

OPER. OGRID NO. 227103  
PROPERTY NO. 33880  
POOL CODE 36480  
EFF. DATE 11/22/04  
API NO. 30-025-36968

District I

Form 3160-3  
(September 2001)

FORM APPROVED  
OMB No. 1004-0136  
Expires January 31, 2004

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER			5. Lease Serial No. <u>NM 0775</u>
1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name
2. Name of Operator <u>Platinum Exploration Inc.</u>			7. If Unit or CA Agreement, Name and No.
3a. Address <u>550 W. Texas Av. Midland, Tx. 79701</u>			8. Lease Name and Well No. <u>Federal-Davis 44</u>
3b. Phone No. (include area code) <u>432-687-1664</u>			9. API Well No. <u>30-025-36968</u>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <u>2400' FNL 930 FEL Unit H</u> At proposed prod. zone <u>Horizontal BHL 510' FNL 930 FEL</u>			10. Field and Pool, or Exploratory <u>Knowles South Devonian</u>
14. Distance in miles and direction from nearest town or post office* <u>7 miles North from Hobbs, N.M.</u>			11. Sec., T., R., M., or Blk. and Survey or Area <u>Sec 13</u> <u>T-17-S R-38-E</u>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <u>390' FWL</u>	16. No. of Acres in lease <u>160</u>	17. Spacing Unit dedicated to this well <u>80 Acres</u>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <u>930'</u>	19. Proposed Depth <u>12,500' Vertical</u>	20. BLM/BIA Bond No. on file <u>Pending</u>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <u>3685 GL.</u>	22. Approximate date work will start* <u>8-1-2004</u>	23. Estimated duration <u>60 days</u>	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification.   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <u>Michael Reeves</u>	Name (Printed/Typed) <u>J. Michael Reeves</u>	Date <u>8/6/22/04</u>
Title <u>Drilling Engineer</u>		
Approved by (Signature) <u>ISI RUSS SORENSEN</u>	Name (Printed/Typed) <u>ISI RUSS SORENSEN</u>	Date <u>AUG 10 2004</u>
Title <u>ACTING FIELD MANAGER</u>	Office <u>CARLSBAD FIELD OFFICE</u>	

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

Kz

## DISTRICT I

1626 N. FRENCH DR., BOBBS, NM 86240

## DISTRICT II

1301 W. GRAND AVENUE, ARRESIA, NM 86210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

## State of New Mexico

Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

Santa Fe, New Mexico 87505

Form C-102

Revised JUNE 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-36968</b>	Pool Code <b>3648D</b>	Pool Name <b>Knowles, South (Devonian)</b>
Property Code <b>NM0775</b>	Property Name <b>FEDERAL DAVIS</b>	Well Number <b>4</b>
GRID No. <b>227103</b>	Operator Name <b>PLATINUM EXPLORATION INC.</b>	Elevation <b>3685'</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	13	17-S	38-E		2400'	NORTH	930'	EAST	LEA

## Bottom Hole Location If Different From Surface

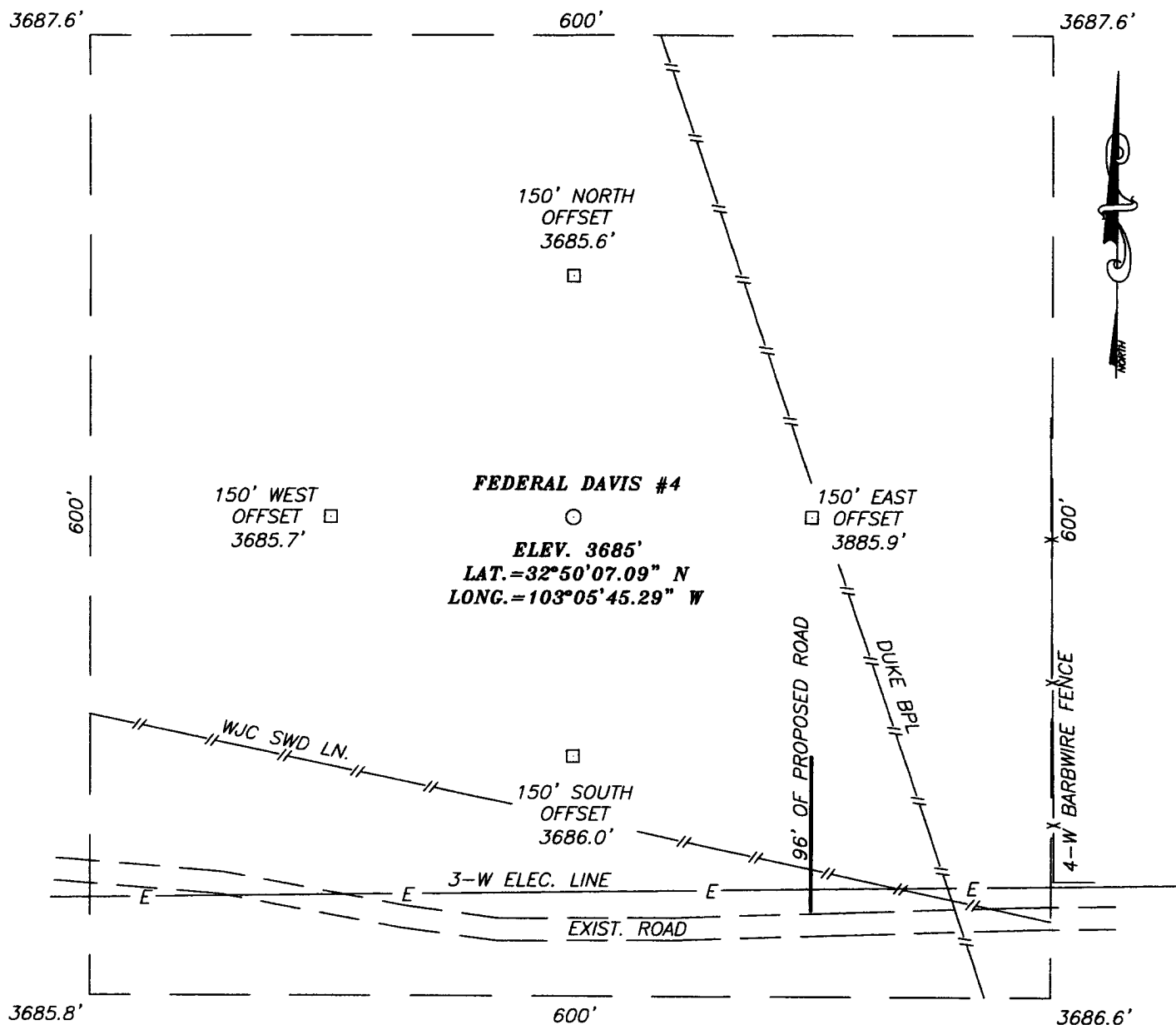
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	17-S	38-E		510'	North	930'	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
<b>80</b>			<b>NSL-5135 (NSBH)</b>

