

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

#### KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1076808

Form C-1

March 2010

Form must be Typed

Form must be Signed

All blanks must be Filled

# NOTICE OF INTENT TO DRILL

	re (5) days prior to commencing well s Surface Owner Notification Act, MUST be submitted with this form.		
Expected Stud Date:	Spot Description:		
Expected Spud Date:	·		
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: State: Zip: +	County:		
Contact Person:	Lease Name: Well #:		
Phone:	Field Name:		
CONTRACTOR: License#	Is this a Prorated / Spaced Field?		
Name:	Target Formation(s):		
Mall Deillad Fare Mall Class. Time Facilinascut.	Nearest Lease or unit boundary line (in footage):		
Well Drilled For: Well Class: Type Equipment:	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:  Yes No		
Disposal Wildcat Cable			
Seismic ; # of Holes Other	Depth to bottom of fresh water:		
Other:	Depth to bottom of usable water:		
If OWWO: old well information as follows:	Surface Pipe by Alternate: III		
II OVVVO. Old Well IIIIOTTIation 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:	( <b>Note</b> : Apply for Permit with DWR )		
KCC DKT #:	Will Cores be taken?		
	If Yes, proposed zone:		
	FIDAVIT		
The undersigned hereby affirms that the drilling, completion and eventual pl	lugging of this well will comply with K.S.A. 55 et. seq.		
It is agreed that the following minimum requirements will be met:			
1. Notify the appropriate district office <i>prior</i> to spudding of well;			
2. A copy of the approved notice of intent to drill <b>shall be</b> posted on each	ch drilling rig;		
3. The minimum amount of surface pipe as specified below shall be se			
through all unconsolidated materials plus a minimum of 20 feet into the			
, , ,	strict office on plug length and placement is necessary prior to plugging;		
5. The appropriate district office will be notified before well is either plug			
	ed 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		
•	re plugged. <i>In all cases, NOTIFY district office</i> prior to any cementing.		
must be completed within so days of the spud date of the well shall b	o plugged. In an eases, North T district office prior to any contenting.		
Submitted Electronically			
Submitted Electronically			
For MCC Line 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 ALTIII	- File Completion Form ACO-1 within 120 days of spud date;		
	- File acreage attribution plat according to field proration orders;		
Approved by:	Notify appropriate district office 48 hours prior to workover or re-entry;  Submit all prior separat (CR 4) after plugging in completed (within 60 days).		
This authorization expires:	- Submit plugging report (CP-4) after plugging is completed (within 60 days);		
(This authorization void if drilling not started within 12 months of approval date.)	- Obtain written approval before disposing or injecting salt water.		
	- If well will not be drilled or permit has expired (See: authorized expiration date)		

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

Agent:

 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.

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



For KCC Use ONLY	
API # 15	

#### IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

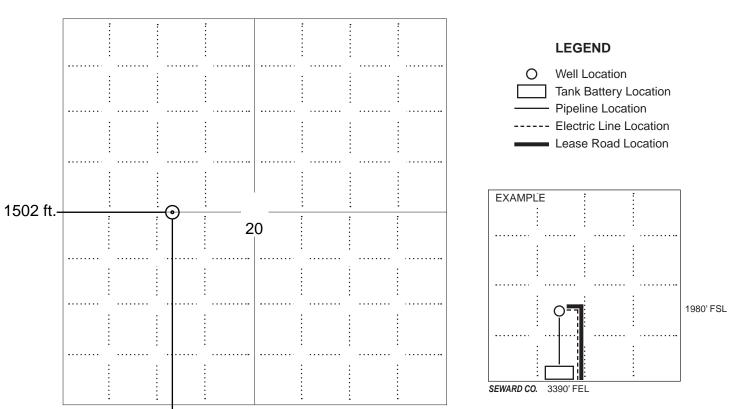
In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator:	Location of Well: County:
Lease:	feet from N / S Line of Sectionfeet from E / W Line of Section
Field:	Sec Twp S. R
Number of Acres attributable to well:	Is Section: Regular or Irregular
	If Section is Irregular, locate well from nearest corner boundary.  Section corner used: NE NW SE SW

#### **PLAT**

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032).

