

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☒ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

OIL CONSERVATION DIVISION

CASE NUMBER

EXHIBIT NUMBER

A

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Gregg Rasmussen
 Print or Type Name

Signature

V. P. Operations
 Title

Date

Ras@t3wireless.com
 e-mail Address

Revised 9/14/0

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: Secondary Recovery Pressure Maintenance X Disposal Storage
Application qualifies for administrative approval? X Yes No
- II. OPERATOR: Platinum Exploration, Inc.
ADDRESS: 550 West Texas, Suite 200, Midland, Texas 79701
CONTACT PARTY: Gregg T. Rasmussen PHONE: (432) 687-1664
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? Yes X No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: Gregg T. Rasmussen TITLE: Vice President Operations
SIGNATURE: _____ DATE: 6/17/04
E-MAIL ADDRESS: G.Ras@T3 wireless.com
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Attachment
C-108 application for Authorization to inject
Platinum Exploration, Inc.
Whitten No. 1
990 FNL x 1680 FWL
UL C Section 35, T16S, R38E
Lea County, New Mexico

Available engineering and geologic data have been examined and no evidence of open faults of hydrologic connection between the disposal zone and any underground sources of drinking water have been found.


Name
Platinum Exploration, Inc.

6/17/04
Date

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

ATTACHMENT B

I, KATHI BEARDEN

Publisher

of the Hobbs News-Sun, a
newspaper published at
Hobbs, New Mexico, do solemnly
swear that the clipping attached
hereto was published once a
week in the regular and entire
issue of said paper, and not a
supplement thereof for a period.

of _____ 1 _____
_____ weeks.

Beginning with the issue dated

_____ June 6 _____ 2004
and ending with the issue dated

_____ June 6 _____ 2004

Kathi Bearden

Publisher

Sworn and subscribed to before

me this _____ 7th _____ day of

_____ June _____ 2004

Joseph M. Steward
Notary Public.

My Commission expires
November 27, 2004
(Seal)

This newspaper is duly qualified
to publish legal notices or adver-
tisements within the meaning of
Section 3, Chapter 167, Laws of
1937, and payment of fees for
said publication has been made.

LEGAL NOTICE

June 6, 2004

Platinum Exploration, Inc., 550 West Texas, Suite 200, Midland, Texas 79701 is filing form C-108 (Application for Authorization to Inject) with the New Mexico Oil Conservation Division seeking administrative approval for a salt water disposal well. The proposed well, the Whitten No. 1, located 890' RML & 1680' EWL of Section 35, Township 18, South Range 38 East of Lea County, New Mexico, will be used for salt water disposal. Produced waters will be disposed into the Devonian at depth of 12,550' to 13,000' with a maximum pressure of 2600 psi and a maximum rate of 15,000 BWPD. All interested parties opposing the aforementioned must file objections or request for a hearing with the Oil Conservation Division, 3220 South Francis Drive, Santa Fe, New Mexico 87505-6472, within 15 days. Additional information can be obtained by contacting Greg Rasmussen at (432) 687-1664. #20702

