

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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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	
ODERATOR, Licensett	(Q/Q/Q/Q) feet from N / S Line of Section
OPERATOR: License# Name:	feet from E / W Line of Section
Address 1:	Is SECTION: Regular Irregular?
Address 2:	
City: State: Zip: +	(Note: Locate well on the Section Plat on reverse side)
Contact Person:	County:
Phone:	Lease Name: Well #:
CONTRACTOR: License II	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):
Oil Enh Rec Infield Mud Rotary	Ground Surface Elevation:feet MSI
Gas Storage Pool Ext. Air Rotary	Water well within one-quarter mile:
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 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? 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? Yes No
	If Yes, proposed zone:
ΔΕΕ	IDAVIT
	TIDAVIT
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Spud 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.

perator:						_ LO	cation of vv	eli: Cour	nty:				
ase:									fee	et from	N /	S Line	of Section
ell Number:									fee	et from	E /	W Line	of Section
d:				_ Se	SecTwpS. R 🗌 E 📗 W								
ımber of Acres attr						IS (Section:	Regu	ular or] Irregular			
	-					If S	Section is ction corne	_	r, locate we	II from nea		ner boun	dary.
				d electrica You m	al lines, as ay attach a	required b		as Surfac	Show the p ce Owner N				
	: :	: :	: : :	864	2 ft.	:	: •						
	:	:	:		:	:	:			LEGEN	ND		
				<u> </u>				_ 230	5 ft	Well Loo Tank Ba Pipeline Electric Lease F	attery Lo Locati Line Lo	on ocation	
			:				•		EXAMPLE	<u> </u>			
	:	:	1	7 	:	:						,	
	· :	•			· :	·				:			
	: :	: :	: :		: :	: :				?			1980' FSL
	:	:			: :	· · · · · · · · · · · · · · · · · · ·							
	:	:	•		:	:			SEWARD CO.	3390' FEL			

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

92022 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:	Existing	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?	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.	itei		dures for periodic maintenance and determining ncluding any special monitoring.		
Distance to nearest water well within one-mile of	of pit:	Depth to shallo	west fresh water feet. mation:		
feet Depth of water well	feet	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 working pits to be utilized:			
Barrels of fluid produced daily:		Abandonment p	procedure:		
Does the slope from the tank battery allow all splow into the pit? Yes No	pilled fluids to	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

1092022

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)				
OPERATOR: License #	Well Location:				
Name:	SecTwpS. R East West				
Address 1:					
Address 2:	Lease Name: Well #:				
City: State: Zip:+	3 · · · · · · · · · · · · · · · · · · ·				
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.				
I certify that, pursuant to the Kansas Surface Owner Notice Adowner(s) of the land upon which the subject well is or will be lo CP-1 that I am filing in connection with this form; 2) if the form b form; and 3) my operator name, address, phone number, fax, are	ct (House Bill 2032), I have provided the following to the surface potential: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form the being filed is a Form C-1 or Form CB-1, the plat(s) required by this end email address. 1) cknowledge that, because I have not provided this information, the				
KCC will be required to send this information to the surface ow	ner(s). To mitigate the additional cost of the KCC performing this fee, 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-1	fee with this form. If the fee is not received with this form, the KSONA-1 1 will be returned.				
Submitted Electronically					



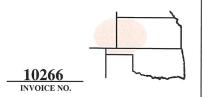
Pro-Stake LLC

Oil Field & Construction Site Staking

P.O. Box 2324

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

Cell: (620) 272-1499



Palomino Petroleum, Inc.

Ness County, KS

COUNTY

OPERATOR

071725L

Twp.

#1 Peach Grove "17" LEASE NAME

862' FNL - 2305' FEL

LOCATION SPOT

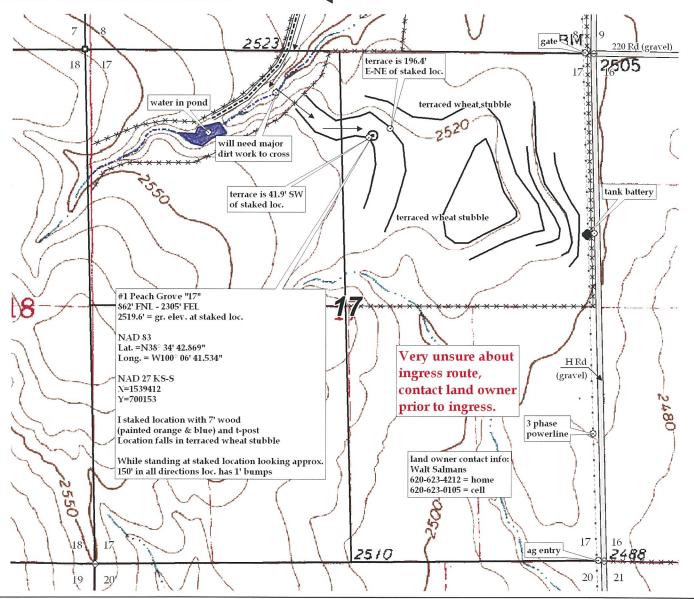
1" =1000 SCALE:_ Aug. 27th, 2012 DATE STAKED:. Luke R. MEASURED BY:_ Luke R. DRAWN BY: Klee W. AUTHORIZED BY:_

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

This drawing is for construction purposes only.