You may attach a separate plat if desired.



NOTE: In all cases locate the spot of the proposed drilling locaton.

#### 2632 ft.

#### 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

076808

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:	Pit is:		
Emergency Pit Burn Pit	Proposed Existing		SecTwpR
Settling Pit Drilling Pit	If Existing, date co	nstructed:	Feet from North / South Line of Section
Workover Pit Haul-Off Pit	Pit capacity:		Feet from East / West Line of Section
(If WP Supply API No. or Year Drilled)		(bbls)	County
Is the pit located in a Sensitive Ground Water A	rea? Yes	No	Chloride concentration: mg/l
To the processing in a content of country training			(For Emergency Pits and Settling Pits only)
Is the bottom below ground level?  Yes No	Artificial Liner?  Yes  N	No	How is the pit lined if a plastic liner is not used?
			Martin (foot)
Pit dimensions (all but working pits):	Length (feet)	,	Width (feet) N/A: Steel Pits No Pit
If the pit is lined give a brief description of the li			dures for periodic maintenance and determining
material, thickness and installation procedure.			cluding any special monitoring.
Distance to nearest water well within one-mile of pit:		Depth to shallo Source of inforr	west fresh water feet. nation:
feet Depth of water wellfeet		measured	well owner electric log KDWR
Emergency, Settling and Burn Pits ONLY:		Drilling, Work	ver and Haul-Off Pits ONLY:
Producing Formation:		Type of materia	l utilized in drilling/workover:
Number of producing wells on lease:		Number of worl	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? Yes No		Drill nite must h	e closed within 365 days of spud date.
now into the pit?			
Submitted Electronically			
KCC OFFICE USE ONLY			
			Liner Steel Pit RFAC RFAS
Date Received: Permit Num	ber:	Permi	t Date: Lease Inspection: Yes No



#### Kansas Corporation Commission Oil & Gas Conservation Division

1076808

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 (CB-1)	Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)		
OPERATOR: License #	Well Location:		
Name:	SecTwpS. R East		
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 a			
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:			
the KCC with a plat showing the predicted locations of lease roads, tank	dic Protection Borehole Intent), you must supply the surface owners and k 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.		
☐ 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 to CP-1 that I am filing in connection with this form; 2) if the form to form; and 3) my operator name, address, phone number, fax, at ☐ I have not provided this information to the surface owner(s). I at KCC will be required to send this information to the surface owner(s).	cknowledge that, because I have not provided this information, the vner(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			

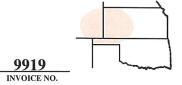


Oil Field & Construction Site Staking

## P.O. Box 2324

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

Cell: (620) 272-1499



Palomino Petroleum

Ness County, KS

COUNTY

OPERATOR

a031712-b

20 17s 23w
Sec. Twp. Rng.

#1 ND LEASE NAME

2664'FNL – 1502'FWL (2632' FSL)

LOCATION SPOT

SCALE: 1" =1000'

DATE STAKED: Mar. 16<sup>th</sup>, 2012

MEASURED BY: Ben R.

DRAWN BY: Luke R.