02105084000

02570402

**C-108 Application for Authorization to Inject
Platinum Exploration, Inc.**

Whitten No. 1

**990' FNL & 1,680' FWL
UL C, Section 35, T-16-S, R-38-E
Lea County, New Mexico**

1. This application is presented to Re-enter the P&A'd Whitten # 1. Drill out cement plugs from 0' to 10', 2,000' to 2,100', 4,750' to 4,850', 9,220' to 9,320', 12,495' to 12,530', CIBP @ 12,530', and clean out to 12,560' TD. Drill 4 1/2" new hole from 12,560' to 13,000', and Open Hole log with a Platform Express log suite. Set 4" FJ Liner from 12,450' to 12,620'. The Oil-Water contact has been determined to be at -8,910' SS(12,612' MD) or as confirmed by the Open Hole logs. With the liner set below the Oil-Water, this allows us to dispose of the produced water with out harm to the producing interval. It is proposed that we run 3 1/2" 9.3# IPC tbg to the top of the liner and 2 3/8" 4.7# IPC tbg in the liner and set the injection packer at 12,550'±, with injection into the open hole interval from 12,620' to 13,000'.
2. Platinum Exploration, Inc.
 - . 550 W. Texas, Suite 500
 - . Midland, Texas 79701
 - . Greg Rasmussen (432) 687-1664
3. 3. Well Data: See Attachment A
4. This is not an expansion of existing project.
5. See attached map, Attachment B.
6. There are 0 active wells in the area of review that penetrate the proposed injection interval. There are 3 plugged and abandoned wells that penetrate the interval in the area of review. See attached list and wellbore schematics. Attachment C.
7. Proposed average daily injection volume is approximately 10,000 BWPD.
Maximum daily injection volume could be 15,000 BWPD.
8. This will be a closed system.
9. ~~Proposed average injection pressure is anticipated to be 1,500 psig.~~
Proposed maximum injection pressure is requested to be 2,000 psig.
10. Sources of water will be Devonian.
11. The disposal interval would be below the Oil-Water contact from 12,620' to 13,000'.
12. Underground water sources of potable water are yet to be determined.
 - A. There is one irrigation well in the area.
 - B. Analysis on this well is attached.
13. The disposal interval will be acidized as needed with 15% HCl NEFE.

ATTACHMENT C

0 ACTIVE WELLS IN AOR

3 PLUGGED WELLS IN AOR

AMERADA HESS COMPANY

W. W. Hamilton # 001

API # 30-025-07293

1980' FSL & 1980' FWL

Unit Letter K, Sec. 35, T16S, R38E

Lea County, New Mexico

P&A'd 1974

S. B. Rose # 001

API # 30-025-07292

1980' FNL & 1980' FWL

Unit Letter F, Sec. 35, T16S, R38E

Lea County, New Mexico

P&A'd 8/20/1969

HERNDON OIL & GAS COMPANY

O. A. Woody # 001

API # 30-025-26361

2310' FNL & 330' FWL

Unit Letter E, Sec. 35, T16S, R38E

Lea County, New Mexico

P&A'd 7/24/1990

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Platinum Exploration, Inc.

WELL NAME & NUMBER: Whitten No. 1

WELL LOCATION: 990' FNL & 1,680' FWL C 35 16S 38E
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2" Casing Size: 13 3/8"
Cemented with: 450 sx or ft³
Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: 11" Casing Size: 8 5/8" @ 4,800'
Cemented with: 1200 sx or ft³
Top of Cement: Surface Method Determined: Circulated

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2" @ 12,550'
Cemented with: 1855 sx or ft³
Top of Cement: 4,880' Method Determined: Circulated

Proposed Production Liner

Hole Size: 4 1/2" Casing Size: 4"
Cemented with: 60sx or ft³
Liner: 12,450' to 12,620' Method Determined: Circulated

Proposed Injection Interval

12,620' feet to 13,000'
Total Depth: 13,000'

PROPOSED - Devonian SWD

GR: 3690' KB: 3,705'

Whitten No. 1

990' FNL & 1680' FWL
 Unit C, Sec 35, T-16S, R-38E
 Lea County, NM

Well Type: Plugged (1/88)

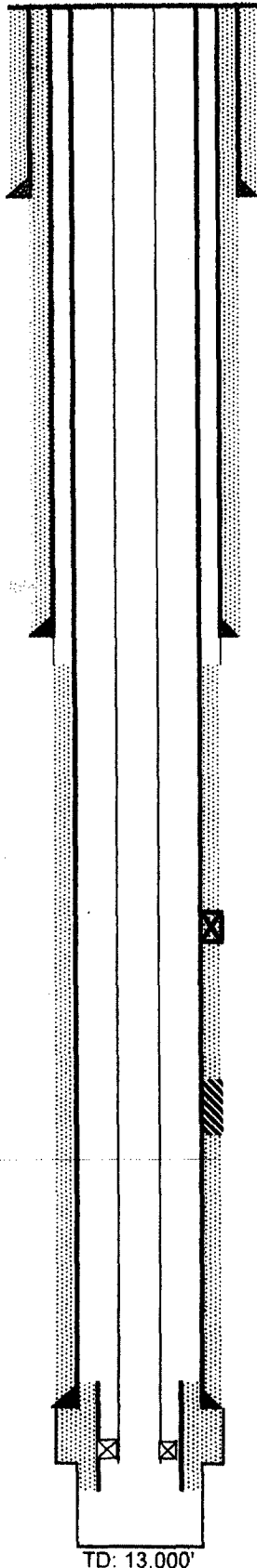
Note: Originally drilled in '82; D&A
 Re-entered in '87 and deepened from 10,125
 to 12,560'

