

| For KCC | Use: | |
|------------|--------|--|
| Effective | Date: | |
| District # | | |
| SGA? | Yes No | |

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1052292

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL

| • | Surface Owner Notification Act, MUST be submitted with this form. | | |
|---|--|--|--|
| Expected Spud Date: | Spot Description: | | |
| o.a udy you. | Sec Twp S. R E | | |
| OPERATOR: License# | 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 Gas Storage Pool Ext. Air Rotary | Water well within one-quarter mile: | | |
| Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable | Public water supply well within one mile: | | |
| Seismic ;# of Holes Other | Depth to bottom of fresh water: | | |
| Other: | Depth to bottom of usable water: | | |
| | Surface Pipe by Alternate: I III | | |
| 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? Yes No | Well Farm Pond Other: | | |
| If Yes, true vertical depth: | DWR Permit #: | | |
| Bottom Hole Location: | (Note: Apply for Permit with DWR) | | |
| KCC DKT #: | Will Cores be taken? | | |
| | If Yes, proposed zone: | | |
| A E. | EIDAV/IT | | |
| | FIDAVIT | | |
| The undersigned hereby affirms that the drilling, completion and eventual plu | agging of this well will comply with K.S.A. 55 et. seq. | | |
| It is agreed that the following minimum requirements will be met: | | | |
| Notify the appropriate district office <i>prior</i> to spudding of well; | | | |
| 2. A copy of the approved notice of intent to drill shall be posted on each | 9 ° 0' | | |
| The minimum amount of surface pipe as specified below shall be set through all unconsolidated materials plus a minimum of 20 feet into th | | | |
| 4. If the well is dry hole, an agreement between the operator and the dis | | | |
| 5. The appropriate district office will be notified before well is either plugg | , | | |
| 6. If an ALTERNATE II COMPLETION, production pipe shall be cemente | d 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 | | |
| must be completed within 30 days of the spud date or the well shall be | e plugged. In all cases, NOTIFY district office prior to any cementing. | | |
| | | | |
| | | | |
| ubmitted Electronically | | | |
| For KCC Hos ONLY | Remember to: | | |
| For KCC Use ONLY | - File Certification of Compliance with the Kansas Surface Owner Notification | | |
| API # 15 | Act (KSONA-1) with Intent to Drill; | | |
| Conductor pipe requiredfeet | - File Drill Pit Application (form CDP-1) with Intent to Drill; | | |
| Minimum surface pipe requiredfeet per ALT. | - 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; | | |
| Approved by: | - Notify appropriate district office 46 flours prior to workover of re-entry, - Submit plugging report (CP-4) after plugging is completed (within 60 days); | | |
| This authorization expires: | Obtain written approval before disposing or injecting salt water. | | |
| (This authorization void if drilling not started within 12 months of approval date.) | - Oblain Willen approval before disposing or infecting sail water. | | |

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: | | |
| | | |

m

Side Two



SEWARD CO. 3390' FEL

| 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: |
|---|---|
| _ease: | feet from N / S Line of Section |
| Nell Number: | feet from E / W Line of Section |
| Field: | SecTwpS. R 🗌 E 🔲 W |
| Number of Acres attributable to well: | is Section. Negulai of Integulai |
| | If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW |
| lease roads, tank batteries, pipelines and electrical lines, as | PLAT lest lease or unit boundary line. Show the predicted locations of sequired by the Kansas Surface Owner Notice Act (House Bill 2032). la separate plat if desired. ft. |
| | LEGEND |
| •••••••••••••••••••••••••••••••••••••• | O Well Location Tank Battery Location Pipeline Location Electric Line Location Lease Road Location |
| 36 | EXAMPLE |
| | |
| | 1980' FSL |
| | |

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

1052292

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 Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit is: Proposed If Existing, date continue prit capacity: | Existing nstructed: (bbls) | SecTwpR East WestFeet from North / South Line of SectionFeet from East / West Line of SectionCounty |
| Is the pit located in a Sensitive Ground Water A | rea? Yes | No | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) |
| Is the bottom below ground level? | Artificial Liner? | No | How is the pit lined if a plastic liner is not used? |
| Pit dimensions (all but working pits): | Length (fee | et) | Width (feet) N/A: Steel Pits |
| If the pit is lined give a brief description of the li material, thickness and installation procedure. | om ground level to dee | Describe proce | dures for periodic maintenance and determining any special monitoring. |
| | | Depth to shallo Source of infor | west fresh water feet. mation: |
| feet Depth of water well | feet | measured | well owner electric log KDWR |
| Emergency, Settling and Burn Pits ONLY: Producing Formation: Number of producing wells on lease: Barrels of fluid produced daily: Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Submitted Electronically | | Type of materia Number of work Abandonment p Drill pits must b | over and Haul-Off Pits ONLY: all utilized in drilling/workover: king pits to be utilized: procedure: de closed within 365 days of spud date. |
| | KCC | OFFICE USE O | NLY |
| Date Received: Permit Num | ber: | | Liner Steel Pit RFAC RFAS t Date: Lease Inspection: Yes No |



