

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

Form C-101
March 4, 2004

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

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Platinum Exploration, Inc. 550 West Texas, Suite 200 Midland, Texas 79701		227103	
³ Property Code 33876		⁵ API Number 30 - 025-31989	
³ Property Name ARCO "A" Com		⁶ Well No. 1	

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	18	17S	39E		1980	North	1980	West	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	18	17S	39E		660	North	1830	West	Lea

⁹ Proposed Pool 1 Knowles Devonian	¹⁰ Proposed Pool 2
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Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	18	17S	39E		1870	North	1980	West	Lea
Depth to ground water 150'		Distance from nearest fresh water well 1000'		Distance from nearest surface water None					
¹¹ Work Type Code EP		¹² Well Type Code O		¹³ Cable/Rotary R		¹⁴ Lease Type Code		¹⁵ Ground Level Elevation 3670' GL	
¹⁶ Multiple N		¹⁷ Proposed Depth 12,600		¹⁸ Formation Devonian		¹⁹ Contractor To be determined based on availability		²⁰ Spud Date ASAP	

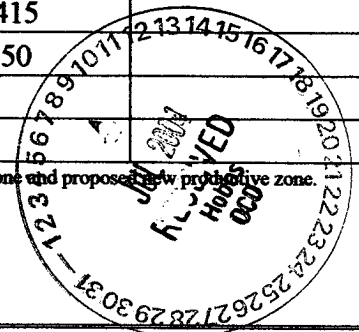
²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
15"	12-3/4"	35#	406'	520	surface
11"	8-5/8"	32#	4967'	1415	
7-7/8"	5-1/2"	20#	12072'	550	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACHED.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Horizontal



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature: Terrell Hansen		Approved by: [Signature]	
Printed name: Terrell Hansen		Title: PETROLEUM ENGINEER	
Title: Engineer		Approval Date: [Signature]	
E-mail Address: thansen@t3wireless.com		Expiration Date:	
Date: 7/7/04	Phone: (432) 687-1664	Conditions of Approval: JUL 9 2004	
		Attached <input type="checkbox"/>	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-31989	² Pool Code	³ Pool Name Knowles South Devonian
⁴ Property Code	⁵ Property Name ARCO "A" Com	⁶ Well Number 1
⁷ OGRID No. 227103	⁸ Operator Name Platinum Exploration, Inc.	⁹ Elevation 3670' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	18	17S	39E		1980	North	1980	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	18	17S	39E		660	North	1830	West	Lea

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Terrell Hansen Printed Name Drilling Engineer thansen@tt3wireless.com Title and E-mail Address 7/1/04 Date	
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor 	
	Certificate Number	

PLATINUM EXPLORATION INC.

ARCO A Com #1

Drill a Horizontal Lateral From The Existing Well

Elevation: 3670' GL
Location: 1980 FNL & 1980' FWL, sec. 18, T-17-S, R-39-E, Lea County, N.M.
Total Depth: 12,137'
Casing: 12-3/4" @ 406' cemented to surface
8-5/8" @ 4967' w/ 1415sxs, TOC surface
5-1/2" 17# & 20# @ 12,072' w/ 550 sxs
Liner: none
Tubing:
Wellhead:
Perforations: open hole 12,072' to 12,137'

PROCEDURE

1. MIRU Pulling unit, and NU BOP
2. PU work string and clean out to TD.
3. RU wireline & run GYRO - GR - CNL.
4. Spot cement from TD to inside the 5 1/2" casing.
5. Dress off cement plug to 10' below the 5 1/2" casing shoe.
6. RD pulling unit and RU Horizontal rig.
7. Drill curve and 4 5/8" lateral to the proposed BHL.
8. Acidize the lateral as indicated by drill time & fluid loss.
9. PU production string and ESP equipment.
10. Initiate production to battery.



ARCO A Com #1

1980' FNL & 1980' FWL

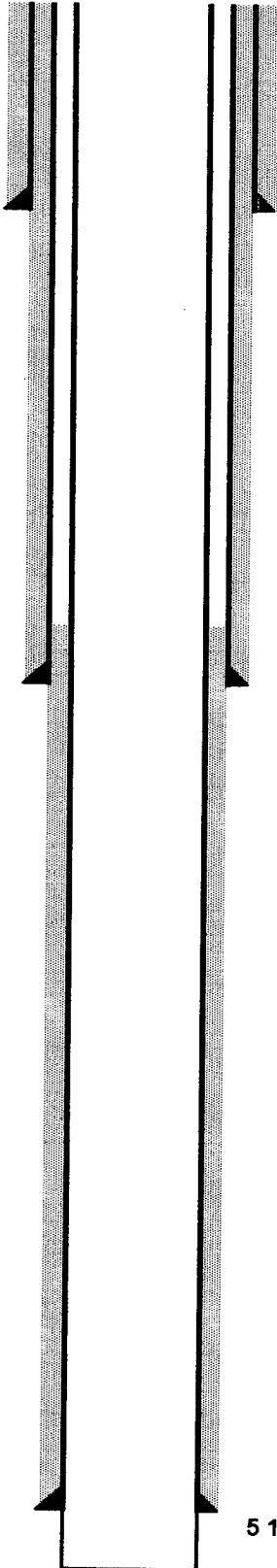
Sec 18, T-17S, R-39E

Lea County, NM

API # 30-025-31989

Well Type: Producing

GL: 3670' KB:

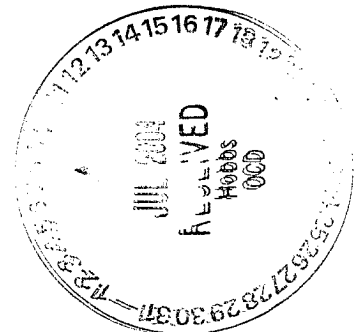


12 3/4" @ 406' w/ 520 sx
TOC @ surface

8 5/8" @ 4967' w/ 1415 sxs
TOC @ surface

5 1/2" 20# @ 12,072' w/ 550 sxs

TD: 12,137'



7/7/2004

ARCO A Com #1

1980' FNL & 1980' FWL

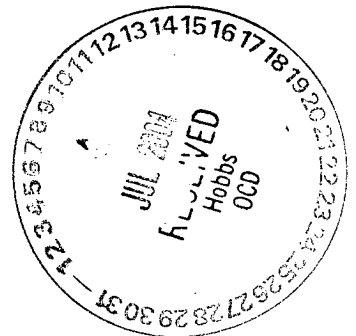
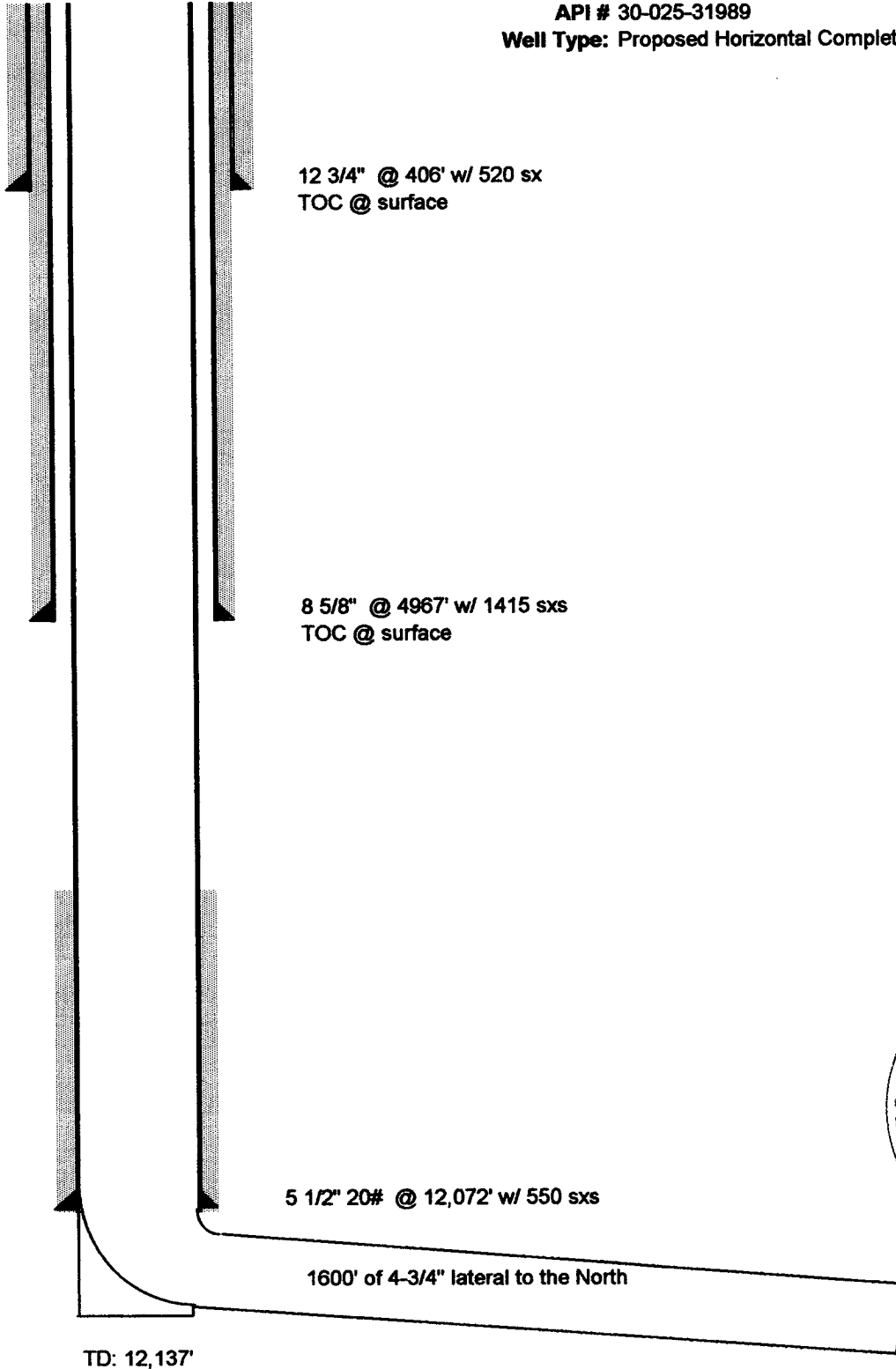
Sec 18, T-17S, R-39E

Lea County, NM

API # 30-025-31989

Well Type: Proposed Horizontal Completion

GL: 3670' KB:



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Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Platinum Exploration, Inc. Telephone: (432) 687-1664 e-mail address: thansen@t3wireless.com
Address: 550 West Texas, Suite 200, Midland, Texas 79701
Facility or well name: ARCO A Com #1 API #: 30-025-31989 U/L or Qtr/Qtr F Sec 18 T 17S R 39E
County: Lea Latitude 32° 50' 11.22" Longitude 103° 05' 11.19" W NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

Pit Type: Drilling <input type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input checked="" type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume <u>200</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more 150 (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes XX (20 points) No (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more XXX (0 points)
Ranking Score (Total Points) 20	

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 7/7/04

Printed Name/Title Terrell Hansen, Engineer

Signature *Terrell Hansen*

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: _____

Printed Name/Title _____

Signature _____