API: 30-025-27856

Surface Owner: Woody Investments, LLC
 HC 70, Box 97L
 Lovington, New Mexico 88260

Formation Tops

Lower Miss.	11,710'
Devonian	12,532'



17 1/2" Hole

13 3/8" @ 410' w/ 450 sx
 TOC: surf

11 " Hole

8 5/8" @ 4800' w/ 1200 sx, TOC: surf

7 7/8" Hole

Max Injection Rate 15,000 BPD
 Max Injection Pressure 2,000 psi
 Avg. Injection Rate 10,000 BPD
 Avg. Injection Pressure 1,500 psi
 Injection Tubing 3 1/2" 9.3# L-80 IPC Tubing
 Injection Interval 12,620' to 13,000'

DVT @ 9,025', 2nd Stg Cmt'd w/ 1,067sx Dow LW + 100 sx CI "H"
 TOC @ 4880' by CBL

Penn
 Perf 10,231'- 10,241' w/ 11 holes; squeezed w/ 50sx
 Perf 10,337'- 10,361' w/ 13 holes; squeezed w/ 100sx

Injection Packer set at 12,550'

5 1/2", 23#, N-80 @ 12,550', 1st Stg Cmt'd w/ 438 sx Dow LW + 250 sx 50:50 Poz "H"
 4" FJ liner from 12,450' to 12,620' w/ 60 sxs
 12,612' is the Original O-W Contact
 4 1/2" Open Hole
 Deepen to 13,000' from 12,560'

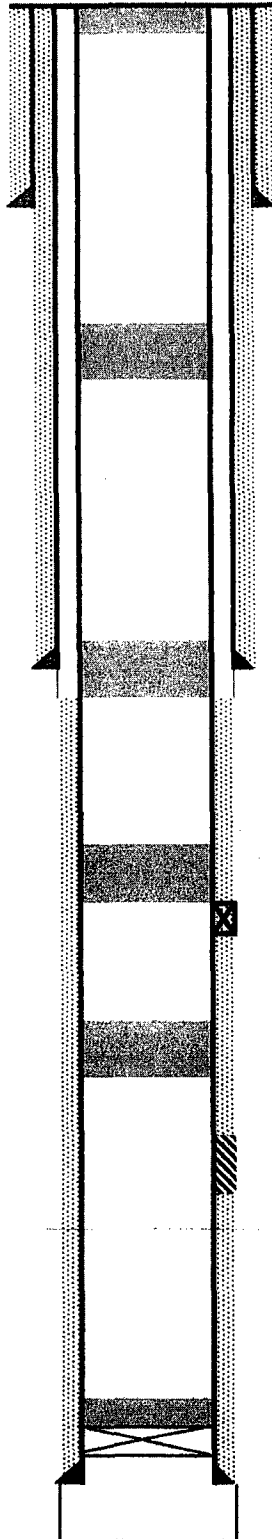
TD: 13,000'

JMR 9/7/04

ATTACHMENT C

CURRENT WELL STATUS

GR: 3690' KB: 3,705'



TD: 12,560'

Cmt plug @ surf w/ 10 sx

17 1/2" Hole

13 3/8" @ 410' w/ 450 sx
TOC: surf

100' Cmt plug @ 2100'- 2000'

11 " Hole

8 5/8" @ 4800' w/ 1200 sx, TOC: surf

100' Cmt plug @ 4850'- 4750'

100' Cmt plug @ 6380'- 6280'

DVT @ 9,025', 2nd Stg Cmt'd w/ 1,067sx Dow LW + 100 sx CI "H"
TOC @ 4880' by CBL

100' Cmt plug @ 9320'- 9220'

