

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 Ave., Suite 500 Midland, Texas 79701		² OGRID Number 227103
		³ API Number 30 - 025-07157
⁴ Property Code 35789	⁵ Property Name Taylor B	⁶ Well No. 3
⁷ Proposed Pool 1 SWD; Devonian		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. J	Section 7	Township 12S	Range 38E	Lot Idn	Feet from the 1980	East line	Feet from the 1980	South line	County Lea
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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
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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 3870' GR
¹⁶ Multiple N	¹⁷ Proposed Depth 12800	¹⁸ Formation Devonian	¹⁹ Contractor	²⁰ Spud Date ASAP
Depth to Groundwater Greater than 50' but less than 100'		Distance from nearest fresh water well >1000'		Distance from nearest surface water None
Pit: Liner: Synthetic <input type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 200 bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input checked="" type="checkbox"/>				

21 Proposed Casing and Cement Program

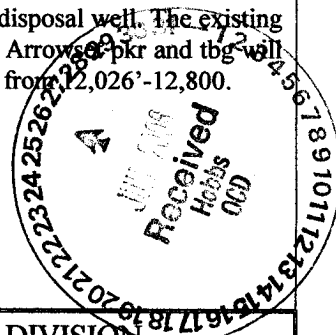
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17	13 3/8	50	350	425	Surf - circ
11	8 5/8	32	4440	2100	Surf - circ
7 7/8	5 1/2	17/20	11988	1150	5733- calc

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.

The purpose of this application is to re-enter the Jones #1 deepen it to 12,800' and convert it to a salt water disposal well. The existing perforations in the Wolfcamp will be squeezed with 200 sx. The wellbore will be deepened to 12,800'. An Arrowser pkr and the well will be run and set at 11,975'. Produced Devonian water will be disposed into the open-hole Devonian formation from 12,026'-12,800'.

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

SWD - 1038



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: Greg Rasmussen		Approved by: <i>Chris Williams</i>	
Title: Eng.		Title: DISTRICT SUPERVISOR/GENERAL MANAGER	
E-mail Address: Ras@t3wireless.com		Approval Date: FEB 22 2007	
Date:		Expiration Date:	
Phone: 432-687-1664		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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-07157	² Pool Code 96101	³ Pool Name SWD; Devonian
⁴ Property Code	⁵ Property Name Taylor B	⁶ Well Number 3
⁷ OGRID No. 227103	⁸ Operator Name Platinum Exploration, Inc.	⁹ Elevation 3872'GR


¹⁰ Surface Location

UL or lot no. J	Section 7	Township 12S	Range 38E	Lot Idn	Feet from the 1980	East line	Feet from the 1980	South line	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 N/A	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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature 6/21/06 Date Greg Rasmussen Printed Name
		1980S & 1980E		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

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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 e-mail address: Ras@t3wireless.com
Address: 550 W. Texas, Suite 500 Midland, TX 79701
Facility or well name: Taylor B3 API #: 30-025-07157 U/L or Qtr/Qtr J Sec 7 T 12S R 38E
County: Lea Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐

Pit	Below-grade tank	
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>200</u> bbl	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>avg depth 30'</u>	Less than 50 feet <u>XX</u>	(20 points)
	50 feet or more, but less than 100 feet <u>XX</u>	(10 points)
	100 feet or more	(0 points)
Vellhead 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 No <u>XX</u>	(20 points) (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 <u>XX</u>	(0 points)
Ranking Score (Total Points)		10

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:

Pit must be removed! Contents hauled to disposal. Ed

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: 6/21/06

Printed Name/Title Greg Rasmussen Eng. Signature Greg Rasmussen ENG.

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 CHRIS WILLIAMS DIST SUPV. Signature Chris Williams Date: 2/24/07