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

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Form C-1 December 2002 Form must be Typed Form must be Signed All blanks must be Filled

Section Sect	Must be approved by KCC five	e (5) days prior to commencing well	must be rilled
Deep	Expected Spud Date		
Contry Ness Person. Gild Psys-1000 CONTRACTOR: Licenser 33350 (1:30 0/6) Well Drilled For: Well Class Type Equipment: Oil	Name: Palomino Petroleum, Inc. 4924 SE 84th St. RECEIVED	¥ 100feet from E / ✓ W Line	
Prione_G185 799-1000 CONTRACTOR: Licenses_33350 Lase Name Parkin-Davison Frenklinville Ext. Is this a Protect of Spaced Field? Target Formation(s): Mississipplian Nearest Lease or unit boundary, 640 (unit) Ground Surface Elevation. 2314 Well Drilled For. Well Widcat Seismine: 8 of Holes Other Oth	City/State/Zip: Newton, Kansas 67114-8827		fe)
Field Name: Float Marm: Floa	Contact Ferson,	County: Ness Paylu-Davison	1
Southwild Drilling, Inc. Sads Total Total Sads Total Total Sads Total Total Sads Total Total Sads Total Sads Sads Total Sads Sads Total Sads Sads Total Sads Sad		Lease Name: Franklinville Ext. Well #	t: <u>'</u>
Well Drilled For: Well Class Type Equipment: Class Type Equipment: Class Type Equipment: Class Condition Class Condition Class Condition Class C	CONTRACTOR: License# 33350 (1.30.06) Name: Southwind Drilling, Inc.	Is this a Prorated / Spaced Field?	Yes √No
Ground Surface Elevation:	Well Drilled For: Well Class: / Type Equipment:		
Gas Storage Pool Ext. Air Rotary Own		Ground Surface Elevation: 2314	feet MSL
Seismic: # of Holes Other		Water well within one-quarter mile:	
Seismic;			Yes ✓ No
Surface Pipe by Allernate:			
Length of Surface Pipe Plannend to be set: 200+ Length of Conductor Pipe required; None Projected Total Depth: Mone Projected Total Depth: Mississippian Water Source for Drilling Operations: Well Name:	Other		
Length of Conductor Pipe required: None Projected Total Depth: Associated Projected Total Depth: Projected Total Depth: Projected Total Depth:		Surface Pipe by Alternate: 1 2 2	_
Projected Total Depth: 4350 Projected Total Depth: Mississippian Mississippian Mater Source for Drilling Operations: Water Source for Drilling Operation of Operation on Source for Drilling Operation Operatio		Length of Conductor Pipe required: None	
Original Completion Date: Original Total Depth: Misslssippian Directional, Deviated or Horizontal wellbore? Yes \[\] No If Yes, true vertical depth: DWR Permit #: \[\] Water Source for Drilling Operations: \[\] Water Source for Drilling Operations: \[\] Water Source for Drilling Operations: \[\] Water Source for Drilling Operations: \[\] Water Source for Drilling Operations: \[\] Water Source for Drilling Operations: \[\] Water Source for Drilling Operations: \[\] Water Source for Drilling Operation of Suncce plant in the drilling of this well will Drilling Operation of Suncce plant in the drilling Operation of Suncce plant in the drilling Operation of Sunce plant in the t			
Water Source for Onlling Operations: Wes, true vertical depth:: Bottom Hole Location:: KCC DKT #: **Will Cores be taken?** If yes, proposed zone: **Will Cores be taken?** If yes, proposed zone: **If yes, proposed zone: **If yes, proposed zone: **If yes, proposed zone: **If yes, proposed zone: **It is agreed that the following minimum requirements will be met: 1. Notify the appropriate district office prior to spudding of well; 2. 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 through all unconsolidated materials plus a minimum of 20 feet into the underlying formation. 4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging; 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in: 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "B" - Eastem Kansas surface casing order #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 plugged. In all cases, NOTIFY district office prior to any cementing. I hereby certify that the statements made herein are true and 10 to be for my knowledge and before. Port KCC Use ONLY API # 15 - 1 3 5 - 2 4 3 5 / 0 0 0 0 1 (seet per Alt. + 2) Approved by 11 2 0 5 Signature of Operator or Agent: For KCC Use ONLY API # 15 - 1 3 5 - 2 4 3 5 / 0 0 0 0 1 (seet per Alt. + 2) Approved by 3 1 1 1 2 0 5 (seet per Alt. + 2) Approved by 4 1 2 0 5 (seet per Alt. + 2) Approved by 3 2 4 4 3 5 / 0 0 0 0 (seet per Alt. + 2) Approved by 4 1 2 0 5 (seet per Alt. + 2) Approved by 4 1 2 0 5 (seet per Alt. + 2) Approved by 4 1 2 0 5 (seet per Alt. + 2) Approved by 4 1 2 0 5 (seet per Alt. + 2) Approved by 5 4 1 2 0 5 (s		Formation at Total Depth: Mississippian	
DWR Permit #: DWR Permit with DWR			
Note: Apply for Permit with DWR Yes No	Directional, Deviated or Horizontal wellbore? Yes ✓ No	Well ✓ Farm Pond Other	
