



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

2007 MAR 23 AM 9 13

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 23, 2007

Mr. Richard Ezeanyim, Chief Hearing Examiner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Hand Delivered

CASE 13845: AMENDED 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.

Dear Mr. Ezeanyim:

The above-captioned matter is currently scheduled for hearing on the April 12, 2007 docket. The Applicant Oil Conservation Division (OCD) respectfully requests that the matter be dismissed.

The OCD and the Respondent Platinum Exploration Inc. (Platinum) entered into an agreed compliance order, ACOI-155, to resolve the issues raised in Case 13845. Under the terms of ACOI-155, Platinum paid penalties for failing to comply with a previous inactive well agreed compliance order, and agreed to return four identified wells to compliance or complete the transfer of the wells to another operator by March 31, 2007. The Order further provided that if Platinum successfully completed ACOI 155, the OCD would dismiss Case 13845. I am pleased to report that Platinum successfully completed ACOI 155.

Very truly yours,

Gail MacQuesten

Assistant General Counsel

CC: Mr. David Brooks, OCD Counsel
Mr. Hal J. Rasmussen, President, Platinum Exploration, Inc.
Julie Faulkner, West Texas State Bank

EC: Daniel Sanchez, Enforcement and Compliance Manager
Chuck Finley, Platinum Exploration, Inc.