

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-101

May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address Platinum Exploration, Inc. 550 W. Texas Avenue, Suite 500 Midland, TX 79701		² OGRID Number 227103
		³ API Number 30 - 025-07154
⁴ Property Code 34354	⁵ Property Name Newmont	⁶ Well No. 1
⁹ Proposed Pool 1 Gladiola; Devonian (27740)		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no. K	Section 7	Tnshp 12S	Range 38E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	East/West line West	County Lea
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Tnshp	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code S	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3874
¹⁶ Multiple No	¹⁷ Proposed Depth 12,200	¹⁸ Formation Devonian	¹⁹ Contractor To be determined	²⁰ Spud Date ASAP
Depth to Groundwater 0 - 170'		Distance from nearest fresh water well < 1 mile		Distance from nearest surface water None
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 1600 bbls Drilling Method: Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

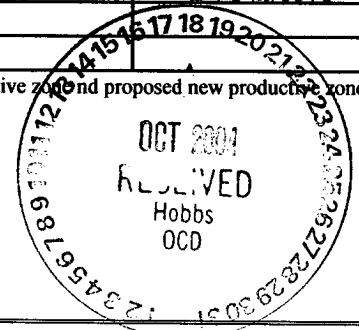
²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2	13-3/8	48#	397	400	Circ'd to Surf
11-1/4	8-5/8	24 & 32#	4485	3300	Circ'd to Surf
7-7/8	5-1/2	17 & 20#	12,025	800	DVT @ 5578'

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 Procedure & Wellbore Sketches

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Re-Entry



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	
Printed name: Dorothea Logan		Approved by:	
Title: Regulatory Analyst		Title: PETROLEUM ENGINEER	
E-mail Address: dlogan@t3wireless.com		Approval Date: _____	
Date: 10-15-04		Expiration Date: _____	
Phone: 432/687-1664		Conditions of Approval Attached <input type="checkbox"/>	

PLATINUM EXPLORATION INC.

NEWMONT No. 1

RE – ENTER P&A'd WELLBORE, DRILL OUT PLUGS and DEEPEN TO 12,200' - INJECTION TEST DEVONIAN for SWD

Elevation: 3,874' GL 3,886'KB
Location: 1,980' FNL & 600' FEL, Unit H, Sec. 6, T-12-S, R-38-E, Lea, NM
Total Depth: 12,037' (Jan, 1956)
API No.: 30-025-07154
Casing: 13 3/8", 48# @ 397' Cemented w/ 400sx to surface
8 5/8", 24 & 32# @ 4885', Cmt'd 3,300sx to surface
5 1/2" 17 & 20#, N80 & K55, @ 12,025' DVT @ 5,578'
Workstring: 2 7/8" L80 8rd
Tubing: 2 7/8"
Wellhead: As needed.. (8 5/8" SOW X 7 1/16" 3000)
Comments: 0-10' 5 sx 8 5/8" csg
1,992-2,128' 40 sx 8 5/8" csg
4,561'-4,347' TAGGED 65 sx 8 5/8" csg
6,566'-6,253' 35 sx 5 1/2" csg
11,375'-11,125'TAGGED 30 sx 5 1/2" csg
It is uncertain as to where 5 1/2 " casing is cut-off. It is anticipated @ 4,400'± .

Old Perforations:

11,413'-540' MISSISSIPPIAN
12,025'-12,037' DEVONIAN OPEN HOLE

PROCEDURE

1. Survey in well, build location, & set anchors.
2. Build cellar & weld on 8 5/8" wellhead.
3. MIRU Pulling unit, NU BOP.
4. PU 7 7/8" bit and DC drill out surface plug. RIH while picking up work string circulating out heavy mud in 1500' stages to second cement plug. Test 8 5/8" csg and plug to 1,000 psi.
5. Drill off cement to top of 5 1/2" casing anticipated at 4,400'±(records do not show exact cut-off). **Be prepared to encounter top of casing at a shallower depth.** Test casing to 1000 psig. Note bit behavior on top of 5 1/2" casing. Dress off 5 1/2" casing with 7 5/8" OD mill to insure good top to 5 1/2" casing. Circ clean and POOH.
6. PU 4 5/8" bit, 6- 3 1/4" DC. If casing tested to 1,000psi without bleed off, drill out cement plug in top of 5 1/2" casing. Stage in hole as in Step 4.
7. Drill out cement plug from 6,253' to 6,566' and circulate hole clean and test casing and old squeezed perms from 11,413' to 11,540' to 1,000psi.

8. If casing and squeezed perfs hold, drill out cement plug from 11,125' to 11,375' circulate clean if possible.
9. Establish injection rate into Devonian openhole from 12,025' to 12,037'.
10. Drill to 12,200'. Circulate hole clean, if possible. POH.
11. Establish injection rate into Devonian openhole from 12,025' to 12,200'.
12. PU 5 ½" RBP dressed for 20# casing, GIH & set at 12,000'+. Load the hole circulating any oil or gas out of the hole.
13. RU Schlumberger and run USIT/ GR/CCL log, to determine casing integrity
14. Retrieve RBP and POH Laying down work string.
15. PU Injection tubing GIH set packer at 12,000'+ and establish injection rate into openhole section from 12,025' to 12,200'.
16. Acidize Devonian perfs as directed.
17. **Report must show each piece of injection equipment, describing its: Brand, length, wellhead type. Place well on injection.**

9/21/04

Newmont No. 1

1980' FSL & 1980' FWL

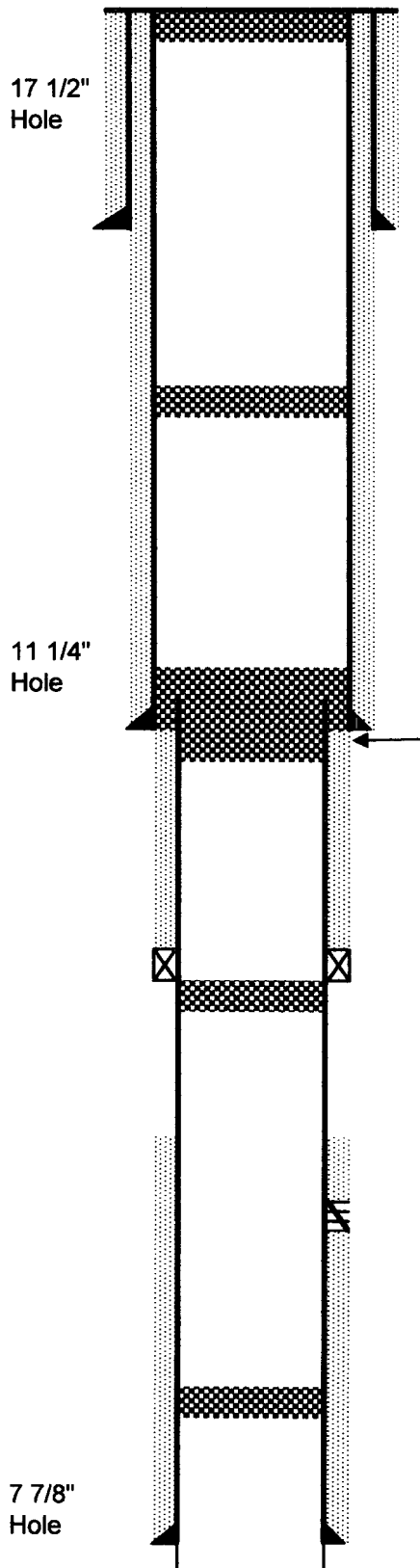
Sec 7, T-12S, R-38E

Lea County, NM

API #30-025-07154

Well Type: Plugged 1/22/1986

GL: 3874' KB: 3886'



