For KCC Use: Effective Date: 5-/6-07 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

Must be approved by KCC five (5) days prior to commencing well

DEFRATOR: Locases 30742 Defrator: Locases 30740 Defrator: Locases 307	Expected Spud Date	May 18	2007	Spot 70' N & 80' E of	East
PERATOR: Licenses 30742 Name. Patromino Petroleum. Inc. Aname. Patromino Petroleum. Inc. Name. Patro	Expected opud Bate	month day	year	•	
Name. Pollomino Petoleum, Inc. Name. Pollomino Petoleum, Inc. Name. Pollomino Petoleum, Inc. Name. Pollomino Petoleum, Inc. Naddress. 2024 SE 84h St. Contact Person. Nee B. Watchous Phone. (3167) 991-1000 CONTRACTOR: Licenses 33350 Name. Southwind Drilling, Inc. Well Drilled For. Well Drilled For. Well Class: Type Equipment: Own Disposal Wilcoat Cable Microsomethy Property Prope	307	12			
Address: 4624 SE 44th St. Cfly/State/Zip. Newhon, Kansas 67114-8827 Cfly	OPERATOR: License#	Ino			
Most: Locate well on the Section Plat on reverse side)	Name: Falorillio Felioleum,	mc.			, , ,
Country Ness Supplies 1000 Contractors: Licensee 33350 Name: Southwind Drilling, Inc. Well Orlied For: Well Class: Type Equipment: Gas Storage Pool Ext. Selsmic: In 6th Rec Infield Air Rotary Gowlo Disposal Wildcat Cable Selsmic: In 6th Holes Other Other Other Other Other Organic Competion Date: Original Total Depth: Depth to bottom of tresh water: 150 Depth to bottom of tresh water: 150 Surface Pipe Planned to be set: 300 If Ves. Intervited depth: Mesissispian Well Zess: Well Ves Well Ves Well Class: Ves Well Ves Well Cable Depth to bottom of usable water: 500 Surface Pipe Planned to be set: 300 If Ves, true vertical depth: Mesissispian Well Zess Well Ves Well Ves Well Ves Well Ves Zess Well Ves Well Ves Zess Well Ves Well Ves Zess Well Ves	Address: 4924 SE 6401 St.				
Lease Name: Barrows Trust Well #: 2	City/State/Zip:	labarra			on reverse side)
Field Name: Southwind Drilling, Inc. Southwind Drilling, Inc. Weil Orilled For: Weil Class: Type Equipment:	Contact Person: Niee H. Wa	cnous,		County: Ness	2
Southwind Drilling, Inc. It was in the competence of the provided of the provided of the provided for th	Phone: (316) 799-1000			Lease Name: Barrows Trust	Well #: 2
Name: Southwind Drilling, Inc. Well Orlide For: Well Class: Type Equipment: Names Lease or unit boundary. \$20	CONTRACTOR: Lineman 3	3350			
Weil Drilled For. Weil Class: Type Equipment: Ground Surface Elevation: 2379 feet	Name: Southwind Drilling.	Inc.			Yes ✓ No
Ground Surface Elevation: 2379 fee Ground Surface Elevation: 2379 Ground Surface Elevation: 2379 fee Ground Surface Surface Ground S	Name:			Target Formation(s): Mississippian	
Water well within one-quarter mile: Yes Yes Gas Storage Pool Ext. Air Rotary Water well within one-quarter mile: Yes Yes Gas Storage Pool Ext. Air Rotary Water well within one-quarter mile: Yes Yes Storage Pool Ext. Yes Yes Storage Pool Ext. Yes Yes Storage Yes	Well Drilled For:	Well Class: Ty	pe Equipment:		
Gas Storage Pool Ext. Air Rotary OWNO Disposal Wildcat Cable Selsmic: # of Holes Other Cable Other Other Other Discrete: # of Holes Other Other Other Other Other Depth to bottom of tresh water: # operator: # of Holes of Holes Other Original Completion Date: # original Completion Da	[7]Oil ✓ ☐ Enh Bed		· · ·	Ground Surface Elevation: 2379	feet MSL
Common Disposal Seismic: # of Holes Other Cable Depth to bottom of fresh water: #80 Depth to bottom of usable water: #80 Depth to bottom of the usable water: #80 Depth to bottom of usable water: #80 Depth to bottom of usable water: #80 Depth to bottom of the usable water: #80 Depth to bottom of usable water: #80 Depth to bottom of the usable water: #80 Depth to bottom of usable wate		=		Water well within one-quarter mile:	Yes Vo
Seismic;		<u> </u>	≕		Yes ✓ No
Other			Cable		
Surface Pipe by Alternate: 1 2 2		Jies Office		Depth to bottom of usable water: 800	
Length of Conductor Pipe required. Mone	Other			Surface Pipe by Alternate: 1 2	
Length of Conductor Pipe required. Mone	If OWWO: old well information	on as follows:		Length of Surface Pipe Planned to be set: 200+	
Well Name: Original Completion Date: Original Total Depth: Original Completion Date: Original Control Date: Original Completion Date: Original Control Date: Original Con	_			Length of Conductor Pipe required: None	