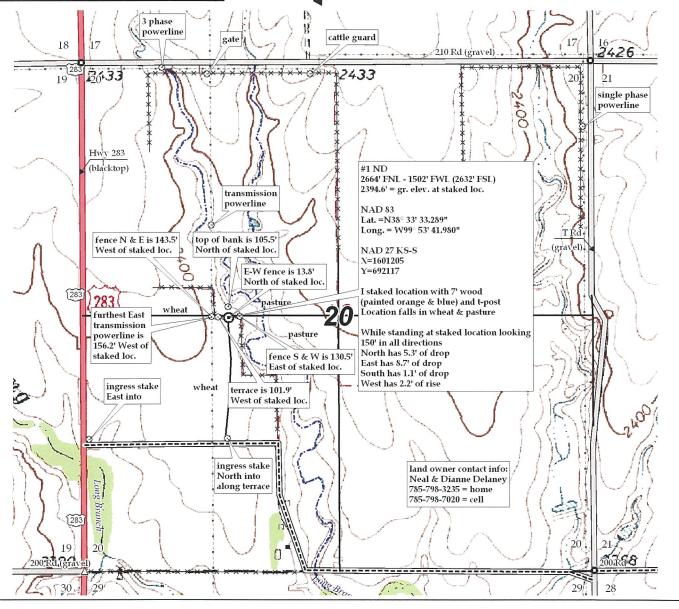
AUTHORIZED BY: Klee W.

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

This drawing is for construction purposes only.

GR. ELEVATION: 2394.6°

**Directions:** From the center of Ness City, Ks at the intersection of Hwy 96 & Hwy 283 – Now go 6.9 miles North on Hwy 283 to the SW corner of section 20-17s-23w – Now go 0.3 mile North on Hwy 283 to ingress stake East into – Now go 0.3 mile East on trail to ingress stake North into – Now go approx. 1310' North through terraced wheat into staked location.



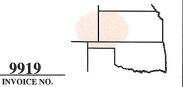


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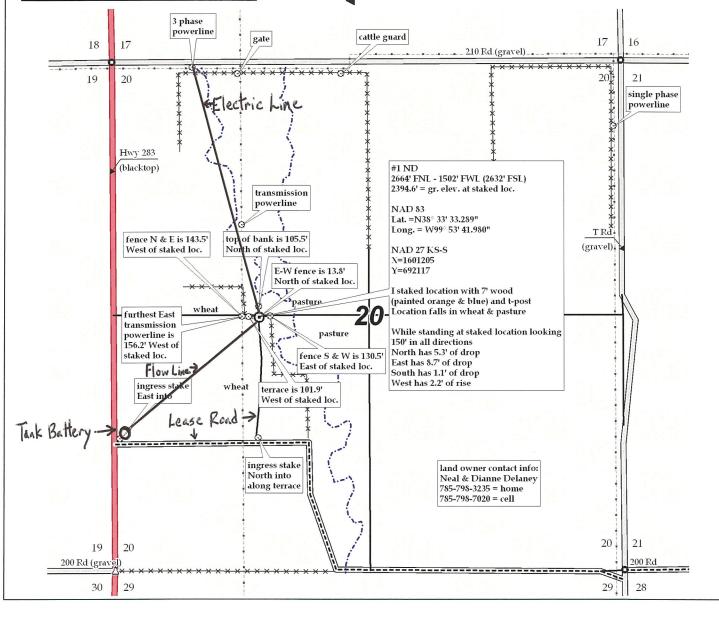
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#### **CONSENT TO UNITIZE AGREEMENT**

LESSORS: Neal E. Delaney and Dianne M. Delaney, his wife

LESSEE: Palomino Petroleum, Inc.

ACREAGE: NW/4; SW/4 Section 20-17S-23W

**COUNTY:** NESS COUNTY, KS **DATE:** February 16, 2012

The undersigned hereby consent to unitize NW/4 Sec. 20-17S-23W (Ness County, KS) with SW/4 Sec. 20-17S-23W (Ness County, KS) in accordance with the base leases signed on May 11<sup>th</sup>, 2006 (Book 301, Pages 733, 735); as extended effective May 11<sup>th</sup>, 2008 (Book 315, Pages 517, 518); and as extended effective May 11<sup>th</sup>, 2010 (Book 331, Pages 579, 580).