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

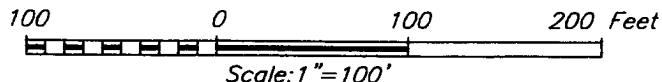
<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=669819.9 N X=880087.3 E</p> <p>LAT.=32°50'07.09" N LONG.=103°05'45.29" W</p>		<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Michael Reeves</i> Signature</p> <p><b>J. Michael Reeves</b> Printed Name</p> <p><b>Drilling ENGINEER</b> Title</p> <p><b>6/12/04</b> Date</p>
		<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p><b>JUNE 09, 2004</b></p> <p>Date Surveyed</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>Gary E. Edson</i> Signature</p> <p><b>04.11.0684</b> Date</p> <p>Certificate No. <b>GARY EDSON</b> <b>12841</b></p>

**SECTION 13, TOWNSHIP 17 SOUTH, RANGE 38 EAST, N.M.P.M.,**  
 LEA COUNTY, NEW MEXICO



**DIRECTIONS TO LOCATION**

FROM THE INTERSECTION OF ST. HWY. #132 AND CO. RD. #76 (LAWRENCE RD). GO EAST ALONG LAWRENCE RD. 2.0 MILES, THEN GO 0.5 MILES NORTH ALONG FARM ROAD. TURN LEFT AND GO 950'± WEST ALONG FARM ROAD. PROPOSED WELL IS APPROX. 250' NORTH IN PASTURE.



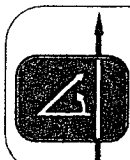
**PLATINUM EXPLORATION INC.**

FEDERAL DAVIS #4 WELL  
 LOCATED 2400 FEET FROM THE NORTH LINE  
 AND 930 FEET FROM THE EAST LINE OF SECTION 13,  
 TOWNSHIP 17 SOUTH, RANGE 38 EAST, N.M.P.M.,  
 LEA COUNTY, NEW MEXICO.