Kansas Corporation Commission Oil & Gas Conservation Division

1052292

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 (C | Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application) |
|--|--|
| OPERATOR: License # | Well Location: |
| Name: | SecTwpS. R |
| Address 1: | County: |
| Address 2: | Lease Name: Well #: |
| City: State: Zip:+ | If filing a Form T-1 for multiple wells on a lease, enter the legal description of |
| Contact Person: | the lease below: |
| Phone: () Fax: () | |
| Email Address: | |
| Surface Owner Information: | |
| Name: | When filing a Form T-1 involving multiple surface owners, attach an additional |
| Address 1: | sheet listing all of the information to the left for each surface owner. Surface 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: State: Zip:+ | |
| the KCC with a plat showing the predicted locations of lease roads, tank | dic Protection Borehole Intent), you must supply the surface owners and batteries, pipelines, and electrical lines. The locations shown on the plat in the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted. |
| Select one of the following: | |
| owner(s) of the land upon which the subject well is or will be loc CP-1 that I am filing in connection with this form; 2) if the form be form; and 3) my operator name, address, phone number, fax, and I have not provided this information to the surface owner(s). I ack KCC will be required to send this information to the surface owner(s). | cknowledge that, because I have not provided this information, the rner(s). To mitigate the additional cost of the KCC performing this |
| task, I acknowledge that I am being charged a \$30.00 handling 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 |
| Submitted Electronically | _ |



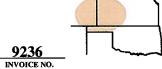
Pro-Stake LLC

Oil Field & Construction Site Staking

P.O. Box 2324

Garden City, Kansas 67846 Office/Fax: (620) 276-6159

Cell: (620) 272-1499



Palomino Petroleum Inc.

Trego County, KS

AUTHORIZED BY:

COUNTY

36 15s

LEASE NAME 1231' FNL - 1960' FEL

LOCATION SPOT

#1 Keller

1" =1000 SCALE: Feb. 4th, 2011 DATE: Ben R. MEASURED BY: Luke R. DRAWN BY: Klee W.

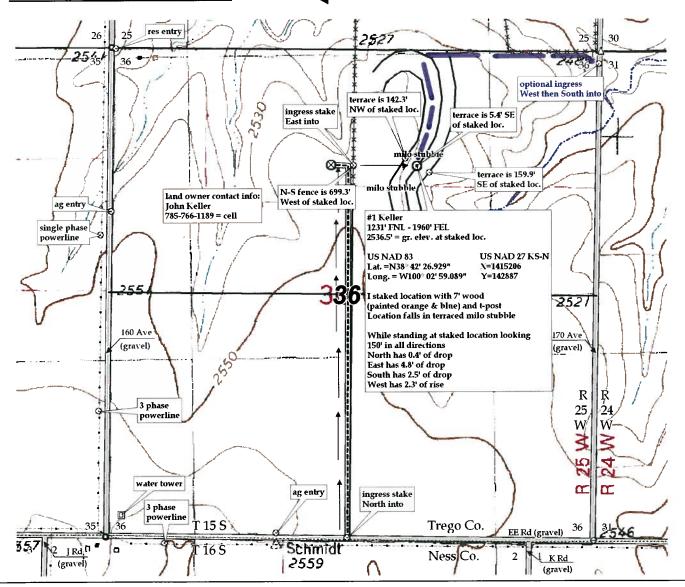
This drawing does not constitute a monumented survey or a land survey plat

This drawing is for construction purposes only

GR. ELEVATION: <u>2536.5</u>

Directions: From the South side of Arnold Ks. at the intersection of Main St and Hwy 4 - Now go 4 miles North on Main St/ K Rd, (approx. 0.1 mile West of the SE corner of section 36-15s-25w) - Now go 0.4 mile West on EE Rd to ingress stake North into -Now go 0.8 mile North on trail to ingress stake East into - Now go 700' East through terraced milo stubble into staked location.

Final ingress must be verified with land owner or **Operator**





Trego County, KS

AUTHORIZED BY:.

COUNTY

Pro-Stake LLC

Oil Field & Construction Site Staking

P.O. Box 2324

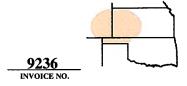
15s

Twp.

36

Garden City, Kansas 67846 Office/Fax: (620) 276-6159

Cell: (620) 272-1499



Palomino Petroleum Inc.

OPERATOR

25w

LEASE NAME 1231' FNL - 1960' FEL

#1 Keller

LOCATION SPOT

SCALE: 1" = 1000'

DATE: Feb. 4th, 2011

MEASURED BY: Ben R.

DRAWN BY: Luke R.

Klee W.

This drawing does not constitute a monumented survey or a land survey plat

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