

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING APPLICATION
Please TYPE Form and File ONE Copy

Form CP-1
September 2003
This Form must be Typed
Form must be Signed
All blanks must be Filled

API # 15 - 101-20,695-00-00 (Identifier Number of this well). This must be listed for wells drilled since 1967; if no API # was issued, 6/05

Indicate original spud or completion date 8/13/82

Well Operator: Palomino Petroleum, Inc (Owner / Company Name) KCC License #: 30742 (Operator's)

Address: 4924 SE 84th St City: Newton

State: KS Zip Code: 67114 Contact Phone: (316) 799-1000

Lease: Mendenhall Well #: 3 Sec. 3 Twp. 16 S. R. 27 East West

NW - NE - NE Spot Location / QQQQ County: Lane

330 Feet (in exact footage) From North / South (from nearest outside section corner) Line of Section (Not Lease Line)

990 Feet (in exact footage) From East / West (from nearest outside section corner) Line of Section (Not Lease Line)

Check One: Oil Well Gas Well D&A Cathodic Water Supply Well
 SWD Docket # _____ ENHR Docket # _____ Other: _____

Conductor Casing Size: _____ Set at: _____ Cemented with: _____ Sacks

Surface Casing Size: 8 5/8 Set at: 324 Cemented with: _____ Sacks

Production Casing Size: 5 1/2 Set at: 4492 Cemented with: 250 Sacks

List (ALL) Perforations and Bridgeplug Sets: 4425-4441

Elevation: 2562 (G.L. / K.B.) T.D.: Unknown PBTD: _____ Anhydrite Depth: _____ (Stone Corral Formation)

Condition of Well: Good Poor Casing Leak Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed): Per KCC specs

RECEIVED

MAY - 9 2005

KCC WICHITA

Is Well Log attached to this application as required? Yes No Is ACO-1 filed? Yes No Unknown

If not explain why? _____

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission.

List Name of Company Representative authorized to be in charge of plugging operations: Mike J. Fritzler, President of
Whitetail Crude, Inc

Address: P O Box 544 City / State: Ness City, KS 67560-0544

Plugging Contractor: Whitetail Crude, Inc (Company Name) KCC License #: 31627 (Contractor's)

Address: P O Box 544, Ness City, KS 67560-0544 Phone: (785) 798-3641

Proposed Date and Hour of Plugging (if known?): ASAP

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 5/6/05 Authorized Operator / Agent: Mike J. Fritzler (Signature)

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

KANSAS

CORPORATION COMMISSION

Kathleen Sebelius, Governor Brian J. Moline, Chair Robert E. Krehbiel, Commissioner Michael C. Moffet, Commissioner

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

Palomino Petroleum, Inc.
4924 SE 84th Street
Newton, KS 67114-8827

May 10, 2005

Re: MENDENHALL #3
API 15-101-20695-00-00
NWNENE 3-16S-27W, 330 FNL 990 FEL
LANE COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well.

Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

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.

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-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

District: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888

Sincerely


David P. Williams
Production Supervisor