Cmt Plug @ surface w/ 10 sx
(1/86)

13 3/8" @ 397' w/ 400 sx

spotted plug @ 2128'; TOC @ 1992' (1/86)

8 5/8" @ 4485' w/ 3300 sx
Shot off 5 1/2" csg @ 4400'+/-? & pulled (1/86)
Set plug @ 4561' w/ 65 sx (1/86)
tag TOC @ 4347'

DVT @ 5,578'
cmt'd w/ 175 sx
Set plug @ 6566' w/ 35 sx (1/86)
(calculated TOC @ 6253')

Perf f/ 11,413' to 11,540' & sqz'd

set plug @ 11,375' w/ 30 sx (1/86)

5 1/2" 17 & 20# @ 12,025' cmt'd 1st Stg w/ 625 sx
Acidized OH 12,025'-37'

TD: 12,037' (11/15/1962)

9/15/04 JMR

AFTER CONVERSION

#55

Newmont No. 1

1980' FSL & 1980' FWL
Sec 7, T-12S, R-38E
Lea County, NM
API #30-025-07154

Well Type: Proposed SWD

Plugged 1/22/1986

Surface Owner: Kinsolving & Kinsolving

P.O. Box 325

Tatum, New Mexico 88267

GL: 3874' KB: 3886'

17 1/2"
Hole11 1/4 "
Hole

13 3/8" @ 397' w/ 400 sx Circ'd

8 5/8" @ 4485' w/ 3300 sx Circ'd
Shot off 5 1/2" csg @ 4400'+/-? & pulled (1/86)

DVT @ 5,578'
cmt'd w/ 175 sx

Formation tops

Yates	3058'
San Andres	4423'
Abo	7843'
Wolfcamp	9100'
Miss.	11,385'
Devonian	12,029'

Max Injection Rate 20,000 BPD
Max Injection Pressure 2,000 psi
Avg. Injection Rate 15,000 BPD
Avg. Injection Pressure 100 psi
Injection Tubing 3 1/2" 9.3# L-80 IPC Tubing
Injection Interval 12,025' to 12,200' Devonian

Perf f/ 11,413' to 11,540' & sqz'd

7 7/8"
Hole

3 1/2" 9.3# IPC tubing w/ Arrowset I packer @ 12,000'

5 1/2" 17 & 20# @ 12,025' cmt'd 1st Stg w/ 625 sx

TD: 12,200'

9/15/04 JMR

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State of New Mexico
Energy Minerals and Natural Resources

Form C-144
March 12, 2004

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

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: <u>Platinum Exploration, Inc.</u> Telephone: <u>(432) 687-1664</u> e-mail address: <u>dlogan@t3wireless.com</u>		
Address: <u>550 West Texas, Suite 500, Midland, Texas 79701</u>		
Facility or well name: <u>Newmont</u> API #: <u>30-025-07154</u> U/L or Qtr/Qtr <u>K</u> Sec <u>7</u> T <u>12S</u> R <u>38E</u>		
County: <u>Lea</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" type="checkbox"/> Indian <input type="checkbox"/>		
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>1600</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 170'	(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	(20 points)
	No XX	(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)		0

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 <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	
Date: <u>10/15/04</u>	
Printed Name/Title <u>Dorothea Logan, Regulatory Analyst</u>	Signature <u>Dorothea Logan</u>
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 _____

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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 30-025-07154	² Pool Code 27740	³ Pool Name Gladiola; Devonian
⁴ Property Code 34354	⁵ Property Name Newmont	⁶ Well Number 001
⁷ OGRID No 227103	⁸ Operator Name Platinum Exploration Inc.	⁹ Elevation 3874'

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
K	7	12S	38E		1980	South	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
¹² Dedicated Acres 40	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 Dorothea Logan Printed Name Regulatory Analyst, dlogan@t3wireless.com Title and E-mail Address 10/15/04 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	