

For KCC	Use:	
Effective	Date:	
District #	<u> </u>	
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	Sec Twp S. R F W
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):
Well Drilled For: Well Class: Type Equipment:	Nearest Lease or unit boundary line (in footage):
7,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Ground Surface Elevation:feet MSL
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile:
Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable	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 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:
AFF	IDAVIT
The undersigned hereby affirms that the drilling, completion and eventual plu	gging 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;	
 A copy of the approved notice of intent to drill shall be posted on each 	drilling rig:
3. The minimum amount of surface pipe as specified below shall be set to	0 0,
through all unconsolidated materials plus a minimum of 20 feet into the	· ·
4. If the well is dry hole, an agreement between the operator and the district.	, , , , , , , , , , , , , , , , , , , ,
 The appropriate district office will be notified before well is either plugg If an ALTERNATE II COMPLETION, production pipe shall be cemented 	
	33,891-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	plugged. In all cases, NOTIFY district office prior to any cementing.
ubmitted Electronically	
	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;
	- File Drill Pit Application (form CDP-1) with Intent to Drill;
Conductor pipe requiredfeet	
Conductor pipe required	- File Completion Form ACO-1 within 120 days of spud date;
Minimum surface pipe requiredfeet per ALTIII	- File acreage attribution plat according to field proration orders;

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.

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



SEWARD CO. 3390' FEL

For KCC Use ONLY	
API # 15	

Operator: _

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.

Location of Well: County: _

Lease:				feet from N	/ S Line of Section
Well Numb	oer:			feet from E	/ W Line of Section
Field:			Sec	_ Twp S. R	_
		o well:		Regular or Irregular	
			If Section is In Section corner	regular, locate well from neares used: NE NW SE	sw
	Show location	on of the well. Show footage to th	PLAT ne nearest lease or unit bounda	ary line. Show the predicted locatio	ons of
		atteries, pipelines and electrical l		s Surface Owner Notice Act (Hous	
				LEGEND	
				O Well Locati Tank Batte Pipeline Locati	ry Location
				Electric Lin	e Location
1662 ft				EXAMPLE :	
		18			
	:		: :	<u> </u>	

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

02258 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 Existing If Existing, date constructed: Pit capacity: (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.
Distance to nearest water well within one-mile of pit:		Depth to shallo Source of infor	west fresh water feet. mation:
feet Depth of water wellfeet		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 s 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

1102258

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.

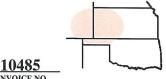
Select the corresponding form being filed: C-1 (Intent) CB-1 (CB-1)	Cathodic Protection Borehole Intent)		
OPERATOR: License #	Well Location:		
Name:	SecTwpS. R		
Address 1:			
Address 2:	Lease Name: Well #:		
City: State: Zip:+	If filing a Form T-1 for multiple wells on a lease, enter the legal description 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:	- Owner information can be found in the records of the register of deeds for the		
Address 2:			
City: State: Zip:+			
the KCC with a plat showing the predicted locations of lease roads, tank are preliminary non-binding estimates. The locations may be entered or	dic Protection Borehole Intent), you must supply the surface owners and a 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.		
owner(s) of the land upon which the subject well is or will be loce CP-1 that I am filing in connection with this form; 2) if the form the form; and 3) my operator name, address, phone number, fax, and I have not provided this information to the surface owner(s). I an KCC will be required to send this information to the surface owner(s).	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 T-1, or Form being filed is a Form C-1 or Form CB-1, the plat(s) required by this and email address. cknowledge that, because I have not provided this information, the wner(s). To mitigate the additional cost of the KCC performing this I 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-	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

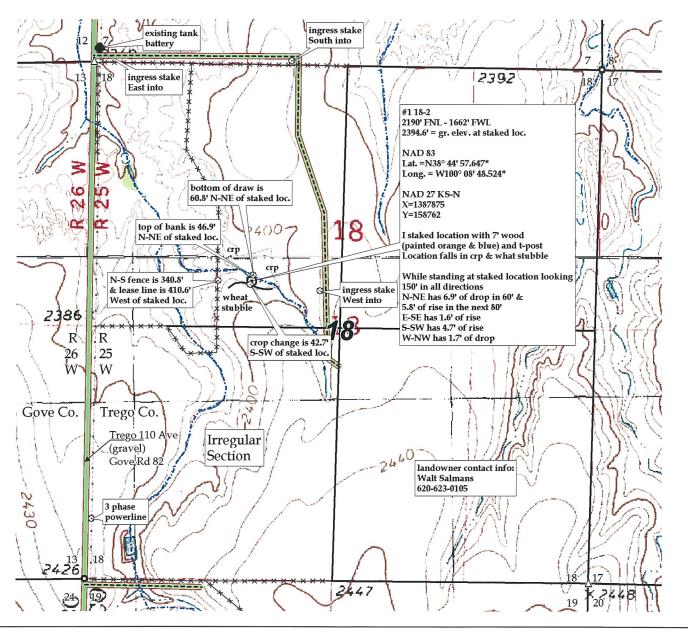
P.O. Box 2324 Garden City, Kansas 67846 Office/Fax: (620) 276-6159 Cell: (620) 272-1499



a071525bar PLAT NO.