Penn

Perf 10,231'- 10,241' w/ 11 holes; squeezed w/ 50sx

Perf 10,337'- 10,361' w/ 13 holes; squeezed w/ 100sx

7 7/8" Hole

CIBP set @ 12,530' w/ 35' of cmt on top; (1/88)
TOC: 12,495'5 1/2", 23#, N-80 @ 12,550', 1st Stg Cmt'd w/ 438 sx Dow LW + 250 sx 50:50 Poz "H"
Cir'd Cmt off of DVT.
OH 12,550'- 12,560'**Whitten No. 1**990' FNL & 1680' FWL
Sec 35, T-16S, R-38E
Lea County, NM**Well Type: Plugged (1/88)**Note: Originally drilled in '82; D&A
Re-entered in '87 and deepened from 10,125
to 12,560' & Pipe set to 12,550'.

API: 30-025-27856

Surface Owner: Woody Investments, LLC
HC 70, Box 97L
Lovington, New Mexico 88260

JMR 9/7/04

INJECTION WELL DATA SHEET

Tubing Size: 3 1/2" 9.3# L-80 EUE 8rd IPC to 12,400'+/- Lining Material: Plastic CoatingType of Packer: Arrowset I packerPacker Setting Depth: 12,550'Other Type of Tubing/Casing Seal (if Applicable) 2 3/8" 4.7# LJ IPC tubing in Liner f/ 12,400' to 12,550'+/-Additional Data

1. Is this a New Well drilled for injection? Yes X No
If no, for what purpose was the well originally drilled? Oil Production
2. Name of the Injection Formation: Devonian
3. Name of Field or Pool (if Applicable): Knowles
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals
And give plugging details, i. e. sacks of cement or plug(s) used. Yes, as noted on Wellbore Sketch
Penn perforated from 10,231' to 10,361', and squeezed with 150 sx under cement retainer.
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Devonian

Permian Treating Chemicals

WATER ANALYSIS REPORT

SAM"-LE

Oil Co.: Platinum Exploration
 LeB-e: See 35
 Well No.: N/A
 Location: Pre-h Water
 Attention:

Date Sampled: 03-September-2004 .Dale
 Analyzed: 07-September-2004 Lab 17)
 N°Lr"b~r~ Sep07Q4.002- 1
 SIJ&lcsperson :

File Nam: F:\ANAL YSES\Sep0704,002

~NALYSIS

1. Ph 7.720
 2. SpecHj~ ar~vltly 60/60 F. J. 1.003
 CAC03 Saturation Index (g) 80f
 City 140F

0.586
 1.286

MG/L.

iQ; Wf.

lt MEO/L

Dissoh'Cd Ga~es
 4. Hydrogen SulAde 5.
 C'trbol1 Dioxide 6.
 Dis50tvcd Oxygen

Nor Pr~cnt
 Not Determined
 Not Deh~r'mined

Cnt'.nnA

7. Calcium 8. (Ca++)
 M~lgnc~ium 9. (Mg++)
 Sodium (Na+) (Cakulatcd)
 10. 'Ba.rIUlll (Bti.++)

130 I 20. I = 6.47
 36 I L 2.2 = 2.95
 38J / 23.0 = 16.~7
 Below 10

A ninn!

11. Hydroxy'l (OH+)
 12. Carbl'nt:tte «('03=)
 13. Bi~arbom1\c (HC03.)
 14. Sult~ItC (S04=)
 15. Chloride (Cl-)
 16. Tt,)tal Di~solved Solids
 17. ~rot~ I 'I rt" (Fc)
 18. Tot.a'i J-J&Irdncss a.s CaC03
 19. Rc~t~tivity C~ 75 F. (Calculated)

0 I 17.0 = 0.00
 0 I 30.0 = 0.00
 144 / 61.1 = 3.99
 110 / 4H_H.. 2.15
 700 / 35.5 = 19 -
 1,60' 72
 7 I 18_2 0.36
 475

LOGARITHMIC WATER PATTERN

4.170 Ohm' metel

PROBABLE MINERAL COMPOSITION