It is agreed that in the event a producing well is drilled on leased acreage, all but an eighty (80) acre unit around said producing well shall be released by Lessee at the end of the primary term. If such a producing well is drilled on leased acreage it is further agreed that Lessee will be afforded the opportunity to secure a lease extension on that portion of the NW/4; SW/4 and SE/4 Sec. 20-17S-23W (Ness County, KS) that is not held by production. Such lease extension shall be granted for two (2) years effective 5/11/12 at a mutually acceptable lease bonus rate.

New Od O Somet	7-16-12
leal E. Delaney	Date

Dianne M. Delaney 2.16.12

Dianne M. Delaney Date

STATE OF KANSAS, COUNTY OF NESS, ss:

IN WITNESS WHEREOF, I have hereunto set my hand the day and year last above written.

NOTARY PUBLIC - Wesley L. Penner, Jr.

My commission expires: 3/09/14

WESLEY L. PENNER, JR.
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 3/9/14

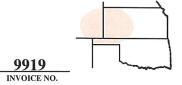


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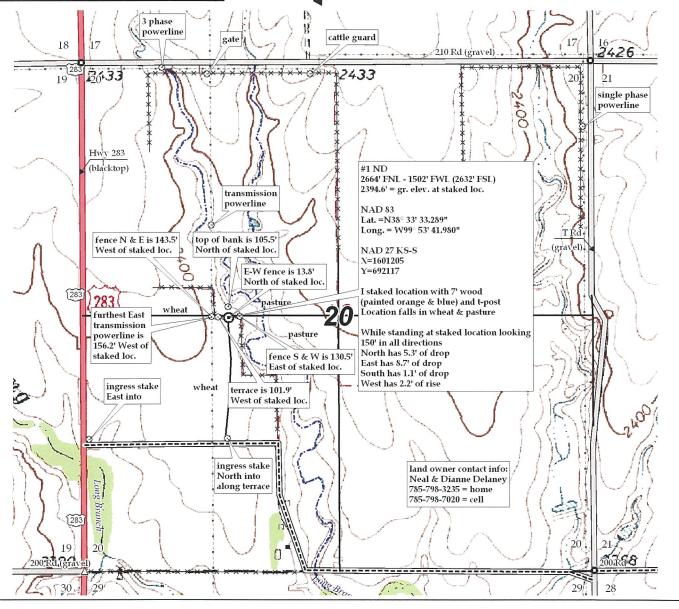
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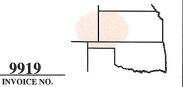


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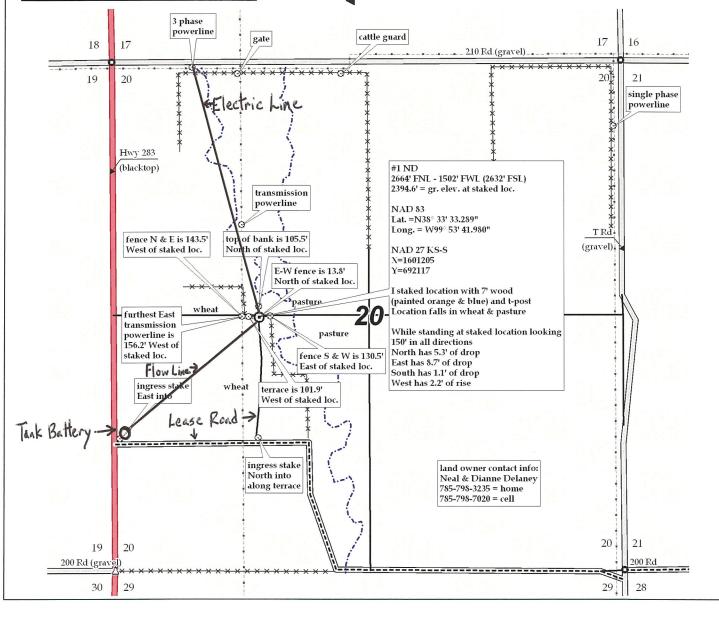
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