

For KC	Use:			
Effective Date:				
District #	<u> </u>			
SGA?	Yes No			

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1048887

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL

Expected Spud Date:	Spot Description:
month day year	Sec Twp S. R
OPERATOR: License#	(O/O/O/O) feet from N / S Line of Section
Name:	feet from E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	(Note: Locate well on the Section Plat on reverse side)
City:	County:
Contact Person:	Lease Name: Well #:
Phone:	Field Name:
CONTRACTOR: License#	Is this a Prorated / Spaced Field?
Name:	Target Formation(s):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
	Ground Surface Elevation:feet MSL
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
Disposal Wildcat Cable Seismic ; # of Holes Other	Depth to bottom of fresh water:
Other:	Depth to bottom of usable water:
	Surface Pipe by Alternate: I II
If OWWO: old well information as follows:	Length of Surface Pipe Planned to be set:
Operator:	Length of Conductor Pipe (if any):
Well Name:	Projected Total Depth:
Original Completion Date: Original Total Depth:	Formation at Total Depth:
	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	Well Farm Pond Other:
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	(Note: Apply for Permit with DWR)
KCC DKT #:	Viii Golds be taken:
	If Yes, proposed zone:
AF	FIDAVIT
The undersigned hereby affirms that the drilling, completion and eventual p	ugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	
 The appropriate district office will be notified before well is either plug If an ALTERNATE II COMPLETION, production pipe shall be cement Or pursuant to Appendix "B" - Eastern Kansas surface casing order # 	t by circulating cement to the top; in all cases surface pipe shall be set ne underlying formation. Strict office on plug length and placement is necessary prior to plugging; aged or production casing is cemented in; and from below any usable water to surface within 120 DAYS of spud date. 133,891-C, which applies to the KCC District 3 area, alternate II cementing
mast be completed within 50 days of the spud date of the well shall t	e plugged. In all cases, NOTIFY district office prior to any cementing.
ubmitted Electronically	Remember to:
ubmitted Electronically For KCC Use ONLY	Remember to: - File Certification of Compliance with the Kansas Surface Owner Notification
·	Remember to: - File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
For KCC Use ONLY API # 15	 File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill; File Drill Pit Application (form CDP-1) with Intent to Drill;
For KCC Use ONLY API # 15 Conductor pipe requiredfeet	 File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill; File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of spud date;
API # 15feet Conductor pipe requiredfeet Minimum surface pipe requiredfeet per ALTII	 File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill; File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders;
For KCC Use ONLY API # 15 - Conductor pipe requiredfeet Minimum surface pipe requiredfeet per ALTI II Approved by:	 File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill; File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry;
For KCC Use ONLY API # 15	 File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill; File Drill Pit Application (form CDP-1) with Intent to Drill; File Completion Form ACO-1 within 120 days of spud date; File acreage attribution plat according to field proration orders; Notify appropriate district office 48 hours prior to workover or re-entry;

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Spud date: _

 If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired	Date:
Signature of Operator or Agent:	

Side Two



For KCC Use ONLY	
API # 15	

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator:	Location of Well: County:		
Lease:	feet from N / S Line of Section		
Well Number:	feet from E / W Line of Section		
Field:	Sec Twp S. R		
Number of Acres attributable to well:	Is Section: Regular or Irregular		
QTR/QTR/QTR of acreage:	10 Gooten		
	If Section is Irregular, locate well from nearest corner boundary.		
	Section corner used: NE NW SE SW		
P	LAT		
	lease or unit boundary line. Show the predicted locations of		
	quired by the Kansas Surface Owner Notice Act (House Bill 2032).		
You may attach a s 355	separate plat if desired. ft.		
: : : : :	:		
	1588 ft. LEGEND		
	O Well Location		
	Tank Battery Location Pipeline Location		
	: Electric Line Location		
	Lease Road Location		
	·		
	EXAMPLE		
23			
	· · · · · · · · · · · · · · · · · · ·		
	:		
	CEWARD CO. COCCUEEL		

${\it NOTE: In all \ cases \ locate \ the \ spot \ of \ the \ proposed \ drilling \ locaton.}$

In plotting the proposed location of the well, you must show:

- 1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
- 2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
- 3. The distance to the nearest lease or unit boundary line (in footage).
- 4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
- 5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1048887

