

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1066824

March 2010 This Form must be Typed Form must be Signed All blanks must be Filled

Form CP-1

| | WELL PLUGGING APPLICATION |
|--------------|--|
| Earm KEONA 1 | Contification of Compliance with the Kanaca Surface Owner Natification Act |

| OPERATOR: License #: | API No. 15 |
|--|--|
| Name: | If pre 1967, supply original completion date: |
| Address 1: | Spot Description: |
| | Sec. Twp S. R. Fast West |
| Address 2: | Feet from North / South Line of Section |
| City: State: Zip: + _ | Feet from East / West Line of Section |
| Contact Person: | Footages Calculated from Nearest Outside Section Corner: |
| Phone: () | NE NW SE SW |
| | County: |
| | Lease Name: Well #: |
| Check One: Oil Well Gas Well OG D&A | Cathodic Water Supply Well Other: |
| SWD Permit #: ENHR Perm | it #: Gas Storage Permit #: |
| Conductor Casing Size: Set at: | Cemented with: Sacks |
| Surface Casing Size: Set at: | Cemented with: Sacks |
| Production Casing Size: Set at: | Cemented with: Sacks |
| List (ALL) Perforations and Bridge Plug Sets: | |
| Condition of Well: Good Poor Junk in Hole Casing Leak at: Proposed Method of Plugging (attach a separate page if additional space is needed): Is Well Log attached to this application? Yes No Is ACO-1 filed? If ACO-1 not filed, explain why: | (Interval) |
| Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and Company Representative authorized to supervise plugging operations: | nd the Rules and Regulations of the State Corporation Commission |
| Address: | City: State: Zip: + |
| Phone: () | |
| Plugging Contractor License #: | Name: |
| | |
| | Address 2: |
| Address 1: | Address 2: State: Zip: + |
| Address 1: | State: Zip: + |

Submitted Electronically



KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1066824

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

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

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: | | |
|----------------------------------|--|--|--|
| Name: | | | |
| Address 1: | County: | | |
| Address 2: | Lease Name: Well #: | | |
| City: 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 owner information can be found in the records of the register of deeds for the | | |
| Address 1: | | | |
| Address 2: | county, and in the real estate property tax records of the county treasurer. | | |
| City: State: Zip:+ | | | |

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- □ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

Submitted Electronically

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| Form | CP1 - Well Plugging Application |
|-----------|---------------------------------|
| Operator | Palomino Petroleum, Inc. |
| Well Name | THYFAULT 1 |
| Doc ID | 1066824 |

Perforations And Bridge Plug Sets

| Perforation Top | Perforation Base | Formation | Bridge Plug Depth |
|-----------------|------------------|--------------|-------------------|
| 3214 | 3218 | LKC | |
| 3421 | 3427 | Conglomerate | |

Conservation Division Finney State Office Building 130 S. Market, Rm. 2078 Wichita, KS 67202-3802



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Mark Sievers, Chairman Ward Loyd, Commissioner Thomas E. Wright, Commissioner Sam Brownback, Governor

November 04, 2011

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

Re: Plugging Application API 15-163-23525-00-00 THYFAULT 1 NE/4 Sec.05-08S-20W Rooks County, Kansas

Dear Klee R. Watchous:

This letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113(b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit in accordance with K.A.R. 82-3-600.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well. This notice in no way constitutes authorization to plug the above well by persons not having legal rights of ownership or interest in the well.

This notice is void after May 02, 2012. The CP-1 filing does not bring the above well into compliance with K.A.R 82-3-111 with regard to the Commission's temporary abandonment requirements.

Sincerely, Production Department Supervisor

cc: District 4

(785) 625-0550