

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

RECEIVED

JUL 26 2005

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

| | | | |
|--------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------|------------------------|
| Operator Name and Address Platinum Exploration Inc. 550 W. Texas, Suite 500 Midland, TX 79701 | | OIL CONSERVATION DIVISION | OGRID Number 227103 |
| Property Code 34971 | Property Name Clovis K. Kendrick | API Number 30-025-07152 | |
| Proposed Pool 1 Gladiola; Devonian (27740) | | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| I | 6 | 12-S | 38-E | | 1980 | South | 660 | East | 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 O | 13 Cable/Rotary R | 14 Lease Type Code P | 15 Ground Level Elevation 3872' KB |
| 16 Multiple N | TVD 11,995' | 18 Formation Devonian | 19 Contractor | 20 Spud Date ASAP |
| Depth to Groundwater 42' | | Distance from nearest fresh water well >1000' | | 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"/> | | | | |

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" | 36# | 304' | 350 | Surface |
| 12 1/4" | 9-5/8" | 36/40# | 4503' | 2600 | Surface |
| 8 3/4" | 5-1/2" | 17# | 11,995' | 150 | 11,330' |
| | | | | | |
| | | | | | |

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.

Re-enter the Clovis K Kendrick #1 well and clean out to original TD. Tie-back the 5-1/2" casing to surface. Squeeze the Wolfcamp perforations with 100 sx. Acidize the existing Devonian perforations 11,974-11,987' and put well on production.

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 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: AUG 02 2005 | |
| Date: 7/22/05 | | Expiration Date: | |
| 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 30-025-07152 | ² Pool Code 27740 | ³ Pool Name GLADIOLA;DEVONIAN |
| ⁴ Property Code 34971 | ⁵ Property Name Clovis K. Kendrick | ⁶ Well Number 1 |
| ⁷ OGRID No 227103 | ⁸ Operator Name Platinum Exploration, Inc. | ⁹ Elevation 3,872' KB |

¹⁰ Surface Location

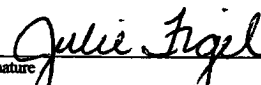
| | | | | | | | | | |
|--------------------|--------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no. I | Section 6 | Township 12-S | Range 38-E | Lot Idn | Feet from the 1980 | North/South line South | Feet from the 660 | East/West line East | County 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

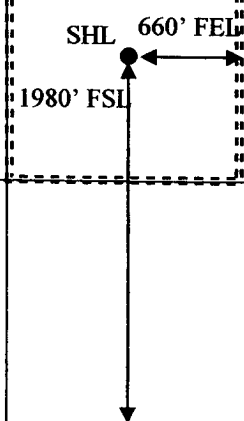
| | | | |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 40 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|-------------------------------------|-------------------------------|----------------------------------|-------------------------|

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

| | | | | |
|--|--|--|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | ¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Julie Figel Printed Name Agent Title and E-mail Address 7/22/05 Date |
| | | | | ¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: |
| | | | | Certificate Number |

SHL 660' FEL

1980' FSL



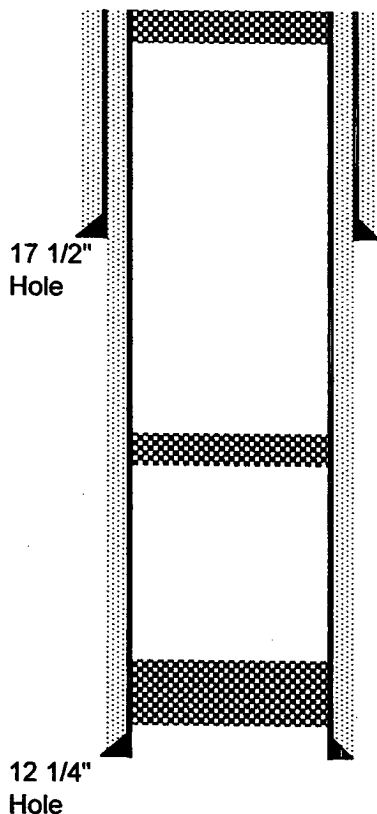
CURRENT**CLOVIS K. KENDRICK No. 1**

GL: 3872'

1980' FSL & 660' FEL
I, Sec 6, T-12S, R-38E
Lea County, NM

API#: 30-025-07152

Spud 3/12/57
Plugged 12/65
Re-entered (8/74)
Re-plugged (2/89)