Survey Date: 6/9/04 Sheet 1 of 1 Sheets

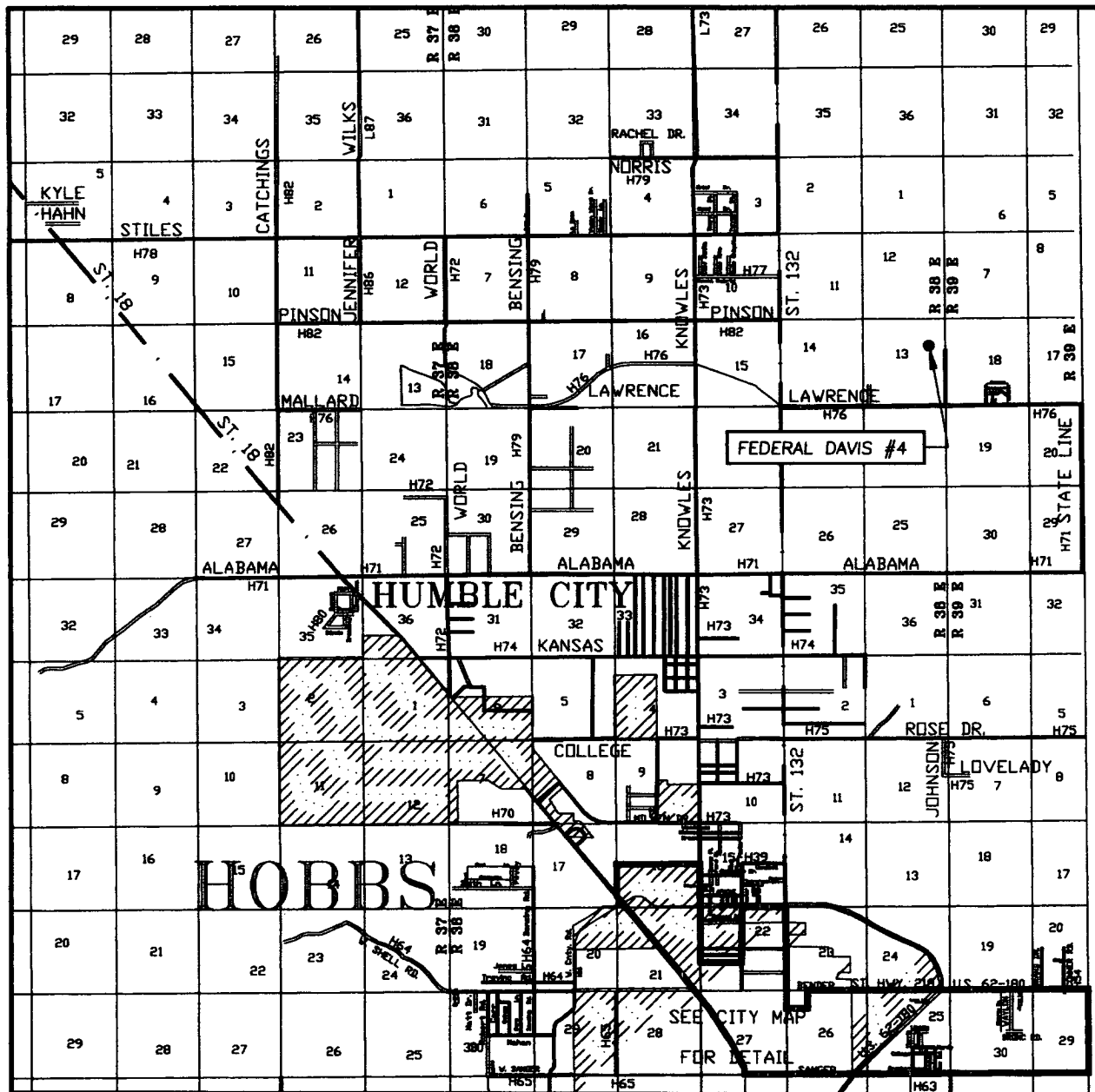
W.O. Number: 04.11.0684 Dr By: LA

Date: 6/17/04 Disk: CD#3 04110684 Scale: 1"=100'



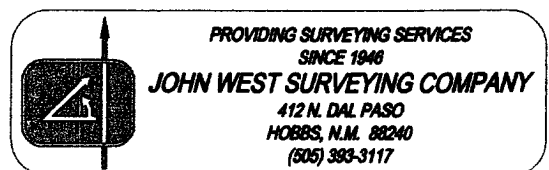
PROVIDING SURVEYING SERVICES  
 SINCE 1946  
**JOHN WEST SURVEYING COMPANY**  
 412 N. DAL PASO  
 HOBBS, N.M. 88240  
 (505) 383-3117

