	
By Whom? CHUCK FINLEY	Date and Hour 03-28-06 - ADVISED AT 10:00 AM	
Was a Watercourse Reached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.	
If a Watercourse was Impacted, Describe Fully.		
Describe Cause of Problem and Remedial Action Taken. SWD WELL LOST VACUUM CAUSING SECTION TANK TO OVERFLOW		
Describe Area Affected and Cleanup Action Taken. VACUUM TRUCK USED TO RECOVER FLUIDS INSIDE BERM		

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCED regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCED marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCED acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature: 		OIL CONSERVATION DIVISION	
Printed Name: CONRAD TURNER		Approved by District Supervisor:	
Title: ADMINISTRATION		Approval Date:	Expiration Date:
E-mail Address: cturner@3wireless.com		Conditions of Approval:	
Date: 03-28-06 Phone: 432-687-1664		Attached <input type="checkbox"/>	

* Attach Additional Sheets if Necessary