KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

WELL PLUGGING APPLICATION

Please TYPE Form and File ONE Copy

September 2003 This Form must be Typed Form must be Signed All blanks must be Filled

API #__**15** - 135-24253-0000 ___ (Identifier Number of this well). This must be listed for wells drilled since 1967; if no API # was issued, indicate original spud or completion date $\underline{12/1/03}$ Well Operator: Palomino Petroleum, Inc. _ KCC License #: 30742 (Owner / Company Name) (Operator's) Address: 4924 SE 84th St. _____ _{City:}_Newton State: Kansas _____ Zip Code: 67114-8827 Contact Phone: (316) 799 - 1000 Lease:_Hopper Sec. 11 Two. 18 S. R. 24 ☐ East West _____ Well #:__1 County:_Ness Spot Location / QQQQ 46\$5 Feet (in exact footage) From Denote North / Denote South (from nearest outside section corner) Line of Section (Not Lease Line) Feet (in exact footage) From East / West (from nearest outside section corner) Line of Section (Not Lease Line) Cathodic ✓ Oil Well Gas Well Water Supply Well SWD Docket #_ ENHR Docket # ___ Conductor Casing Size: None _____ Cemented with: Surface Casing Size: 8 5/8" _____ Set at: _235' Cemented with: 165 _____ Set at: _4419' Production Casing Size: 5 1/2" List (ALL) Perforations and Bridgeplug Sets: Perfs: 4359'-4364', 4364'-4368' Elevation:_2345 PBTD: _____ Anhydrite Depth: 1639' (VG.L./ □K.B.) TD. 4419' (Stone Corral Formation) Condition of Well: ✓ Good Casing Leak Junk in Hole Proposed Method of Plugging (attach a separate page if additional space is needed): As according to the KCC rules and regulations. Is Well Log attached to this application as required? Ves No Is ACO-1 filed? Ves No 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: Patrick J. Gerstner __ _{Phone:}_(785) 798 - 5611 Address: 302 E. Sycamore _ City / State: Ness City, KS 67530 Plugging Contractor: Allied Cementing Company, LLC Phone: (785) 483 Address: P. O. Box 31, Russell, KS 67665-0031 Proposed Date and Hour of Plugging (if known?): Unknown Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Date: 11/12/07

Authorized Operator / Agent: _



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

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

PALOMINO PETROLEUM, INC. 4924 SE 84TH ST NEWTON, KS 67114-8827

November 14, 2007

Re: HOPPER #1

API 15-135-24253-00-00

11-18S-24W, 4045 FSL 4776 FEL

NESS COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. 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 in accordance with K.A.R. 82-3-600.

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 well by persons not having legal rights of ownership or interest in the well.

This notice is void after May 12, 2008. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.

Sincerely,

Steve Bond

Steve Bond

Production Department Supervisor

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