# VICINITY MAP

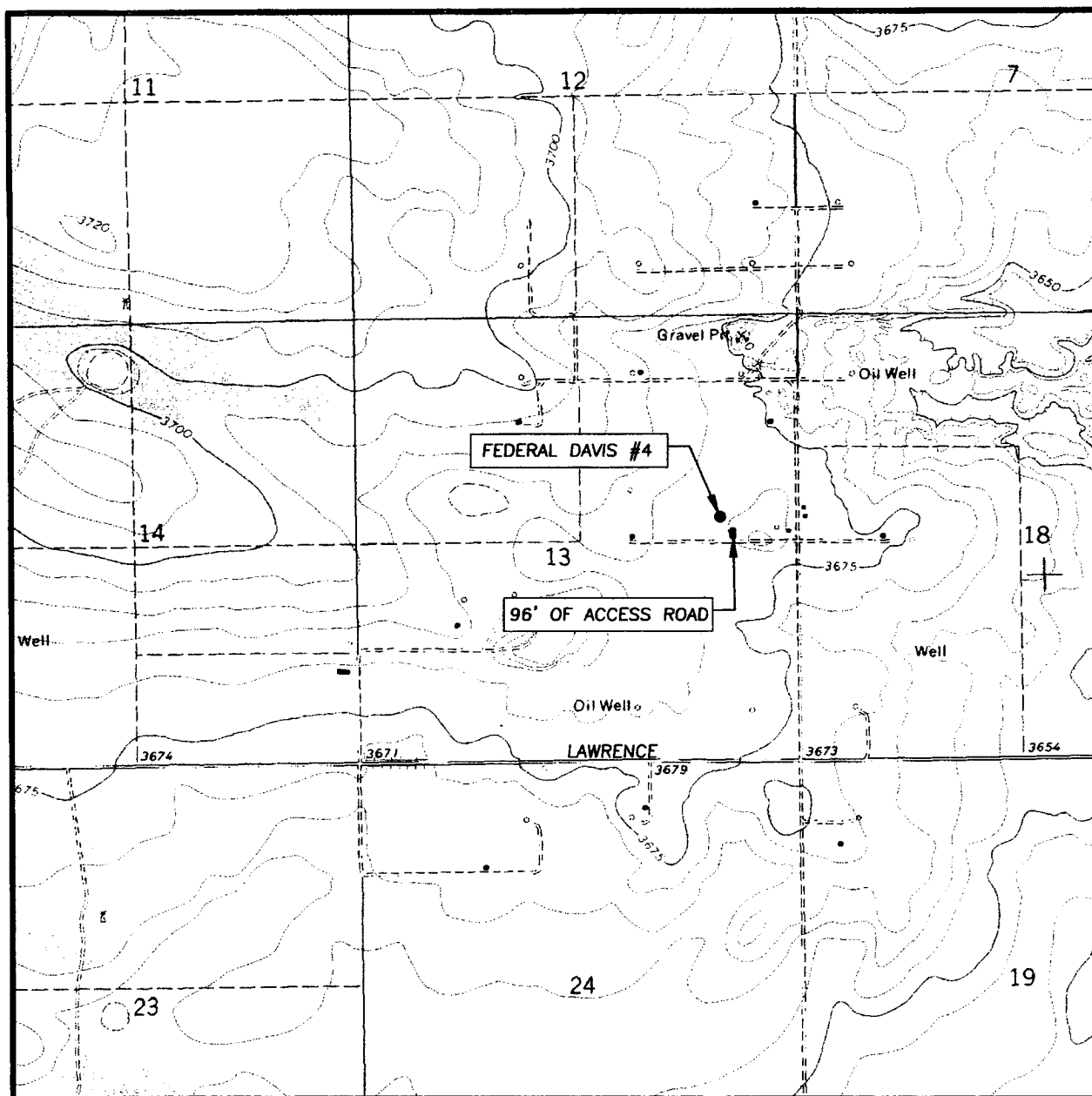


SCALE: 1" = 2 MILES

SEC. 13 TWP. 17-S RGE. 38-E  
 SURVEY \_\_\_\_\_ N.M.P.M.  
 COUNTY \_\_\_\_\_ LEA  
 DESCRIPTION 2400' FNL & 930' FEL  
 ELEVATION \_\_\_\_\_ 3685'  
 OPERATOR PLATINUM EXPLORATION INC.  
 LEASE \_\_\_\_\_ FEDERAL DAVIS



# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
HUMBLE CITY SE, N.M. - 5'

SEC. 13 TWP. 17-S RGE. 38-E

SURVEY N.M.P.M.

COUNTY LEA

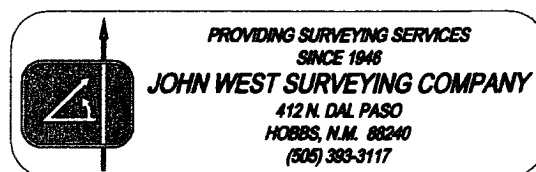
DESCRIPTION 2400' FNL & 930' FEL

ELEVATION 3685'

OPERATOR PLATINUM EXPLORATION INC.

LEASE FEDERAL DAVIS

U.S.G.S. TOPOGRAPHIC MAP  
HUMBLE CITY SE, N.M.



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Platinum Exploration, Inc.  
Davis Federal #4H  
2400' FNL, 930' FEL  
Sec 13, T-17-S, R-38-E  
Lea County, New Mexico

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## **DRILLING PLAN**

1. **FORMATION TOPS:** The estimated tops of geologic markers as follows:

Yates	3520'
San Andres	5380'
Wolfcamp	10,330'
Devonian	12,050'

2. **ANTICIPATED DEPTHS OF OIL, GAS, AND WATER:**

Ogallala	250' - Water
Devonian	12,050' - Oil

All zones capable of oil, gas, or water production will be protected with 13 3/8", 8 5/8" or 5 1/2" casing and cement.

3. **BLOWOUT PREVENTOR REQUIREMENTS:**

<u>Interval</u>	<u>Pressure Control Equipment</u>
Surface - 350'	No equipment necessary
350' - 4800' & 4800' - TD	11" 3000 psi Annular preventor, 11" 3000 psi Double Ram preventor and choke manifold.

All BOPE will be hydraulically pressure tested when nipped up, after well control use and every thirty days. Pressure tests will be to the lesser of 3000 psi or to 70% of the minimum internal yield pressure of the casing.

Blind rams will be functioned on each trip out of the hole. All BOPE checks will be noted on the daily drilling reports.

Additional BOPE equipment includes a kelly cock, FO safety valve and an inside BOP.

SEE ATTACHED BOP DIAGRAM

4. **CASING AND CEMENTING PROGRAM:**

The proposed casing program will be as follows:

<u>Hole Section</u>	<u>Hole Size</u>	<u>Interval</u>	<u>Casing Size</u>	<u>Casing Specs</u>
Surface	14-3/4"	Surface to 350'	12-3/4"	43# J-55 STC
Intermediate	11"	350' to 4800'	8-5/8"	32# J-55 LTC
Production	7-7/8"	4800' to 12,400'	5-1/2"	17# J-55 LTC

<u>Hole Section</u>	<u>Slurries</u>
Surface	180 sx Class C with 2% CaCl <sub>2</sub> & 1/4 lb/sk CF (242 cu. ft., 1.35 yield)
Intermediate	Lead 1145 sx 35:65 Class C:poz + 5% CaCl + 6%Bentonite + 1/4 lb/sk CF (2399 cu. ft., 2.1 yield) Tail 200 sx Class C + 1% CaCl (267 cu. ft., 1.34 yield)
Production	Lead 510 sx 50:50 Class H:poz + 3#/sx Gilsonite +10% Bentonite + 0.3% FL-52 + 1/4 lb/sk CF (1171 cu. ft., 2.3 yield) Tail 565 sx 50:50 Class H:poz + 5% NaCl + 2% Bentonite + 0.5% FL-25 + 0.5% FL-52 (730 cu. ft., 1.3 yield)

5. **MUD PROGRAM:** The proposed circulating mediums to be employed in drilling are as follows:

