

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

May 27, 2004

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

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, Suite 500 Midland, TX 79701		² OGRID Number 227103
		³ API Number 30 - 025-28478
⁴ Property Code 34474	⁵ Property Name Smith	⁶ Well No. 001
⁹ Proposed Pool 1 SWD: Denton <i>San Andres</i>		¹⁰ Proposed Pool 2

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	13	14S	37E		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

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 3816' GR
¹⁶ Multiple No	¹⁷ Proposed Depth 6000' PBTD	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date ASAP
Depth to Groundwater 76'		Distance from nearest fresh water well 400' est		Distance from nearest surface water no surface water known within 1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 500 bbls Drilling Method: Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

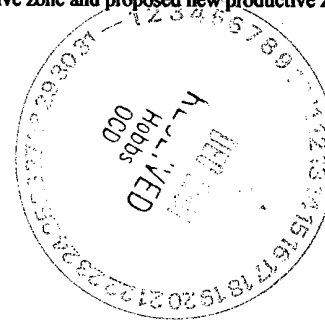
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	54.5	424	400	Surface-Circulated
11	8 5/8	28 & 32	4685	2000	Surface-Circulated

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 to Convert current wellbore to SWD.

Note: C108 - Approved SWD-956 12/9/2004

4685-6002'
4 1/2 PC top + pkr @ 4585
Max press 937 psi



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 checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Julie Figel		Approved by: <i>Paul J. [Signature]</i>	
Title: Production Eng		Title: PETROLEUM ENGINEER	
E-mail Address: jfigel@t3wireless.com		Approval Date: DEC 16 2004	
Date: 12/13/04		Expiration Date:	
Phone: 432-687-1664		Conditions of Approval Attached <input type="checkbox"/>	

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State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

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

For drilling and production facilities, submit to
appropriate NMOC 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: jfigel@t3wireless.com
Address: 550 W. Texas, Suite 500 Midland, TX 79701
Facility or well name: Smith, #191 API #: 30-025-28478 U/L or Qtr/Qtr_F Sec 13 T 14-S R 37-E
County: Lea Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

Pit

Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil Clay ☐

Pit Volume 500 bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not. _____

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) 76'

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet XX

(10 points)

100 feet or more

(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 XX

(0 points)

Ranking Score (Total Points)

30

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: (check the onsite box if you are burying in place) 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.

Additional Comments:

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 NMOC District Office, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 12/13/04

Printed Name/Title Julie Figel / Production Engineer

Signature

Julie Figel

Your certification and NMOC District Office 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:

Printed Name/Title

DEC 16 2004

Signature

ORIGINAL SIGNED BY
PAUL F. KAUTZ
PETROLEUM ENGINEER

Date: _____

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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 30-025-28478	² Pool Code 16910-96121	³ Pool Name SWD: Denton <i>San Andres</i>
⁴ Property Code <i>34474</i>	⁵ Property Name Smith, NE	⁶ Well Number 1
⁷ OGRID No 227103	⁸ Operator Name Platinum Exploration, Inc.	⁹ Elevation 3816' GL

¹⁰ Surface Location

UL or lot no. F	Section 13	Township 14S	Range 37E	Lot Idn	Feet from the 1980'	North/South line North	Feet from the 1980'	East/West line West	County Lea
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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. SWD - 956 Approved 12/9/2004						