Original Completion Date:Original Total Depth:Formation at Total Depth:	·				
Water Source for Drilling Operations: Water Source for Drilling Operations: Water Source for Drilling Operation Operation Operation Water Source for Drilling Operations: Water Source for Drilling Operation O					
Directional, Deviated or Horizontal wellbore? Yes No	Original Completion Date	Onginar i	otar Deptin	•	
If Yes, true vertical depth: Bottom Hole Location: DWR Permit #: Will Cores be taken?	Directional, Deviated or Horiz	zontal wellbore?	Yes ✓ No	·	
Will Cores be taken? Will Cores be taken? Yes Will Cores be taken? If Yes, proposed zone:	If Yes, true vertical depth:				
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. SECELVED KANSAS CORPORATION COMMISSION 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 appropriate district office on 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 MiGNENATION DIVISION 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 dat Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II com 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 cementin II hereby certify that the statements made herein are true and to the best of my knowledgel and belief Date: May 10, 2007 Signature of Operator or Agent: For KCC Use ONLY API #15 - 135 - 24644 - 000 feet per All. 1/2 Approved by: Let 5 - 11-07 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. - 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	Bottom Hole Location:				WR [1]
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For KCC Use ONLY API # 15 - 135 - 24644 - OCCO Conductor pipe required None feet per Alt. Approved by: 144 5 - 11-07 This authorization expires: 1/-1/-07 Signature of Operator or Agent: 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	 A copy of the approve The minimum amount through all unconsolic If the well is dry hole The appropriate distriction If an ALTERNATE II COR pursuant to Apper must be completed w 	ed notice of intent to drill t of surface pipe as spectated materials plus a mi an agreement between ct office will be notified b COMPLETION, production dix "B" - Eastern Kansa ithin 30 days of the spuc	shall be posted on eachified below shall be seinimum of 20 feet into the operator and the defore well is either plugen pipe shall be cement a surface casing order date or the well shall less.	et by circulating cement to the top; in all cases surfune underlying formation. CONSERVATI Listrict office on plug length and placement is wifeld gged or production casing is cemented in; ed from below any usable water to surface within #133,891-C, which applies to the KCC District 3 a be plugged. In all cases, NOTIFY district office	face pipe shall be set ON DIVISION Safe prior to plugging; 120 days of spud date. area, alternate II cementing
For KCC Use ONLY API # 15 - 135-24644-000 Conductor pipe required None feet per Alf. (2) Approved by: 14+5-11-07 This authorization expires: 11-11-07 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	I hereby certify that the stat	ements made herein are	e true and to the best of	my knowledge and belief.	
For KCC Use ONLY API # 15 - 135-24644-0000 Conductor pipe required None feet	Date: May 10, 2007	_ Signature of Operator	or Agent:	Title: F	President
API # 15 - 135-24644-0000 Conductor pipe required 1000 feet per Alt. 120 Minimum surface pipe required 200 feet per Alt.				Remember to:	
This authorization expires: //-/I-07 - If this permit has expired (See: authorized expiration date) please	API # 15 - 135-23 Conductor pipe required Minimum surface pipe requ	None 200		 File Completion Form ACO-1 within 120 days of File acreage attribution plat according to field properties. Notify appropriate district office 48 hours prior to Submit plugging report (CP-4) after plugging is 	of spud date; proration orders; o workover or re-entry; completed;
		TLILOT		.,	
check the box below and return to the address below.	This authorization expires:	· 			· · · · · · · · · · · · · · · · · · ·
(This authorization void if drilling not started within 6 months of approval date.) Well Not Drilled - Permit Expired	(This authorization void if dri	ling not started within 6 mo	nths of approval date.)		·
Spud date: Agent: Signature of Operator or Agent:	Spud date:	Agent:			&.
Date:	1				[2º