<u>Depth</u>	<u>Mud Type</u>	<u>Density</u>	<u>Funnel Vis</u>	<u>Fluid Loss</u>
Surface to 350'	Spud Mud	8.3 to 9.5 ppg	30 to 60	No Control
350' to 4800'	Brine	9.1 to 9.7 ppg	28 to 35	No Control
4800' to TD	Water	8.3 to 8.8 ppg	28 to 30	No Control



Platinum Exploration, Inc.  
Davis Federal #4H  
2400' FNL, 930' FEL  
Sec 13, T-17-S, R-38-E  
Lea County, New Mexico

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6. **TESTING, LOGGING, AND CORING:** The anticipated type and amount of testing, logging, and coring are as follows:

- a. Drill stem tests are not anticipated.
- b. The electric wireline logging program will be as follows:

Temperature survey if cement does not circulate.  
Cased hole GR/CCL/CNL

- c. Mud logging: 3100' to TD.
- d. Coring program: No cores are anticipated.

7. **ABNORMAL PRESSURES AND H<sub>2</sub>S GAS:**

No abnormal conditions are anticipated during the drilling and completion of this well. Standard well control practices and equipment will be used for the duration of this well.

8. **OTHER INFORMATION & NOTIFICATION:**

- a. Platinum Exploration, Inc. has applied state wide bond. The bond number will be forwarded to the BLM as soon as it is approved.
- b. Construction operations are planned to start pending approval of the APD. Location preparation is estimated to take 3 to 5 days. The drilling activity should take 40 days. The completion activities are anticipated to take 15 days. Total duration of activities preparing this well to produce should take an estimated 60 days.
- c. In the event of an emergency, contact the following:

Fritz Schoch  
Project Engineer  
(432) 687-1664 (office)  
(432) 687-2853 (fax)  
(432) 664-7023 (cell)

Mike Reeves  
Project Engineer  
(432) 687-1664 (office)  
(432) 687- 2853 (fax)  
(432) 894-1627 (cell)

Platinum Exploration, Inc.  
Davis Federal #4H  
2400' FNL, 930' FEL  
Sec 13, T-17-S, R-38-E  
Lea County, New Mexico

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## **SURFACE USE PLAN**

### **1. EXISTING ROADS:**

- a. The proposed well site is located about 7 miles North of Hobbs, New Mexico (this distance is direct and not by road). See attached USGS Topographic orientation map and offset well map for reference.
- b. Road Directions to the location are as follows:  
From Hobbs, NM: Go North on Hwy 132 about 7 miles to the 7 mile marker and turn right on Lawrence Road. Go East on Lawrence Road for 2 miles, turn left on dirt lease road. Go North about  $\frac{1}{4}$  mile to the Davis Federal #4H well site.
- c. For location of existing access roads within a 2 mile radius, see attached maps.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface are under the jurisdiction of the privately owned surface administrator (Lawrence Parker) and shall be maintained in accordance with mutually agreed standards.

### **2. ACCESS ROADS TO BE CONSTRUCTED OR RECONSTRUCTED:**

Ninety six feet of new lease road will be required since well location is located near an existing road.

Davis Federal #4H  
 2400' FNL, 930' FEL  
 Sec 13, T-17-S, R-38-E  
 Lea County, New Mexico

**3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF THE PROPOSED LOCATION :**

Reference attached maps for the location of offsetting wells below:

**a. Producing wells -**

**T17S, R38E**

Section 13

Section 12

Section 24

**T17S, R39E**

Section 18

Section 18

Section 18

**Well #**

Davis Federal #3

W.F. Cone #1

Amerada Harden #1

**Producing Formation**

Devonian

Devonian

Devonian

C.E. Brooks #1 & #2

ARCO A Com #1

ARCO A #3

Devonian

Devonian

Devonian

**b. Plugged Wells -**

**T17S, R38E**

Section 12I

Section 12O

Section 12N

Section 13A

Section 13P

Section 13G

Section 13J

Section 13K

Section 24C

**T17S, R39E**

Section 7M

Section 18D

Section 18G

Section 18K

Section 18M

Section 19D

W.F. Cone #3

W.F. Cone #2

L. Cooper "A" 1

Davis Federal #1

Davis Federal #2

F.M. Holloway #3

F.M. Holloway #1

H.V. Black

W.V. Lawrence C #1

Devonian

Devonian

Devonian

Devonian

Devonian

Devonian

Devonian

Devonian

Devonian

R.K. Cone #1

D.F. Willhoit #1

Summer Neal #2

ARCO #1

D.F. Willhoit #2

W.V. Lawrence "A" 1

Devonian

Devonian

Devonian

Devonian

Devonian

Devonian

**c. Shut-In & T.A. Wells**

**T17S, R38E**

Section 12J

Section 13F

Section 13O

**T17S, R39E**

Section 18B

Section 19C

W.F. Cone #4

Cox #1

F.M. Holloway #2

Summers #1

Lawrence "19" #1

Devonian

Devonian

Devonian

Devonian

Devonian

Davis Federal #4H  
2400' FNL, 930' FEL  
Sec 13, T-17-S, R-38-E  
Lea County, New Mexico

**4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES:**

The existing production facility is located in the NE/4 of the NE/4 of section 13. A water tank and a gun-barrel will be added to handle the expected production increase.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- a. All water needed for drilling purposes will be fresh water purchased from commercial sources and treated with Biocide as needed.
- b. No water well is to be drilled on this lease.