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

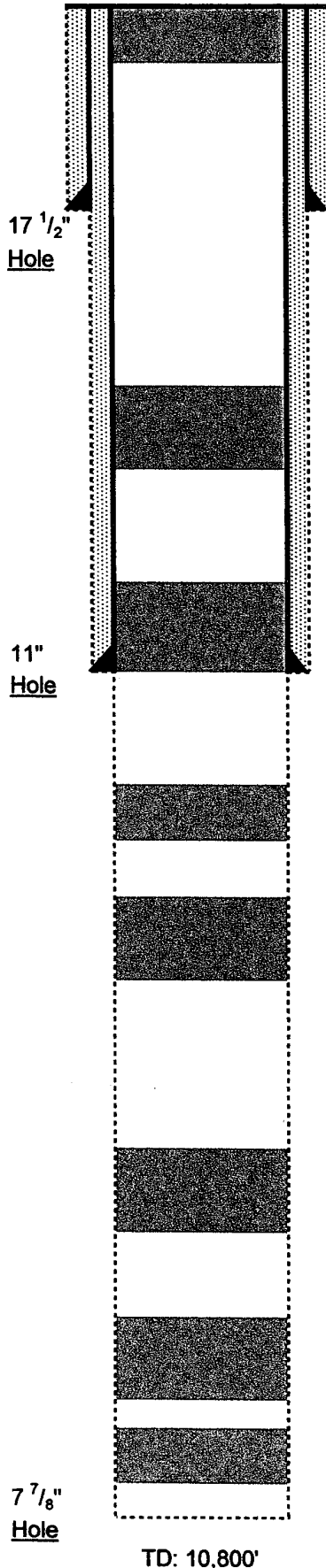
¹³ <div style="position: relative; width: 100px; height: 100px; border: 1px dashed black;"> <div style="position: absolute; top: 0; left: 0; width: 100%; height: 100%; text-align: center; vertical-align: middle;"> 1980' 1980' </div> </div>	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <div style="text-align: right;"> <i>Julie Figel</i> Signature Printed Name Production Eng / jfigel@t3wireless.com Title and E-mail Address 12/13/04 Date </div>			
	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			

PRIOR TO CONVERSION

GR: 3816' KB: 3,838'

Smith No. 1

1980' FNL & 1980' FWL
Unit F, Sec 13, T-14S, R-37E
Lea County, NM
API#- 30-025-28478
Well Type: Plugged (6/7/84)
Spud Date: 2/9/1984



Cmt plug @ Surface
to 30' w/ 10 sx (6/84)

13 3/8" 54.5# J-55 @ 424' w/ 400 sx
TOC: Circulated to Surface

Cmt plug @ 2,485' to 2,362' w/ 40 sx; (3/84)

Cmt plug f/ 4,752' to 4,629' w/ 60 sx; (3/84)

8 5/8" 24# & 28# & 32# J-55 @ 4,685' w/ 2,000 sx
TOC: Circulated to Surface

Cmt plug f/ 6,102' to 6,002' w/ 40 sx; (3/84)

Cmt plug f/ 7,455' to 7,315' w/ 40 sx; (3/84)

Cmt plug f/ 9,505' to 9,365' w/ 40 sx; (3/84)

Cmt plug f/ 10,345' to 10,205' w/ 40 sx; (3/84)

Drilled plug to 10,616'; ran DST from 10,616' to 10,315'
Recovered 8200' of formation water
Cmt plug f/ 10,700' to 10,580' w/ 50 sx; (3/84)

JMR 11/9/04

PROPOSED CONVERSION

GR: 3816' KB: 3,838'

