

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 Property Code 301025		⁴ API Number 30 - 025-09864	
⁵ Property Name Priest		⁶ Well No. 2	
⁹ Proposed Pool 1 Denton; Devonian (16910)		¹⁰ Proposed Pool 2	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	1	15-S	37-E		660	North	330	West	Lea

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	1	15-S	37-E		330	North	2200	West	Lea

Additional Well Information

¹¹ Work Type Code H	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3809
¹⁶ Multiple N	¹⁷ Proposed Depth 14,379 MD/12,675 TVD	¹⁸ Formation Devonian	¹⁹ Contractor	²⁰ Spud Date ASAP
Depth to Groundwater 49'		Distance from nearest fresh water well 330'		Distance from nearest surface water >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 type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Proposed Casing and Cement Program


Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/4"	13-3/8"	48	351'	325	Surface
11"	8-5/8"	32#	4762'	3500	Surface
7-7/8"	5-1/2"	17/20/15.5#	12,470'	700	6,825 TS

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.

Squeeze existing Devonian perforations with 1000 sx. Drill out squeeze and test. Drill lateral 1900' VS with KOP @ 12,479'. Heel Landed TVD of 12,609' and a Toe TVD of 12,669' on an azimuth of 80°. Acidize as needed. Install production equipment.

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 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: 	
Title: Agent		Title: PETROLEUM ENGINEER	
E-mail Address: jfigel@t3wireless.com		Approval Date: MAR 07 2005	
Date: 3/1/05	Phone: 432/687-1664 Ext 123	Conditions of Approval 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 30-025-09864	² Pool Code 16910	³ Pool Name DENTON;DEVONIAN
⁴ Property Code 301025	⁵ Property Name Priest	⁶ Well Number 2
⁷ OGRID No 227103	⁸ Operator Name Platinum Exploration, Inc.	⁹ Elevation 3,809' 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
D	1	15-S	37-E		660	North	330	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	1	15-S	37-E		330	North	2200	West	Lea

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Julie Figel</i> Signature Julie Figel Printed Name Agent Title and E-mail Address 3/1/05 Date</p>			
Project Area →							
				<p>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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor: Certificate Number</p>			

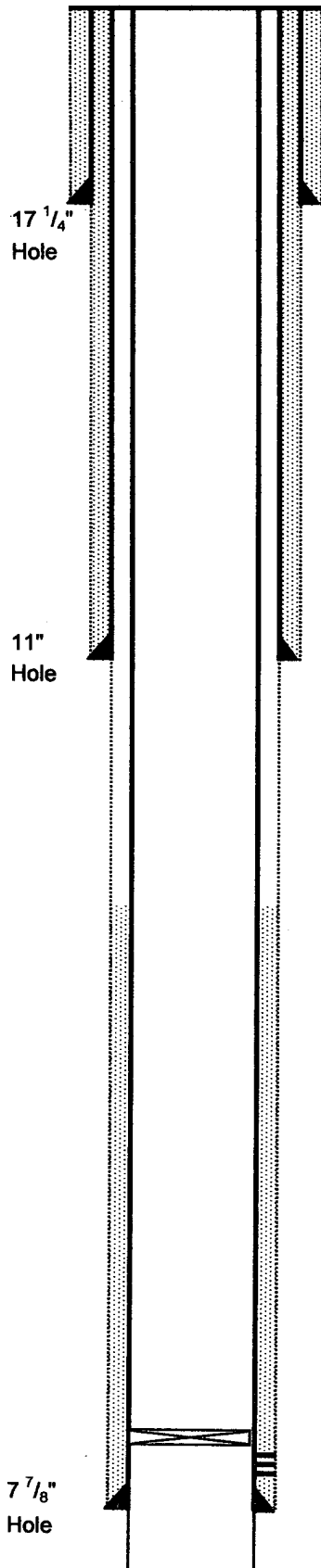
CURRENT WELLBORE

GL: 3,795' KB: 3,810'

PRIEST #2

660' FNL & 330' FWL
Unit D, Sec 1, T-15-S, R-37-E
Lea County, NM
API# 30-025-09864

Spud Date: 5/6/52



13 ³/₈" 48# @ 351' w/ 325 sx
TOC: Surface-circulated

225 jts 2 ⁷/₈" 6.5# tbg

8 ⁵/₈" 32# @ 4,762' w/ 3,500 sx
Circulated 300 sx to sfc.