INVOICE NO.

Palomino Petroleum Inc. #1 18-2 OPERATOR LEASE NAME 2190' FNL - 1662' FWL Trego County, KS 18 **15s** LOCATION SPOT COUNTY GR. ELEVATION: 1"=1000 SCALE: **Directions**: From the SW side of Utica, KS, at the intersection of Nov. 12th, 2012 DATE STAKED: Hwy 4 & Jackson Ave/D Rd - Now go 1 mile East on Hwy 4 -Ben R. Now go 4 miles North on E Rd – Now go approx. 200' East on MEASURED BY: County Line Rd - Now go 4 miles North on 82 Rd/110 Ave to the Luke R. DRAWN BY: NW corner of section 18-15s-25w to ingress stake East into – Now AUTHORIZED BY: Klee W. & Nick G. go 0.4 mile East on trail to ingress stake South into - Now go 0.4 mile South on trail to ingress stake West into – Now go approx. This drawing does not constitute a monumented survey or a 770' West through crp into staked location. land survey plat. Final ingress must be verified with land owner or Operator. This drawing is for construction purposes only.



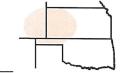


Pro-Stake LLC

Oil Field & Construction Site Staking

P.O. Box 2324 Garden City, Kansas 67846 Office/Fax: (620) 276-6159 Cell: (620) 272-1499

10485 INVOICE NO.



a071525bar

Palomino Petroleum Inc. #1 18-2 OPERATOR LEASE NAME 2190' FNL – 1662' FWL Trego County, KS 18 15s 25w LOCATION SPOT COUNTY GR. ELEVATION: 1"=1000 SCALE: Directions: From the SW side of Utica, KS, at the intersection of Nov. 12th, 2012 Hwy 4 & Jackson Ave/D Rd - Now go 1 mile East on Hwy 4 -

DATE STAKED: Nov. 12th, 2012

MEASURED BY: Ben R.

DRAWN BY: Luke R.

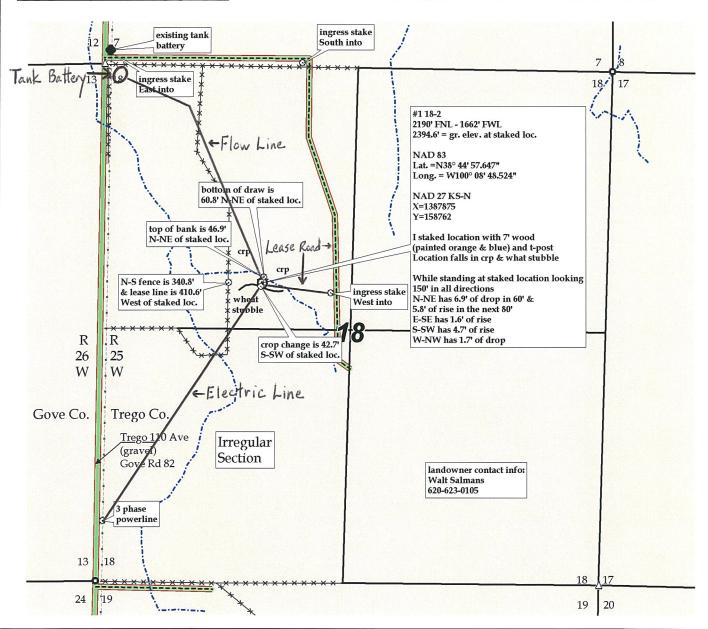
AUTHORIZED BY: Klee W. & Nick G.

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

This drawing is for construction purposes only.

Directions: From the SW side of Utica, KS, at the intersection of Hwy 4 & Jackson Ave/D Rd – Now go 1 mile East on Hwy 4 – Now go 4 miles North on E Rd – Now go approx. 200' East on County Line Rd – Now go 4 miles North on 82 Rd/110 Ave to the NW corner of section 18-15s-25w to ingress stake East into – Now go 0.4 mile East on trail to ingress stake South into – Now go 0.4 mile South on trail to ingress stake West into – Now go approx. 770' West through crp into staked location.

Final ingress must be verified with land owner or Operator.



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/

Sam Brownback, Governor

Mark Sievers, Chairman Thomas E. Wright, Commissioner Shari Feist Albrecht, Commissioner

November 26, 2012

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

Re: Drilling Pit Application 18-2 1 NW/4 Sec.18-15S-25W Trego 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 as soon as practical after drilling operations have ceased.

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 (785) 625-0550 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 (785) 625-0550.