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:			License Number:	
Operator Address:				
Contact Person:			Phone Number:	
Lease Name & Well No.:			Pit Location (QQQQ):	
Type of Pit: Emergency Pit Burn Pit	Pit is:		SecTwp R	
Settling Pit Drilling Pit	If Existing, date con		Feet from North / South Line of Section	
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:(bbls)		Feet from East / West Line of Section County	
Is the pit located in a Sensitive Ground Water A	rea? Yes N	No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level? Yes No Artificial Liner? Yes No		0	How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	Length (fee	t)	Width (feet) N/A: Steel Pits	
Depth fro	om ground level to deep	pest point:	(feet) No Pit	
If the pit is lined give a brief description of the line material, thickness and installation procedure.	ilei		dures for periodic maintenance and determining ncluding any special monitoring.	
Distance to nearest water well within one-mile of	of pit:	Depth to shallor Source of inforr	west fresh water feet. mation:	
feet Depth of water wellfeet		measured	well owner electric log KDWR	
Emergency, Settling and Burn Pits ONLY:		Drilling, Worko	over and Haul-Off Pits ONLY:	
Producing Formation:		Type of materia	al utilized in drilling/workover:	
Number of producing wells on lease:		Number of work	king pits to be utilized:	
Barrels of fluid produced daily:		Abandonment p	procedure:	
Does the slope from the tank battery allow all spilled fluids to flow into the pit?		Drill pits must b	pe closed within 365 days of spud date.	
Submitted Electronically				
KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS				
Date Received: Permit Numb	ber:	Permi	t Date: Lease Inspection: Yes No	



Kansas Corporation Commission Oil & Gas Conservation Division

1048887

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application).

Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1	(Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)		
OPERATOR: License #	Well Location:		
	County:		
Address 1:	Lease Name: Well #:		
Address 2: State: Zip:+			
Contact Person:	If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:		
Phone: () Fax: ()			
Email Address:			
Surface Owner Information:			
Name:	When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface		
Address 1:	owner information can be found in the records of the register of deeds for the		
Address 2:	county, and in the real estate property tax records of the county treasurer.		
City:			
the KCC with a plat showing the predicted locations of lease roads, tan are preliminary non-binding estimates. The locations may be entered of Select one of the following: I certify that, pursuant to the Kansas Surface Owner Notice A owner(s) of the land upon which the subject well is or will be I CP-1 that I am filing in connection with this form; 2) if the form form; and 3) my operator name, address, phone number, fax, a I have not provided this information to the surface owner(s). I a KCC will be required to send this information to the surface or	Act (House Bill 2032), I have provided the following to the surface ocated: 1) a copy of the Form C-1, Form CB-1, Form CB-1, Form CB-1, Form T-1, or Form being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address. acknowledge that, because I have not provided this information, the wner(s). To mitigate the additional cost of the KCC performing this gree, payable to the KCC, which is enclosed with this form.		
If choosing the second option, submit payment of the \$30.00 handling form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-	fee with this form. If the fee is not received with this form, the KSONA-1 will be returned.		
Submitted Electronically			
[_		