TOC: 6,825 temp survey 9/4/52

Baker Mdl 'D' pkr @ 12,326'

Perf: 12,391'-12,418' (12/62)

Perf: 12,442'-12,458' (3/2001)

5 ¹/₂" 17/20/15.5# @ 12,470' w/ 700 sx

TD: 12,675'

4 ³/₄" OH: 12,470'-12,675' (orig comp)

3/2/2005

3/1/05 JMF/JMR

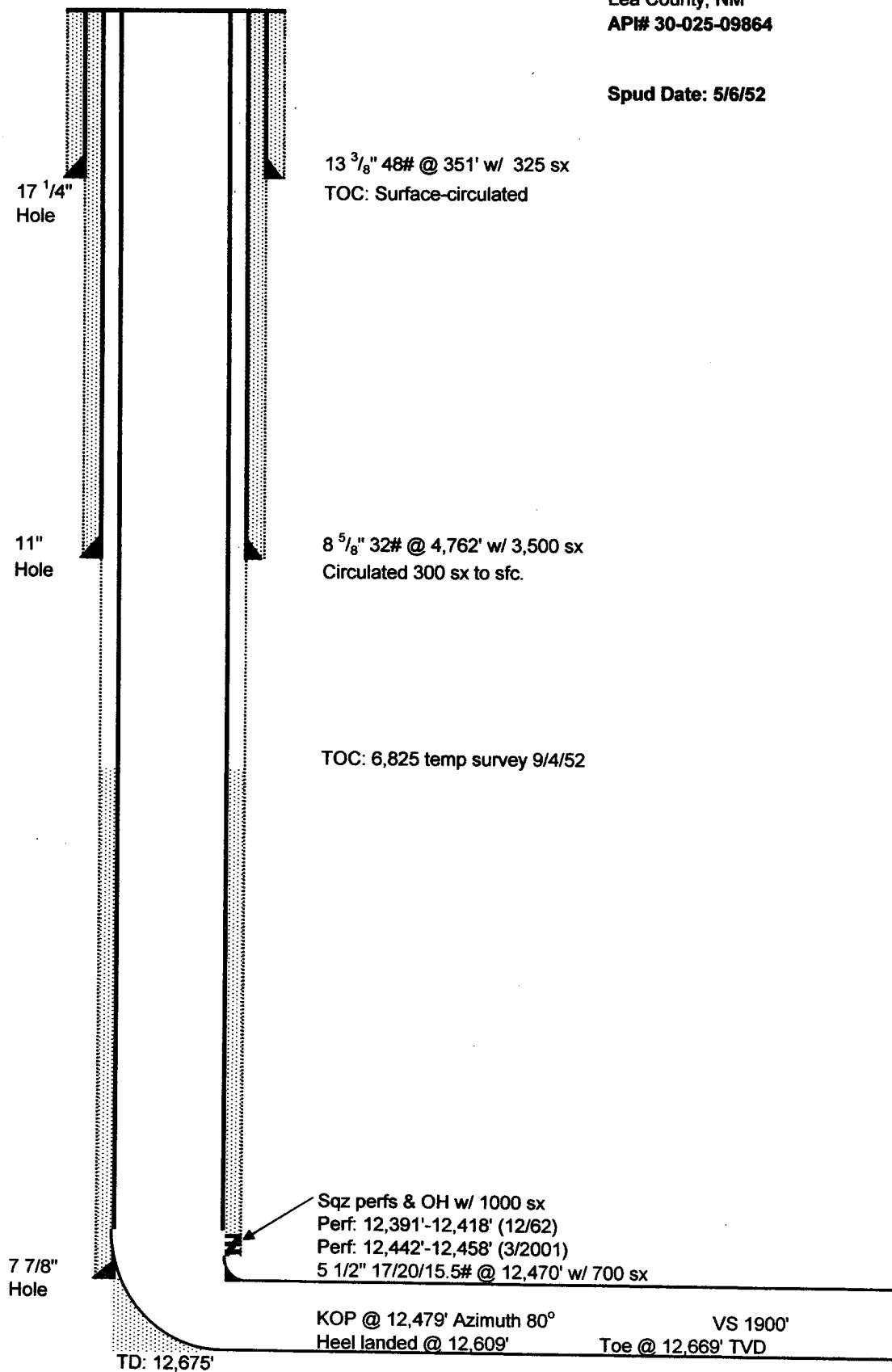
PROPOSED HORIZONTAL

PRIEST #2

GL: 3,795' KB: 3,810'

