For KCC Use: Effective Date: 8-27-06 District # 1

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

* COR Form must be Typed
Form must be Signed
Well

Expected Spud Date	September	19	2006	Spot 501	N & 10"	E of	* 20	Γ
Expected Spud Date	month	day	year				~ 20 Twp. S.	B. 24
	20742			1270			wps. ✓]N / []s	
OPERATOR: License#_	30/42 -			1970			VE/W	
Name: Palomino Petrole Address: 4924 SE 84th \$	sum, mc. St			Is SECTION		arIrreg		
Address: Newton, H	(ansas 67114-8827				_	-		
Contact Person: Klee R.	Watchous			County: Nes		well on the Sect	tion Plat on revei	'se side)
Phone: (316) 799-1000	1101011000			Lease Name:	Slagle			Well #:1
	. /			Field Name:				**CII #
CONTRACTOR: License	# 5123 V			Is this a Prora		Field?		Yes
Name: Pickrell Drilling	Company, Inc.			Target Forma				
144 17 25 214 17 25	W-# 01	-		Nearest Leas	e or unit bour	ndary: 510		
Well Drilled For:	Well Class:		e Equipment:	Ground Surfac				fee
☑ Oil ☑ Enh	늗	/	Mud Rotary	Water well wit	thin one-quart	er mile:		Yes
Gas Stor			Air Rotary	Public water s	supply well wit	thin one mile:		Yes
OWWO Disp	<u> </u>		Cable	Depth to botto				
	of Holes Other			Depth to botto	om of usable	water: <u>800</u>	<u> </u>	·
Other				Surface Pipe I				
If OWWO: old well inforr	mation as follows:			Length of Sur	rface Pipe Pla	nned to be se	et: 200+	
Operator:	.					required: No⊓€		
Well Name:				Projected Total	al Depth: 445	Micologiania	<u> </u>	
Original Completion I	Date:	Original Tot	tal Depth:			Mississippia		
Directional, Deviated or h	Jorizoptal Wallbare?		Yes ✓ No	Water Source		*		
Directional, Deviated of I	Torizoniai wendorez	OC 11 /C	/ TES W NO		✓ Farm Por	id Other _		
	1.67		D					
ii fes, tibe vertical deptil	KANSAS CORP	ORATION (COMMISSION	weii [- DWR Permit#	 !:			
Bottom Hole Location:	KANSAS CORP	ORATION (COMMISSION		 !:		t with DWR,	
Bottom Hole Location: KCC DKT #:	KANSAS CORP	ORATION (COMMISSION	- DWR Permit #	(Note:	Apply for Permit		Yes
Bottom Hole Location: KCC DKT #: S: Twp 195	KANSAS CORP	ORATION (106	- DWR Permit #	(Note:	Apply for Permit	t with DWR	Yes
Bottom Hole Location: KCC DKT #: S: Twp 195	AUG CONSER	ORATION (2 3 20 VATION DIV)06 vision	DWR Permit #	(Note: taken? sed zone:	Apply for Permit	REC	Yes
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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

* COR

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. CORRECTED

API No. 15 - 135	5-24	534-	-000	<i>-</i>		Loc	cation of Wel	II: County: Ness
Operator: Palomino	o Petroleum	, Inc.					270	feet from 🗸 N / 💹 S Line of Section
Lease: Slagle						19	70	feet from 🗸 E / W Line of Section
Well Number: 1						Se	c. <u>8</u>	Twp. <u>+9-20*</u> S. R. <u>24</u>
Field: Hair				·				_
						is:	Section:	Regular or lrregular
Number of Acres a		_	_ W/2	N	IE .			
QTR/QTR/QTR	of acreage:			· · · · · · · · · · · · · · · · · · ·				regular, locate well from nearest corner boundary.
						Se	ction corner (used: VNE NW SE SW
								RECEIVED KANSAS CORPORATION COMMISSION
						PLAT		AUG 2 3 2006
	(Show loca	ition of the	well and s	hade attr	ibutable	acreage for p or unit bour	prorated or spaced wells.)
			(Snow	rootage to	те пеаг	est least	or orm, boor	WICHITA, KS
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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).

NANSAS COMPURATION CUMIMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

* COR

Operator Name: Palomino Petrole	eum, Inc.		License Number: 30742
Operator Address: 4924 SE 84th	St., Newtor	n, Kansas	67114-8827
Contact Person: Klee R. Watchous			Phone Number: (316) 799 - 1000
Lease Name & Well No.: Slagle #1			Pit Location (QQQQ): of C W/2 NE Sec. 8 Twp, 198 R. 24 East V West
Type of Pit:	Pit is: 501	N & 10 E	of C . W/2 . NE .
Emergency Pit Burn Pit	✓ Proposed	Existing	* 20S = = - 1
Settling Pit	If Existing, date co	onstructed:	1270 Feet from ✓ North / South Line of Section
Workover Pit Haul-Off Pit	Pit capacity:		1970 Feet from 🗸 East / 🗌 West Line of Section
(If WP Supply API No. or Year Drilled)	6800	(bbls)	Ness county
Is the pit located in a Sensitive Ground Water	Area? ☐ Yes 🗸]No	Chloride concentration: mg/l (For Emergency Pits and Settling Pits only)
Is the bottom below ground level?	Artificial Liner?	NI -	How is the pit lined if a plastic liner is not used?
Yes No	Yes ✓		Drlg. mud and shale from well bore.
Pit dimensions (all but working pits):			Width (feet) N/A: Steel Pits
Depth fo	rom ground level to de		
If the pit is lined give a brief description of the material, thickness and installation procedure	e liner e.	Describe proce liner integrity, i	edures for periodic maintenance and determining HECEIVED KANSAS CORPORATION COMMISSI
			AUG 2 1 2006
			AUG 2 1 2006 CONSERVATION DIVISION
Distance to nearest water well within one-mile	e of pit	Depth to shalld	AUG 2 1 2006 CONSERVATION DIVISION WICHITA, KS Division feet.
Distance to nearest water well within one-mill ハ/トト feet Depth of water well		Source of info	AUG 2 1 2006 CONSERVATION DIVISION WICHITA, KS Division feet.
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202