**6. SOURCE OF CONSTRUCTION MATERIAL:**

- a. Surface and subsoil materials will be hauled in from the immediate area.
- b. Any gravel used will be obtained from a commercial source and transported in on the designated access route.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

- a. Drill Cuttings will be handled in the reserve pit and buried during reclamation operations.
- b. Garbage and nonflammable waste produced during the drilling or testing will be handled in a trash bin.
- c. Toilet facilities will be provided for human waste.
- d. Drilling fluids will be handled in the reserve pit.

Davis Federal #4H  
2400' FNL, 930' FEL  
Sec 13, T-17-S, R-38-E  
Lea County, New Mexico

- e. Any fluids produced during drilling or production tests will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in the reserve pit. Any spills of oil, gas, salt water, or other noxious fluids will be cleaned-up and removed. If the well is productive, produced water will be disposed of in an approved SWD facility located on an off-set lease.

**8. ANCILLARY FACILITIES:**

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

**9. WELL SITE LAYOUT:**

- a. The reserve pit will be located on the North side of the location.
- b. Access to the wellpad will be along an existing lease road.
- c. The location of mud tanks, reserve pit, flare pit, and pipe racks will be as shown on the wellpad layout plat.
- d. The drill pad is flat and no cut of fill will be required.

**10. PLANS FOR RESTORATION OF SURFACE:**

**Producing Location**

- a. Immediately upon completion of drilling operations, the location and surrounding area will be cleared of all unused tubulars, equipment, debris, materials, trash and junk not required for production and "back dragged" in readiness for completion operations.

Platinum Exploration, Inc.

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Davis Federal #4H

2400' FNL, 930' FEL

Sec 13, T-17-S, R-38-E

Lea County, New Mexico

- b. Immediately upon well completion, any stimulation fluids collected in the test tank will be disposed of.
- c. Cuttings will be buried in the reserve pit. The pits and any portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.

**Plugged and Abandoned Well**

- a. Dry hole reclamation will be coordinated with the BLM at the time of abandonment as to the physical requirements and timing & weather issues.

**11. SURFACE & MINERAL OWNERSHIP:**

Access roads	All existing roads to the lease are maintained and owned by the County, and/or State Highway Department.
--------------	--

Wellsite & Road	The lease road and the wellpad are located on surface owned by:
-----------------	---

Lawrence A. Parker  
P.O. Box 2709  
Hobbs, NM 88241

**LEASE INFORMATION:**

BLM Lease Number: NM 0775

**12. OTHER INFORMATION:**

- a. All vehicle traffic will be restricted to the access road, lease road, and well pad.

Platinum Exploration, Inc.

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Davis Federal #4H  
2400' FNL, 930' FEL  
Sec 13, T-17-S, R-38-E  
Lea County, New Mexico

13. **LESSEE'S OR OPERATOR'S REPRESENTATIVE AND  
CERTIFICATION:**

Questions about this permit application or emergency notifications should be directed  
to:

**Permit, Drilling, & Completion Matters**

Platinum Exploration, Inc.  
550 West Texas Av. Suite 200  
Midland, Texas 79701  
(432) 687-1664

**Certification**

I hereby certify that I, or persons under my direct supervision, have inspected the  
proposed drill site and access route; that I am familiar with the conditions which  
currently exist; that the statements made in this plan are, to the best of my knowledge,  
true and correct; and that the work associated with operations proposed herein will be  
performed by Platinum Exploration, Inc. and its contractors and subcontractors in  
conformity with this plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for filing of a false  
statement.

6/22/04  
Date

Michael Reeves  
Michael Reeves.  
Drill Engineer

June 11, 2004

Bureau of Land Management  
Roswell District Office  
2909 West 2<sup>nd</sup> Street  
Roswell, New Mexico 88241

Re: APD - Davis Federal #4H

Attached please find an APD package for the proposed Davis Federal #4H well located in the Lea County, New Mexico. Included are the following items:

- APD form 3160-3
- Surveyors plat with well location and elevation
- USGS Topographic Orientation Map
- Eight part Drilling Plan
- Thirteen part Surface Use Plan
- Drill site location/rig layout and site crosssection
- Offset well identifier map showing wells within a one mile radius
- BOP stack diagram
- Choke manifold diagram
- Surface production facilities diagram

A notice of staking is included with this application. The well has been staked and the location approved by the surface owner. A Platinum representative will be available to meet the BLM representative to inspect the location prior to construction of the drill site.

The proposed well site is not an orthodox location due to an existing pipeline running through center of the proration unit. The surface location and horizontal lateral will be located within an eighty acre proration unit as established by the NMOCD Order No. R-638-C Case No. 819. Please contact Fritz Schoch or Michael Reeves at Platinum Exploration in Midland, Texas at (432) 687-1664 if further information is needed to process the attached application.