GR. ELEVATION: 2519.6'

Directions: From the SW corner of Utica, Ks at the intersection of Hwy 4 & Jackson Ave. - Now go 4 miles East on Hwy 4 – Now go 3.5 miles South on H Rd – Now go 0.9 mile SW on lease rd - Now go approx. 450' SE through pasture with cattle - Now go approx. 930' SE & East through terraced wheat stubble into staked location. Final ingress must be verified with land owner or Operator.





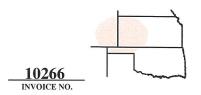
Pro-Stake LLC

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.

Ness County, KS

COUNTY

OPERATOR

071725L

PLAT NO.

#1 Peach Grove "17"

17 17s 25w

862' FNL – 2305' FEL

LOCATION SPOT

SCALE: 1" = 1000'

DATE STAKED: Aug. 27th, 2012

MEASURED BY: Luke R.

DRAWN BY: Luke R.

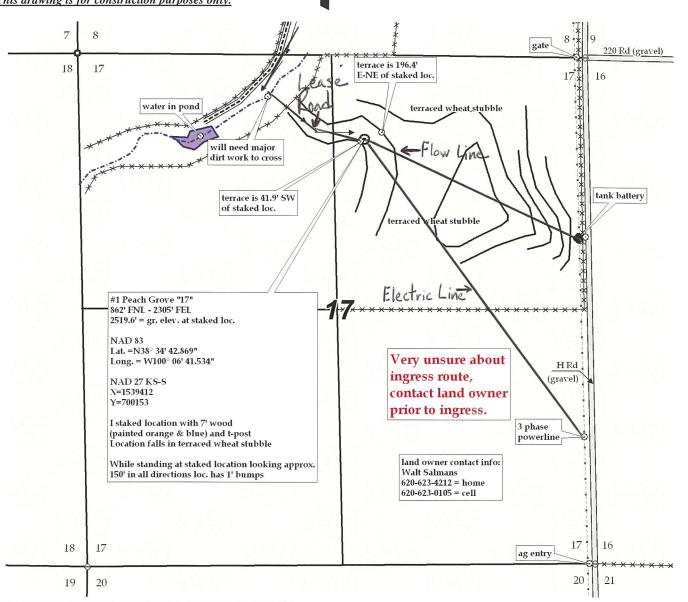
AUTHORIZED BY: Klee W.

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

This drawing is for construction purposes only.

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Directions: From the SW corner of Utica, Ks at the intersection of Hwy 4 & Jackson Ave. – Now go 4 miles East on Hwy 4 – Now go 3.5 miles South on H Rd – Now go 0.9 mile SW on lease rd – Now go approx. 450' SE through pasture with cattle – Now go approx. 930' SE & East through terraced wheat stubble into staked location. **Final ingress must be verified with land owner or Operator.**



Marie British	· CALL AND ALL	GAS LEASE		www.kbp.com · kbp@kbp.com
SEVI)	20th	October		2009
**CREEMENT, Made and entered into the	day of			
nd between	Gwendolyn C. Sali William Robert S			
40 03	WIIIIam Robert 5	Lutz 31.		
116000000000000000000000000000000000000				
RR 1, Box	46 Utica, Kansas	67584	Ni Mar - sallad	Lessor (whether one or mor
ose mailing address is	Petroleum Inc.		nereinaiter caneu	Lessor (whether one or mo.
				, hereinafter caller Less
Lessor, in consideration of	ids, and air into subsurface strata, layi	ng pipe lines, storing oil, building	tanks, power stations, teleph ns, gases and their respective her with any reversionary rig	one lines, and other structur
rein situated in County of				
	Township 17 South	, Range 25 West		
	Section 17: NE/4			
Section Township	Range	and containing	160	acres, more or less, and
etions thereto.	ship large shall remain in force for a	term of Three (3)	om this date (called "primary	term"). and as long theres
il, liquid hydrocarbons, gas or other respective	constituent products, or any of them	is produced from said land or lan	d with which said land is poo	oled.
In consideration of the premises the said le lst. To deliver to the credit of lessor, free	essee covenants and agrees:	ee may connect wells on said land	the equal one-eighth (%) pa	rt of all oil produced and sa
the leased premises.				
2nd. To pay lessor for gas of whatsoever e market price at the well, (but, as to gas solo ises, or in the manufacture of products theref yyalty One Dollar (\$1.00) per year per net mi	by lessee, in no event more than of	te-eighth (%) of the proceeds recei	soing gas only is not sold or	used lessee may pay or ter
ning of the preceding paragraph.				
This lease may be maintained during the his lease or any extension thereof, the lessee s id in paying quantities, this lease shall continu ff said lessor owns a less interest in the send lessor only in the proportion which lessor.	primary term hereof without furthe hall have the right to drill such well te and be in force with like effect as i above described land than the entire interest bears to the whole and und	r payment or drilling operations. to completion with reasonable dil such well had been completed wi and undivided fee simple estate ivided fee.	If the lessee shall commence igence and dispatch, and if a thin the term of years first m therein, then the royalties he	to drill a well within the to bil or gas, or either of them entioned. Frein provided for shall be p
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Book: 327 Page: 396