Will Cores be taken? If Yes, proposed zone: AFFIDAVIT The undersigned hereby affirms that the drilling, completion and eventual plugging 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 prior to spudding of well; 2. 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 by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation. 4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging; 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in; 6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #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 plugged. In all cases, NOTIFY district office prior to any cementing. I hereby certify that the statements made herein are true and 10 the best of my knowledge and best of the KCC District 3 area, alternate II cementing must be completed within 120 days of spud date; File Completion Form ACC-01 within 120 days of spud date; File Completion Form ACC-01 within 120 days of spud date; File acreage attribution plat according to filed proration orders; Notify appropriate district office 48 hours prior to workover or re-entry; Submit plugging report (CP-4) alter plugging is completed; Notify appropriate district office 48 hours prior to workover or re-entry; Submit plugging report (CP-4) alter plugging is completed; Notify appropriate district office 48 hours	•	DWR Permit #:	
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For KCC Use ONLY API # 15 - 135 - 2435/.00.00 Conductor pipe required None feet Minimum surface pipe required 200 feet per Alt. + (2) Approved by 12-12-05 This authorization expires: 10-12-05 (This authorization void if drilling not started within 6 months of effective date.) Spud date: April 11, 2005 Signature of Operator or Agent: Title: President Remember to: File Drill Pit Application (form CDP-1) with Intent to Drill; 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; Submit plugging report (CP-4) after plugging is completed; Obtain written approval before disposing or injecting salt water. If this permit has expired (See: authorized expiration date) please check the box below and return to the address below. Well Not Drilled - Permit Expired Signature of Operator or Agent:	 A copy of the approved notice of intent to drill shall be posted on e. The minimum amount of surface pipe as specified below shall be sthrough all unconsolidated materials plus a minimum of 20 feet into If the well is dry hole, an agreement between the operator and the The appropriate district office will be notified before well is either plus. If an ALTERNATE II COMPLETION, production pipe shall be cemel Or pursuant to Appendix "B" - Eastern Kansas surface casing order must be completed within 30 days of the spud date or the well shall 	set by circulating cement to the top; in all cases surface pipe shatthe underlying formation. district office on plug length and placement is necessary prior augged or production casing is cemented in; anted from below any usable water to surface within 120 days of ar #133,891-C, which applies to the KCC District 3 area, alternated be plugged. In all cases, NOTIFY district office prior to any office.	to plugging; spud date. te II cementing
For KCC Use ONLY API # 15 - 135 - 2435/.00.00 Conductor pipe required	Audi 44, 2005	$(\mathcal{A})\mathcal{A}(\mathcal{H})$	
For KCC Use ONLY API # 15135 - 2435/.00.00 Conductor pipe required	Date: April 11, 2005 Signature of Operator or Agent:	Title.	
API # 15 - 135 - 2435/.00.00 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. + 2 Approved b 2524-1205 This authorization expires: 10-12-05 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:	For KCC Hos ONLY		
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Minimum surface pipe required 200 feet per Alt. + 2 Approved b 25/24-12-05 This authorization expires: 10-12-05 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:	_ \\ _		ers; V
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This authorization expires: 10 12 10 12 10 12 10 12 10 12 10 10 12	Approved by 10-12 05		
Spud date: Agent: Signature of Operator or Agent:			.0000
Spud date: Agent: Signature of Operator or Agent:	(1775 admonization void it diffilling not statted within 6 months of effective date.)	Well Not Drilled - Permit Expired	
	Spud date: Agent:		\ <i>N</i>
			<u>. </u>

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15	Location of Well: County: Ness
Operator: Palomino Petroleum, Inc.	
Lease: Pavlu-Davison	feet from N / S Line of Section 100 feet from E / V W Line of Section
Well Number: 1 Field: Franklinville Ext.	Sec. 15 Twp. 19 S. R. 24 East ✓ Wes
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR / QTR / QTR of acreage: W/2 - NW - NW	If Section is Irregular, locate well from nearest corner boundary. Section corner used: NE NW SE SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

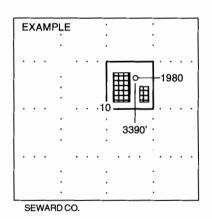
(Show footage to the nearest lease or unit boundary line.)

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RECEIVED

APR 1 2 2005

CCC WICHITA



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

NESS CO.

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 section's south / north and east / west.
- 3. The distance to the nearest lease or unit boundary line.
- 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).