  
Michael Reeves.  
Engineer



12-19-01

## Patterson-UTI Drilling Company

Rig #59

### 9,000' - 14,000'

#### DRAWWORKS

Emsco D-2, 1000 HQP

#### ENGINES

Two 3412 Caterpillar engines, 575 HP each

#### DERRICK

Ideal 132', 390,500# rated capacity

#### SUBSTRUCTURE

Ideal 16', 540,000# rated capacity  
KB - 17.5', Rotary Clearance - 13.3'

#### MUD PUMPS

Pump #1: Ideco MM700, Compound driven  
Pump #2: Amerin 750 w/Cat 379

#### DRILL STRING

13,000' 4-1/2" 16.60 lb and 20 lb, Grade E  
18 Drill Collars 6-1/2" OD, 2-1/4" ID, 4-1/2" XH  
3 Drill Collars 6-3/4" OD, 2-1/4" ID, 4-1/2" XH  
5 Drill Collars 8" OD, 2-1/4" ID, 6-5/8" H-90

#### BLOWOUT PREVENTERS

One Shaffer 1500 LWS, Series 10, 5000# WP  
Valvcon 3-station 3000# closing unit, others  
available per bid requirements

#### MUD SYSTEM

2-6' x 10' x 40' steel pits, 350 bbl each, 2 electric  
stirrers + 1-100 BBL slug pit

#### MUD HOUSE

#### COMMUNICATIONS

24 hour direct cellular telephone

#### OTHER EQUIPMENT

Blocks.

Hook.

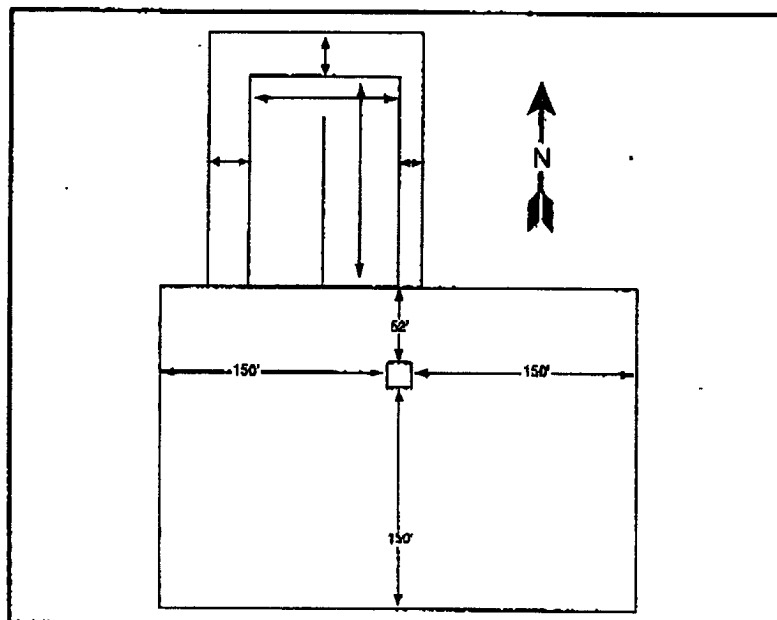
Swivel.