Receipt #: 6062
Pages Recorded: 2
Cashier Initials: MH

Date Recorded: 10/28/2009 10:45:00 AM

BOOK 327 PAGE 398 2111110 (PRODUCER'S SPECIAL) (PAID-UP) Kansas Blue Print Reorder No. 1993) 09-115 OIL AND GAS LEASE m; 2009 20th REEMENT, Made and entered into the day of _ 150 Gwendolyn C. Salmans beween 1 William Robert Stutz Sr. RR 1, Box 46 Utica, Kansas 67584 hereinafter called Lessor (whether one or more). whose mailing address is _ Palomino Petroleum Inc. Dollars (\$ One (1.00) One and More _) in hand paid, receipt of which sively unto lessee for the purpose Lessor, in consideration of OTO UNION TO LESSOR DOLLARS (SOUTH CLEVO) In hand paid, receipt of which is here acknowledged and of the royalities herein provided and of the agreements of the lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases, and their respective constituent products, injecting gas, water, other fluids, and air into subsurface strata, laying pipe lines, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transports aid oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, Kansas described as follows to-wit: State of therein situated in County of _ Township 17 South, Range 25 West Section 17: NW/4 160 and containing _ _ Township _ Range In Section accretions thereto.

Subject to the provisions herein contained, this lease shall remain in force for a term of Three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled. In consideration of the premises the said lessee covenants and agrees: 1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (%) part of all oil produced and saved from the leased premises. 2nd. To pay lessor for gas of whatsoever nature or kind produced and sold, or used off the premises, or used in the manufacture of any products therefrom, one-eighth (1/6) at the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/6) of the proceeds received by lessee from such sales), for the gas sold, used off the premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (31.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph. This lease may be maintained during the primary term hereof without further payment or drilling operations. If the lessee shall commence to drill a well within the term of this lease or any extension thereof, the lessee shall have the right to drill such well to completion with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned. If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid the said lessor only in the proportion which lessor's interest bears to the whole and undivided fee. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessee's operation thereon, except water from the wells of lessor. When requested by lessor, lessee shall bury lessee's pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of lessor Lessee shall pay for damages caused by lessee's operations to growing crops on said land Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing. If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment. Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered. All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and the undersigned lessors, for themselves and their heirs, successors and assigns, hereby surrender and release all right of dower and homestead in the premises described herein, in so far as said right of dower and homestead may in any way affect the purposes for which this lesse is made, as recited herein. as said right of dower and homestead may in any way affect the purposes for which this lease is made, as recited herein.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in lessee's judgment it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of tracts contiguous to one another and to be into a unit or units not exceeding 40 acres each in the event of a gas well. Lessee shall execute in writing and record in the conveyance records of the county in which the land herein leased is situated an instrument identifying and describing the pooled acres. The entire acresge so the county in which the land herein leased is situated an instrument identifying and describing the pooled entered in this lease. The entire acresge is found on the pooled acreage, it shall be treated, for all purposes except, the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties in specified, leasor shall receive on production from a unit so pool only such portion of the royalty situated herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved. Lessee agrees to restore the surface to its original contour and condition as nearly as practicable. Acreage covered by this lease shall only be pooled (unitized) with other lands owned

by Lessor unless written permission is granted by Lessor.

Lessee shall pay a minimum of \$1,500.00 damages per well site in the event a well is drilled on leased acreage.

IN WITNESS WHEREOF, the undersigned execute this instrument as o	f the day and year first above written.
Hvendolyn C. Salman	willia Tabo A Stul S.
Gwendolyn C. Salmans	William Robert Stutz Sr
	of Kansas - Ness County :: 327 Page: 398 Recording Fee: \$12.00

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