# For KCC Use: Effective Date: 6-17-07 District # SGA? Yes 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

Expected Spud Date June 15 2007  month day year	Spot 80 ' N & 160 ' E of East Exc. 27 Twp. 20 S. R. 21
OPERATOR: License# 30742	2560feet from V N / S Line of Section
Name: Palomino Petroleum, Inc.	leet from V E / W Line of Section
4924 SE 84th St.	Is SECTION _✓ _Regular trregular?
City/State/Zip: Newton, Kansas 67114-8827	(Note: Locate well on the Section Plat on reverse side)
Contact Person: Klee R. Watchous	County: Ness
Phone: (316) 799-1000	Lease Name: Seib-Lewis Well #: 1
	Field Name: None (Wildcat)
CONTRACTOR: License# 33350	Is this a Prorated / Spaced Field?
Name: Southwind Drilling, Inc.	Target Formation(s): Mississippian
Matt Class Tree Conference	Nearest Lease or unit boundary: 330+ (unit)
Well Drilled For: Well Class: Type Equipment:	Ground Surface Elevation: 2184 feet MSL
Oil Enh Rec Infield Mud Rotary	Water well within one-quarter mile: Yes   ✓ No
Gas Storage Pool Ext. Air Rotary	Public water supply well within one mile:
OWWO Disposal Wildcat Cable	Depth to bottom of fresh water: 180
Seismic; # of Holes Other	Depth to bottom of usable water: 200 530
Other	Surface Pipe by Alternate: 1 2
W ONNE CONTROL OF THE	Length of Surface Pipe Planned to be set: 200+
If OWWO: old well information as follows:	Langth of Conductor Ding required, None
Operator:	Projected Total Depth: 4500
Well Name:	Miceiceippian
Original Completion Date:Original Total Depth:	Water Source for Drilling Operations:
Directional, Deviated or Horizontal wellbore?	No Well Farm Pond Other
If Yes, true vertical depth:	DWR Permit #:
Bottom Hole Location:	
KCC DKT #:	
NOO DAT II.	If Yes, proposed zone:
	neren/Fi)
Oil & bas Leases w/pooling clauses attached	AFFIDAVIT KANSAS CORPORATION COMMISSION
The undersigned hereby affirms that the drilling, completion and ev	entual plugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:	JUN 12 2007
Notify the appropriate district office <i>prior</i> to spudding of well	<del>-</del>
<ol> <li>A copy of the approved notice of intent to drill shall be posted</li> <li>The minimum amount of surface pipe as specified below shall through all unconsolidated materials plus a minimum of 20 fe</li> </ol>	d on each drilling rig; CONSERVATION DIVISION all be set by circulating cement to the top; in all cases விர்க்டோற்ற shall be set et into the underlying formation.
4. If the well is dry hole, an agreement between the operator a	nd 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 ALTERNATE II COMPLETION, production pipe shall be	ther plugged or production casing is cemented in; cemented from below any usable water to surface within 120 days of spud date.
Or pursuant to Annendix "R" - Fastern Kansas surface casin	g order #133,891-C, which applies to the KCC District 3 area, alternate II cementing
	ell shall be plugged. In all cases, NOTIFY district office prior to any cementing.
I hereby certify that the statements made herein are true and to the	
Thereby certify that the statements made herein are true that	$\sqrt{2}$
Date:June 12, 2007 Signature of Operator or Agent:	Viel President
•	Remember to:
For KCC Hop ONLY	
API # 15 - 135-24667-0000	- File Drill Pit Application (form CDP-1) with Intent to Drill; - File Completion Form ACO-1 within 120 days of spud date;  \[ \bigcirc \]
API # 15 - 733 2900 7000	- File acreage attribution plat according to field proration orders;
Conductor pipe required None feet	Notify appropriate district office 48 hours prior to workover or re-entry;
Minimum surface pipe required	2 Submit plugging report (CP-4) after plugging is completed;
Approved by: <b>E44</b> 6-12-07	- Obtain written approval before disposing or injecting salt water.
12-13-137	- If this permit has expired (See: authorized expiration date) please
This authorization expires: 12-12-07 (This authorization void if drilling not started within 6 months of effective of	I chack the hey below and return to the address helow
(This authorization void it uniting not started within a months of effective (	Well Not Drilled - Permit Expired
Spud date: Agent:	Signature of Operator or Agent:
Open date.	
Mail to: KCC - Conservation Division	on, 130 S. Market - Room 2078, Wichita, Kansas 67202

#### 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.

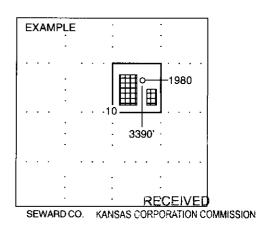
API No. 15 - 135-24667-0000	Location of Well: County: Ness
Operator: Palomino Petroleum, Inc.	2560 feet from VN/ S Line of Section
Lease: Seib-Lewis	1160 feet from VE / W Line of Section
Well Number:	Sec. <u>27</u> Twp. <u>20</u> S. R. <u>21</u> ☐ East  Wes
Number of Acres attributable to well:	Is Section: Regular or Irregular
QTR / QTR / QTR of acreage:	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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NOTE: In all cases locate the spot of the proposed drilling locaton.

NESS CO.

JUN 12 2007

CONSERVATION DIVISION WICHITA, KS

#### 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.
- 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).

#### KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

## **APPLICATION FOR SURFACE PIT**

Submit in Duplicate

Operator Name: Palomino Petroleum, 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.: Seib-Lewis			Pit Location (QQQQ):		
Type of Pit:			of C . E/2		
Emergency Pit Burn Pit	✓ Proposed	Existing	Sec. 27 Twp. 20S R. 21 ☐ East ✓ West		
Settling Pit	If Existing, date constructed:		2560 Feet from 🗸 North / 🗌 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		
		<del>-</del>	(For Emergency Pits and Settling Pits only)		
Is the bottom below ground level?	Artificial Liner?  Yes ✓	Na	How is the pit lined if a plastic liner is not used?		
Yes No	Yes ✓	INO .	Drlg. mud and shale from well bore.		
Pit dimensions (all but working pits):8	Pit dimensions (all but working pits): 80 Length (feet) 80		Width (feet) N/A: Steel Pits		
Depth fr	om ground level to de	eepest point:	3 (feet)		
		,	edures for periodic maintenance and determining		
material, thickness and installation procedure	<b>3</b> .	iner integrity, i	ncluding any special monitoring.		
Distance to nearest water well within one-mile	of pit	Depth to shallowest fresh waterfeet.  Source of information:			
		measuredwell owner electric log KDWR			
Emergency, Settling and Burn Pits ONLY:		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	spilled fluids to				
flow into the pit? Yes No		Drill pits must	pe closed within 365 days of spud date.  RECEIVED		
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.					
JUN 1 2 2007					
June 12, 2007 Lee L. Walchow Division D					
Date Signature of Applicant or Agent WICHITA KS					
KCC OFFICE USE ONLY					
Date Received: 6/2/07 Permit Num	ber:	Perm	it Date: 6 12 07 Lease Inspection: Yes X No		