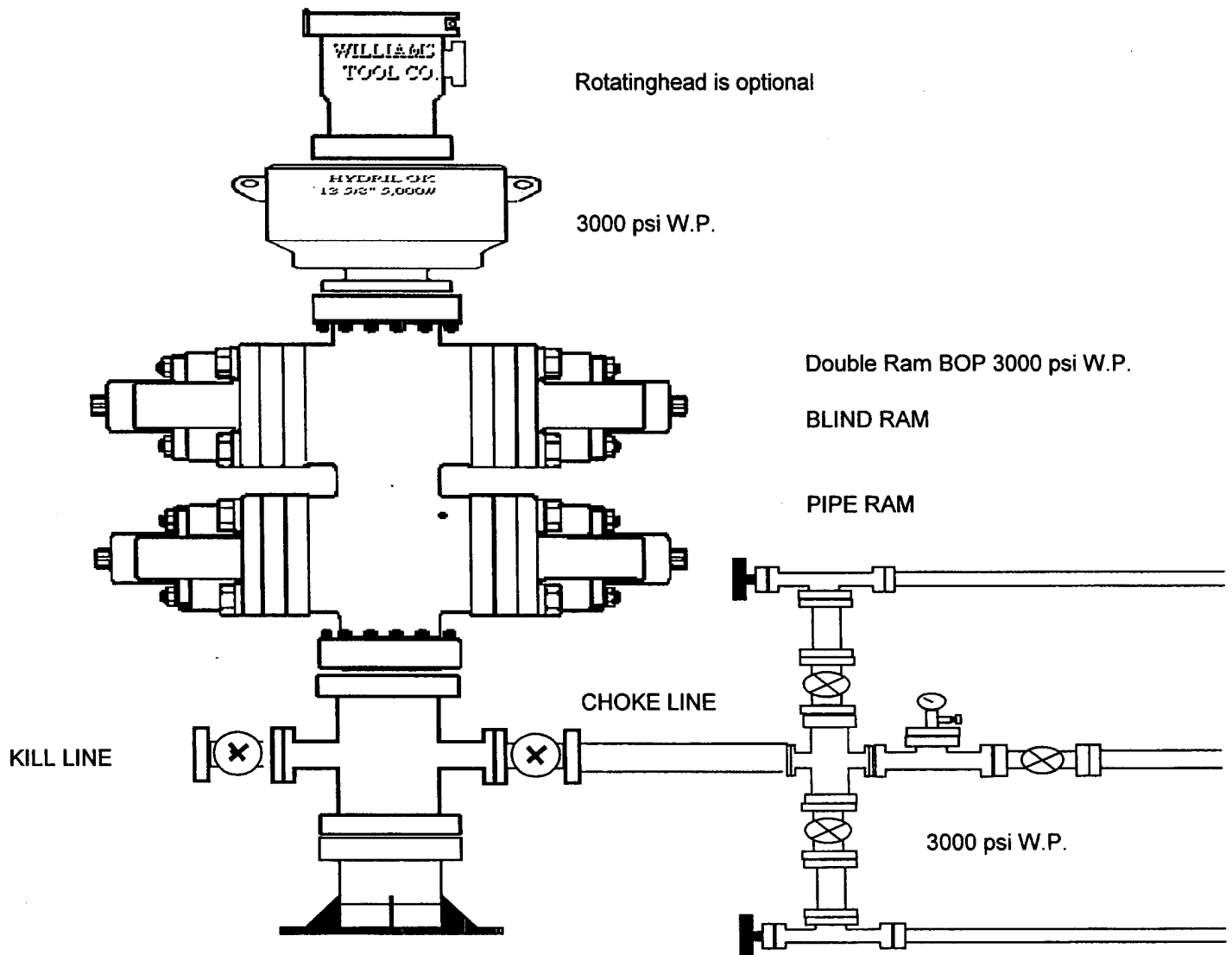
660' FNL & 330' FWL
Unit D, Sec 1, T-15-S, R-37-E
Lea County, NM
API# 30-025-09864

Spud Date: 5/6/52



3/1/05 JMF

3M BOP



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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 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 Ext 123 e-mail address: jfigel@t3wireless.com
Address: 550 W. Texas, Suite 500 Midland, TX 79701
Facility or well name: Priest #2 API #: 35-025-09864 U/L or Qtr/Qtr D_Sec 1 T 15S R 37E
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 1600 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.) 49

Less than 50 feet XX	(20 points)
50 feet or more, but less than 100 feet	(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.) 330'

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.)
>1000'

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) 40

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 NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 3/1/05

Printed Name/Title Julie Figel / Agent

Signature

Julie Figel

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:

Printed Name/Title

PETROLEUM ENGINEER

Signature

[Signature]

MAR 07 2005