Smith No. 1

1980' FNL & 1980' FWL

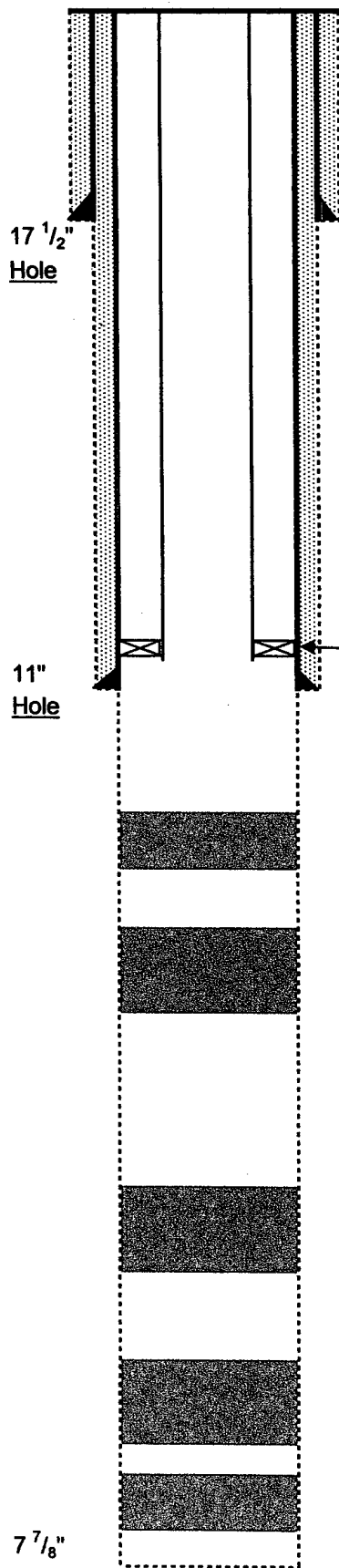
Unit F, Sec 13, T-14S, R-37E

Lea County, NM

API#- 30-025-28478

Well Type: SWD

Spud Date: 2/9/1984



13 3/8" 54.5# J-55 @ 424' w/ 400 sx

TOC: Circulated to Surface

Formation Tops	
Rustler	2,240'
Salado	2,310'
Yates	3,178'
7-Rivers	3,367'
Queen	4,003'
San Andres	4,650'
Glorieta	6,395'
Clearfork	7,081'
Blaine	7,452'
Wolfcamp	10,238'

4 1/2" IPC tubing w/ Arrowset I packer @ 4,650'

8 5/8" 24#, 28# & 32# J-55 @ 4,685' w/ 2,000 sx

TOC: Circulated to Surface

Cmt plug f/ 6,102' to 6,000' w/ 40 sx; (3/84)

Max Inj. Rate 15,000 BPD
 Max Inj. Pressure ~~1,200 PSI~~ 937
 Avg. Inj. Rate 10,000 BPD
 Avg. Inj. Pressure ~~1,000 PSI~~ 937
 Inj. Interval 4685' to 6,000'

Cmt plug f/ 7,455' to 7,315' w/ 40 sx; (3/84)

Cmt plug f/ 9,505' to 9,365' w/ 40 sx; (3/84)

Cmt plug f/ 10,345' to 10,205' w/ 40 sx; (3/84)

Drilled plug to 10,616'; ran DST from 10,616' to 10,315'

Recovered 8200' of formation water

Cmt plug f/ 10,700' to 10,580' w/ 50 sx; (3/84)

JMR 11/9/04

PLATINUM EXPLORATION INC.

SMITH No. 1

RE - ENTER P&A'd WELLBORE, DRILL OUT PLUGS and FIT FOR INJECTION INTO THE SAN ANDRES

Elevation: GL: 3,816' KB: 3,838'
Location: 1,980' FNL & 1,980' FWL, Unit F, Sec. 13, T-14-S, R-37-E, Lea, NM
Total Depth: 10,800' (March 12, 1984)
API No: 30-025-28478
Casing: 13 ³/₈", 54.5# J-55 @ 424' Cemented w/ 400sx, Cement Circulated
8 ⁵/₈", 24, 28, & 32# J-55 @ 4,685', Cmt'd 2,000sx, Cement Circulated

Workstring: 2 7/8" L80 8rd
Tubing: 4 1/2" 12.75# EUE 8rd IPC
Wellhead: As needed.. (8 ⁵/₈" SOW X 7 ¹/₁₆" 3000)

Comments:	0-30'	10 sx	8 ⁵ / ₈ " csg
	2,362'-2,485'	40 sx	8 ⁵ / ₈ " csg
	4,559'-4,752'	60 sx	7 ⁷ / ₈ " Openhole
	6,002'-6,102'	40 sx	7 ⁷ / ₈ " Openhole
	7,315'-7,455'	40 sx	7 ⁷ / ₈ " Openhole
	9,365'-9,505'	40 sx	7 ⁷ / ₈ " Openhole
	10,205'-10,345'	40 sx	7 ⁷ / ₈ " Openhole
	10,700'-10,616' Tagged	50 sx	7 ⁷ / ₈ " Openhole