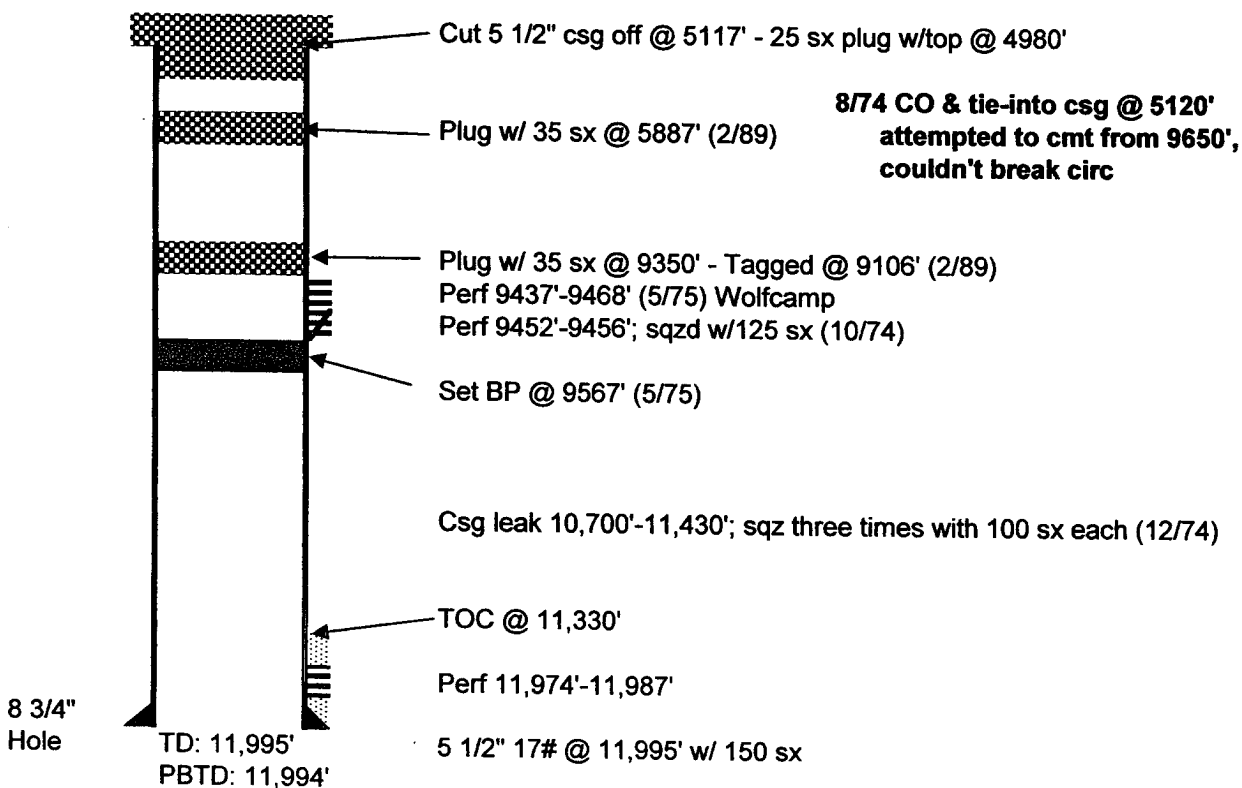
Cmt Plug @ surface w/ 10 sx

13 3/8" 36# @ 304' w/ 350 sx
TOC: Surface-Circ

Plug w/ 50 sx @ 2300'-2135' (2/89)

Cmt Plug @ 4335' w/ 50 sx (2/89)
Tagged @ 4200'

9 5/8" 36/40# @ 4503' w/ 2600 sx
TOC: Surface-Circ



Cut 5 1/2" csg off @ 5117' - 25 sx plug w/top @ 4980'

Plug w/ 35 sx @ 5887' (2/89)

8/74 CO & tie-into csg @ 5120'
attempted to cmt from 9650',
couldn't break circ

Plug w/ 35 sx @ 9350' - Tagged @ 9106' (2/89)
Perf 9437'-9468' (5/75) Wolfcamp
Perf 9452'-9456'; sqzd w/125 sx (10/74)

Set BP @ 9567' (5/75)

Csg leak 10,700'-11,430'; sqz three times with 100 sx each (12/74)

TOC @ 11,330'

Perf 11,974'-11,987'

5 1/2" 17# @ 11,995' w/ 150 sx

TD: 11,995'
PBSD: 11,994'

PROPOSED**CLOVIS K. KENDRICK No. 1**

GL: 3872'

1980' FSL & 660' FEL
I, Sec 6, T-12S, R-38E
Lea County, NM

API#: 30-025-07152

Spud 3/12/57
Plugged 12/65
Re-entered (8/74)
Re-plugged (2/89)

17 1/2"
Hole

13 3/8" 36# @ 304' w/ 350 sx
TOC: Surface-Circ

12 1/4"
Hole

9 5/8" 36/40# @ 4503' w/ 2600 sx
TOC: Surface-Circ

← Tie-back 5 1/2" csg to surface

8/74 CO & tie-into csg @ 5120'
attempted to cmt from 9650',
couldn't break circ

Perf 9437'-9468' (5/75) Wolfcamp-Sqz w/ 100 sx
Perf 9452'-9456'; sqzd w/125 sx (10/74)