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 - 135-24644-0000	Location of Well: County: Ness
Operator: Palomino Petroleum, Inc.	<u> </u>
Lease: Barrows Trust	1720 feet from N / ✓ S Line of Section 1070 feet from E / ✓ W Line of Section
Well Number: 2 Field; Wesley Ext.	Sec. 25 Twp. 19 S. R. 25 ☐ East ✓ Wes
Number of Acres attributable to well:	Is Section: ✓ Regular or ☐ Irregular
QTR / QTR / QTR of acreage: SE - NW - SW - SW	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.)

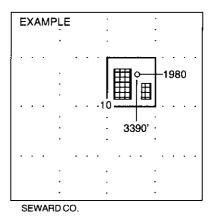
(Show footage to the nearest lease or unit boundary line.)

			· · ·	· · ·
		5 <u>:</u>	· ·	: :
1070-0			· · · · · · · · · · · · · · · · · · ·	
1720			:	
	· · · · · · · · · · · · · · · · · · ·			

RECEIVED KANSAS CORPORATION COMMISSION

MAY 1 0 2007

CONSERVATION DIVISION WICHITA, KS



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).

APPLICATION FOR SURFACE PIT

Submit in Duplicate

		<u> </u>					
Operator Name: Palomino Petrole	um, Inc.	License Number: 30742					
Operator Address: 4924 SE 84th St., Newton, Kansas 67114-8827							
Contact Person: Klee R. Watchous	}	Phone Number: (316) 799 - 1000					
Lease Name & Well No.: Barrows Tr	ust #2		Pit Location (QQQQ):				
Type of Pit:	Pit is: 701	o <u>f SE</u> <u>NW</u> SW					
Emergency Pit Burn Pit	✓ Proposed Existing		Sec. 25 _{Twp.} 19S _{R.} 25 ☐ East ✓ West				
Settling Pit	If Existing, date co	onstructed:	1720 Feet from North / V South Line of Section				
Workover Pit Haul-Off Pit	Pit capacity:		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? ✓ Yes No	Artificial Liner? Yes ✓ I	No	How is the pit lined if a plastic liner is not used? Drlg. mud and shale from well bore.				
		90					
Pit dimensions (all but working pits): 80 Length (feet) 80 Width (feet) N/A: Steel Pits							
Depth fr	om ground level to de		3(feet)				
If the pit is lined give a brief description of the material, thickness and installation procedure		Describe proce liner integrity, in	edures for periodic maints a correct Anti-Chindission necluding any special monitoring.				
•		MAY 1 0 200/					
CONSERVATION DIVISION WICHITA, KS							
Distance to nearest water well within one-mile	of pit	Depth to shallowest fresh waterfeet. Source of information:					
NA feet Depth of water well	feet	measuredwell owner electric log KDWR					
Emergency, Settling and Burn Pits ONLY:		Drilling, Work	Drilling, Workover and Haul-Off Pits ONLY:				
Producing Formation:		Type of material utilized in drilling/workover: fresh					
Number of producing wells on lease:		Number of working pits to be utilized: 2					
Barrels of fluid produced daily:		Abandonment procedure: evaporate and backfill					
Does the slope from the tank battery allow all flow into the pit? Yes No	spilled fluids to	Drill pits must be closed within 365 days of spud date.					
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.							
May 10, 2007 Date Signature of Applicant or Agent							
KCC OFFICE USE ONLY							
Data Danahadi. 5/10/07 Darmit Number: Bermit Data: 5/11/07 Logo Ingrestion: 1/2 Wall							
Date Received: 5/10/07 Permit Number: Permit Date: 5/11/07 Lease Inspection: Yes X No							