Old Perforations:

NONE

PROCEDURE

1. Survey in well, build location, & set anchors.
2. Build cellar & weld on 8 ⁵/₈" wellhead, Dig Workover Pit & Line with 12 mil plastic as per OCD regs.
3. MIRU Pulling unit, NU BOP.
4. PU 7 ⁷/₈" bit and DC drill out surface plug and second plug. RIH while picking up work string circulating out heavy mud in 1,000' stages to second cement plug at 4,629'. Test 8 ⁵/₈" csg and plug to 1,000 psi. If a leak is noted, **Remedial squeeze work will be performed at this time.**
5. RU Schlumberger and run USIT/ GR/CCL log, to determine casing integrity for the 8 ⁵/₈" casings.
6. Drill out cement plug from 4,629' to 4,752' & RIH while picking up work string circulating out heavy mud in 1,000' stages to 6,002', Top of next cement plug drill 2' to 6,000'. Circ clean.
7. Pick up a 8 ⁵/₈" 32# IPC pkr and GIH and set at 4,650'+.
8. Establish injection rate into San Andres openhole from 4,685' to 6,000'. If injection rate is adequate, proceed to step 11.

9. Perforate San Andres formation from 4,685' to 6,000' 4 JSPF, **if the injection rate does not meet expectations.**
10. PU 4 ½" 12.75# EUE 8rd IPC Injection tubing & GIH set packer at 4,650'+ and establish injection rate into openhole section from 4,685' to 6,000'.
11. Acidize San Andres perfs as directed.
12. **Report must show each piece of injection equipment, describing its: Brand, length, wellhead type. Place well on injection.**

11/9/04

New Mexico Office of the State Engineer
Well Reports and Downloads

Township: 14S Range: 37E Sections: 13

NAD27 X: Y: Zone: Search Radius:

County: LE Basin: Number: Suffix:

Owner Name: (First) (Last) Non-Domestic Domestic
All

Well / Surface Data Report

Avg Depth to Water Report

Water Column Report

Clear Form

WATERS Menu

Help

AVERAGE DEPTH OF WATER REPORT 12/13/2004

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
L	14S	37E	13				3	62	105	76

Record Count: 3

**New Mexico Office of the State En
Well Reports and Download**

Township: 14S Range: 37E Sections: 13

NAD27 X: Y: Zone:

County: LE Basin: Numl

Owner Name: (First) (Last)

Well / Surface Data Report

Avg Depth to Water Repo

Clear Form

WATERS Menu

WELL / SURFACE DATA REPORT 12/13/2004

DB File Nbr	Use	(acre ft per annum) Diversion	Owner	Well Number	(quart (quart S
<u>L 00474</u>	IRR	671.4	RAYMOND & CAROL CRAIN	<u>L 00474</u>	
				<u>L 00474 S</u>	S
				<u>L 00475</u>	
<u>L 00485</u>	IRR	217.2	KATHI CORN GRIGGS	<u>L 00485</u>	
<u>L 00485 A</u>	IRR	299.7	FARM CREDIT OF NM, FLCA	<u>L 00485 A</u>	
				<u>L 00485 A S</u>	
<u>L 00485 A A</u>	IRR	52.3	JARRET T. CORN	<u>L 00485 A</u>	
				<u>L 00485 A S</u>	
<u>L 00825</u>	IRR	453.6	JIMMIE F. & REITA G. WHEELER	<u>L 00825</u>	
				<u>L 00825 S</u>	
<u>L 02973</u>	DOM	3	C.H. SPEARS	<u>L 02973</u>	S
				<u>L 02973 APPRO</u>	S
<u>L 09377</u>	PRO	0	INC. C & K PETROLEUM	<u>L 09377 EXP</u>	
<u>L 10871</u>	DOM	3	RAYMOND CRAIN	<u>L 10871</u>	

Record Count: 14

BOPE Schematic