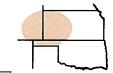


Pro-Stake LLC

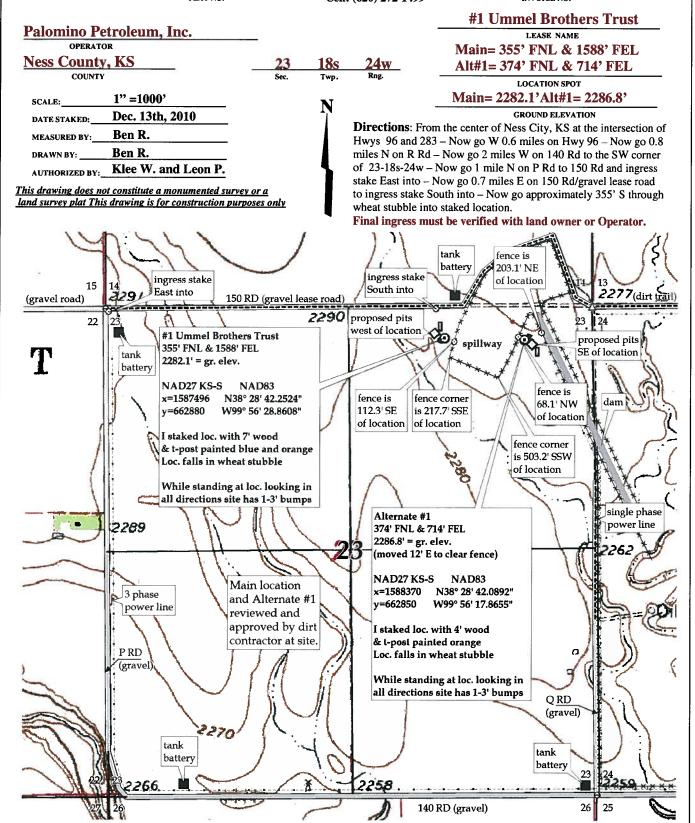
Oil Field & Construction Site Staking

P.O. Box 2324 Garden City, Kansas 67846 Office/Fax: (620) 276-6159

9102



01213-r Office/Fax: (620) 276-61
PLAT NO. Cell: (620) 272-1499





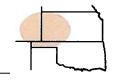
Pro-Stake LLC

Oil Field & Construction Site Staking

P.O. Box 2324 Garden City, Kansas 67846

Office/Fax: (620) 276-6159 Cell: (620) 272-1499

9102



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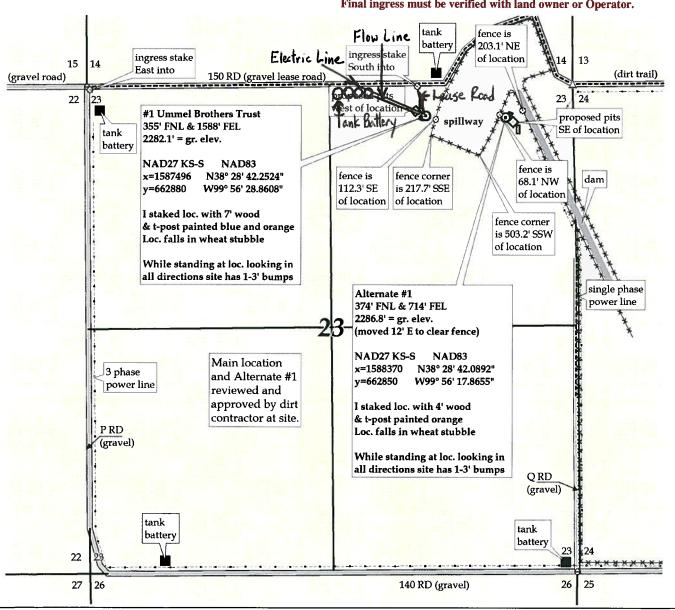
#1 Ummel Brothers Trust Palomino Petroleum, Inc. LEASE NAME OPERATOR Main= 355' FNL & 1588' FEL Ness County, KS 18s 24w Alt#1= 374' FNL & 714' FEL COUNTY LOCATION SPOT Main= 2282.1'Alt#1= 2286.8' 1" =1000' SCALE: GROUND ELEVATION Dec. 13th, 2010 DATE STAKED:

MEASURED BY: Ben R. Ben R. DRAWN BY: Klee W. and Leon P. AUTHORIZED BY:

This drawing does not constitute a monumented survey or a land survey plat This drawing is for construction purposes only

Directions: From the center of Ness City, KS at the intersection of Hwys 96 and 283 - Now go W 0.6 miles on Hwy 96 - Now go 0.8 miles N on R Rd - Now go 2 miles W on 140 Rd to the SW corner of 23-18s-24w - Now go 1 mile N on P Rd to 150 Rd and ingress stake East into - Now go 0.7 miles E on 150 Rd/gravel lease road to ingress stake South into - Now go approximately 355' S through wheat stubble into staked location.

Final ingress must be verified with land owner or Operator.







January 04, 2011

Klee R. Watchous Palomino Petroleum, Inc. 4924 SE 84TH ST NEWTON, KS 67114-8827

Re: Drilling Pit Application Ummel Brothers Trust 1 NE/4 Sec.23-18S-24W Ness County, Kansas

Dear Klee R. Watchous:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit within 96 hours of completion of drilling operations. Keep pits on northside of stake.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

A copy of this letter should be posted in the doghouse along with the approved Intent to **Drill**. If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.