Rotary Table. Emsco 20-1/2", 300 Tons

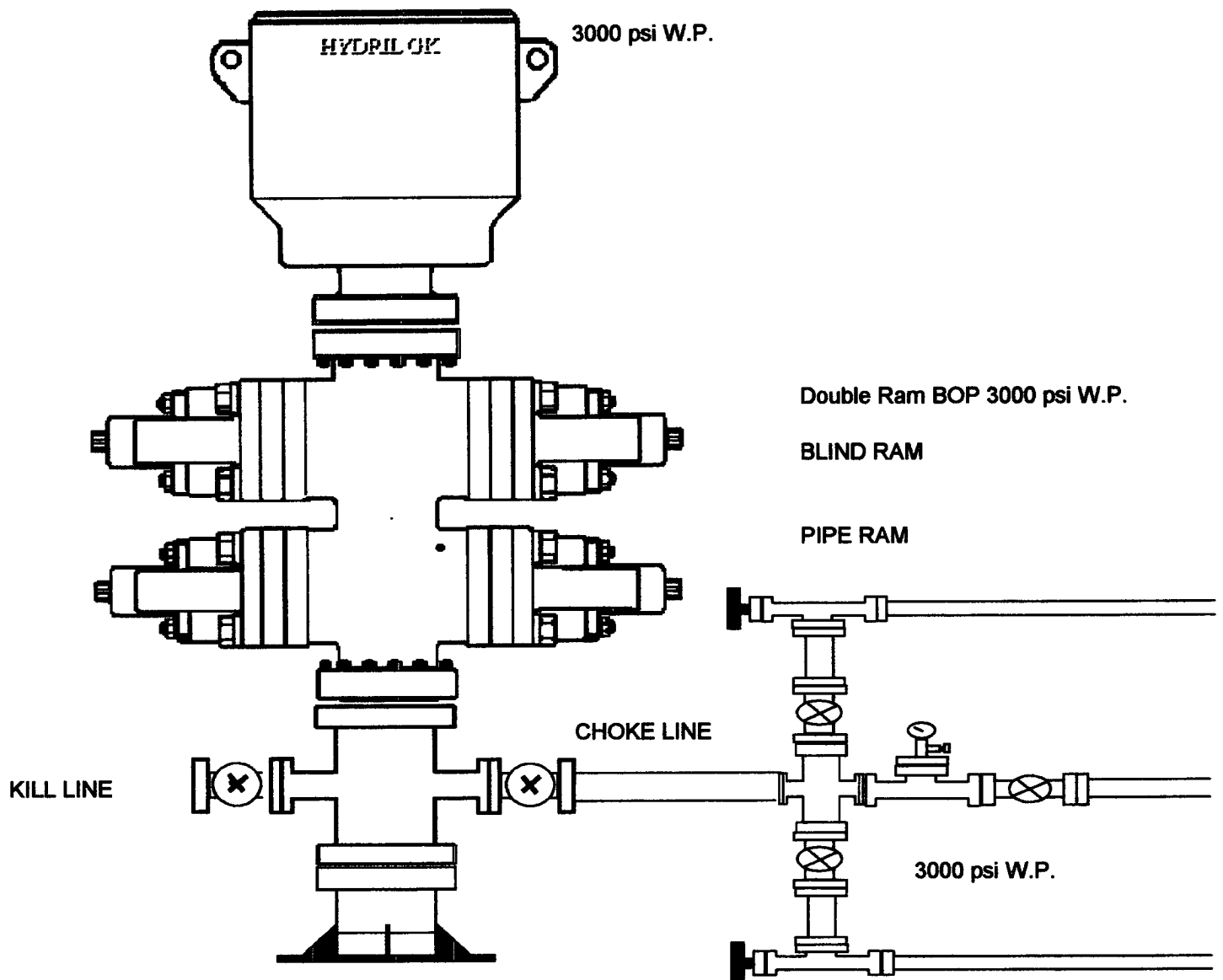
Shale Shaker. Brandt double screen

Electrical Power. One 195 kW generator w/Cat  
3306 engineFresh Water Storage. Two 500 bbl tanks  
Housing.

"Hole Requirements will dictate actual Reserve Pit size (TOOLPUSHER SHOULD BE CONSULTED)"



Rig 59

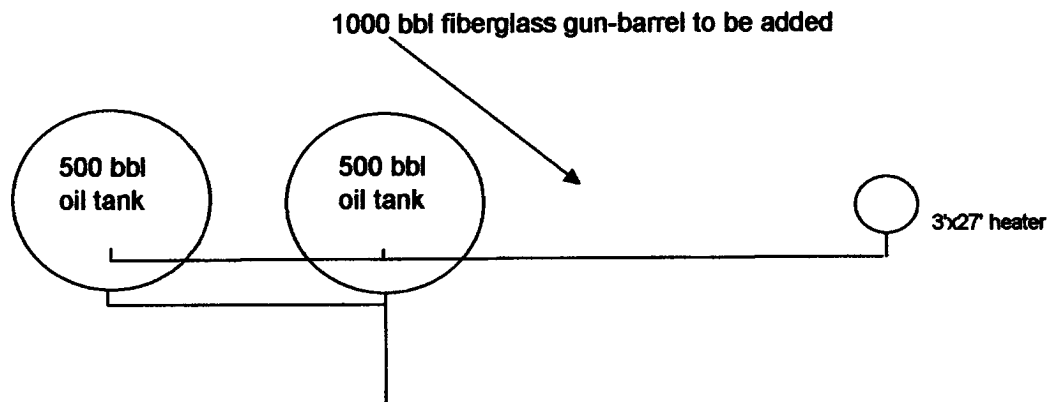


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[illegible]

**Existing**  
**Federal - Davis Production Facility**

1300' from the North line & 300' from the East line  
Section 13, T17S R38E, Lea County, New Mexico



# ATTACHMENT A

## Notice of Staking

**1 Well Type:**

Oil Well

**2 Operator:**

Platinum Exploration Inc.

**3 Contact Person:**

Fritz Schoch

**4 Address & Phone No.**

550 W. Texas Av.  
Suite 200  
Midland, Texas 79701  
432-687-1664

**5 Surface Location:**

2400' FNL & 930' FEL

**15 Formation Objective:**

Devonian

**16 Estimated Depth:**

12,500'

**17 Surface Owner:**

Lawrence A. Parker  
P.O. Box 2709  
Hobbs, N.M. 88240  
505-390-6222 cell phone

**6 Lease Number:**

NM0775

**7 Indian Tribe Name:**

**8 Unit Agreement Name:**

**Lease Name:**

Davis Federal

**Well Number:**

4-H

**11 Field Name:**

Knowles South (Devonian)

**12 Section, Township, & Range:**

Sec. 13, T-17-S, R-38-E

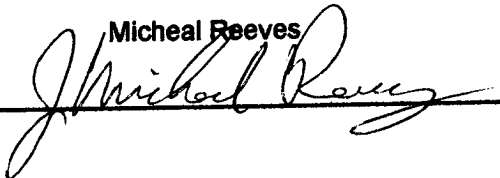
**13 State & County:**

Lea County, New Mexico

18

Micheal Reeves

signed



Title

Drilling Engineer

Date

6/22/04

**a) H2S Potential**

Contingency Plan will be prepared by  
Worldwide Safety Inc.

**b) Cultural Resources (Archeology)**

Cultivated farm land

**c) Federal Right of Way or Special Use Permit**

none

**Staking Requirements:**

Well Location

Two - 200' directional reference stakes

Exterior dimensions of the drill pad & reserve pit

Centerline of new roads

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-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: petrofox@aol.com  
Address: 550 West Texas, Suite 200, Midland, Texas 79701  
Facility or well name: Federal - Davis #4H API #: 30-025-36968 U/L or Qtr/Qtr H Sec 13 T 17S R 38E  
County: Lea Latitude 32°50'07.09" N Longitude 103° 05' 45.29" W NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒  
Indian ☐

<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input 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>700</u> bbl	<b>Below-grade tank</b> 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 OGD-approved plan ☐.

Date: 6/15/04

Printed Name/Title Michael Reeves, Drilling Engineer

Signature Michael Reeves

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: 8/18/04

Printed Name/Title

PETROLEUM ENGINEER

Signature Paul P. Kandy