Csg leak 10,700'-11,430'; sqz three times with 100 sx each (12/74)

← TOC @ 11,330'

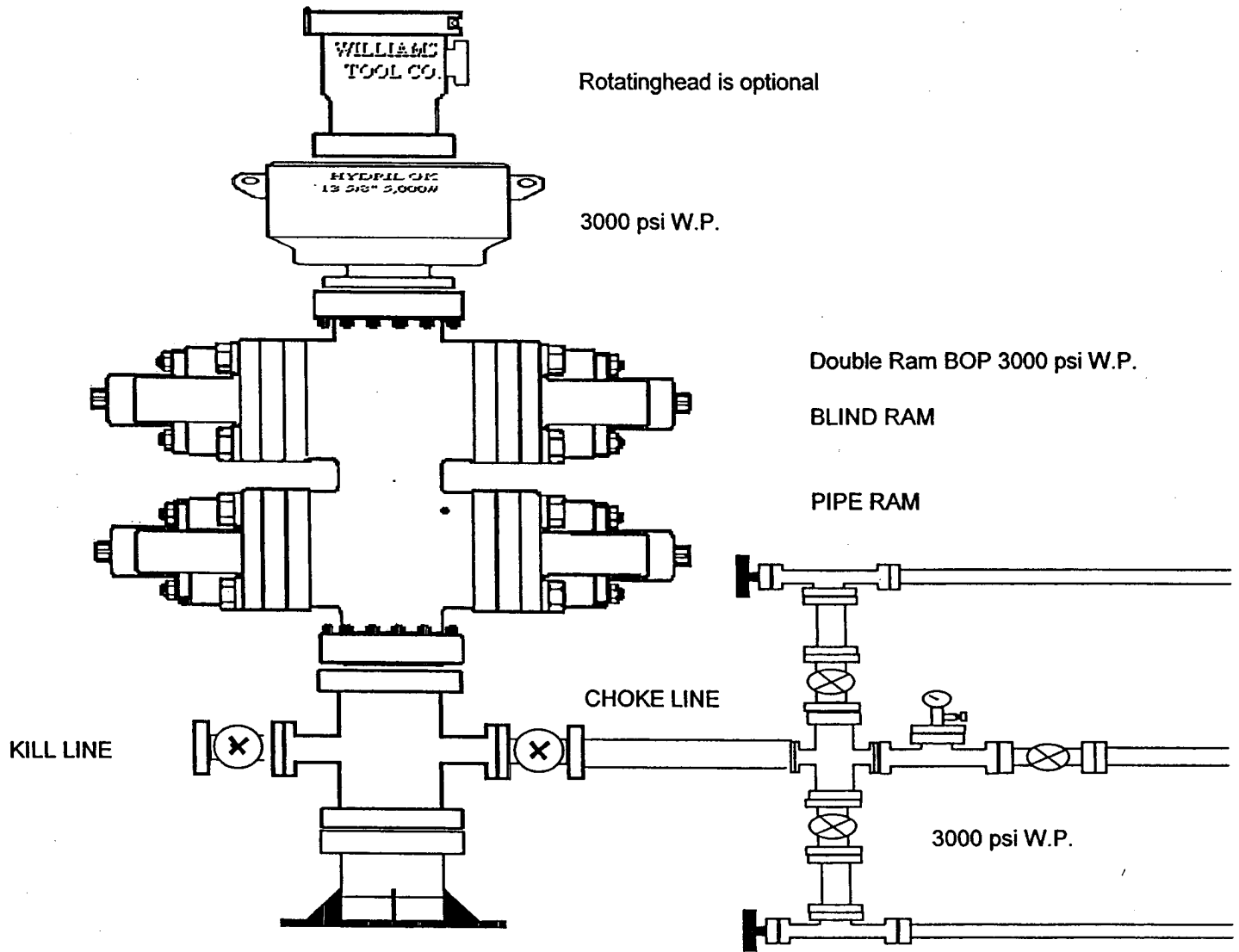
Perf 11,974'-11,987'

5 1/2" 17# @ 11,995' w/ 150 sx

8 3/4"
Hole

TD: 11,995'
PBTD: 11,994'

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: Clovjs K. Kendrick # 1 API #: 35-025-07152 U/L or Qtr/Qtr I Sec 6 T 12S R 38E
County: Lea Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pit 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"/> Pit 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.) <u>42'</u> | 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.) <u>>1000'</u> | 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.) <u>>1000'</u> | 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) 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: (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: 7/22/05

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]

AUG 02 2005
Date: