

15-135-24259-0000  
KCC OIL/GAS REGULATORY OFFICE

ALTZ

Date March 26, 2004

- New Situation
- Response to Request
- Follow-up

Operator Palomino Petroleum, Inc. # \_\_\_\_\_

Address \_\_\_\_\_ Location SW, Sec 2, T 18 S, R 24 W

Lease Melody Well # 1

Phone No. \_\_\_\_\_ County Ness

Oper. \_\_\_\_\_ Other \_\_\_\_\_

Reason for Investigation Witness Alt.II

Problem: None—cement circulated to surface and stayed.

Person(s) Contacted: \_\_\_\_\_

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MAR 31 2004  
KCC WICHITA

Findings: 8-5/8" @ 218'

T.D. @ 4475'

5-1/2" @ 4440'

Port Collar @ 1617' cemented with 175 sxs cement, used smds-2%cc—1/4% flo seal.

photos taken: \_\_\_\_\_

Action/Recommendations: None—Alt.II requirements have been met.

- Lease Inspection
- Complaint
- Field

By Michael Maier

Retain I copy Joint District Office

For KCC Use:  
 Effective Date: 1-26-04  
 District # 1  
 SGA?  Yes  No

15-135-24259-0000

RECEIVED 15-135-24259-0000  
 Art 2

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

JAN 21 2004

Form C-1  
 December 2002  
 Form must be Typed  
 Form must be Signed  
 All blanks must be Filled

NOTICE OF INTENT TO DRILL **KCC WICHITA**  
 Must be approved by KCC five (5) days prior to commencing well

Expected SPUD Date 2 / 14 / 04  
 month day year

OPERATOR: License# 30742  
 Name: Palomino Petroleum, Inc.  
 Address: 4974 SE 84th St.  
 City/State/Zip: Newton, KS 67114-8827  
 Contact Person: Klee R. Watchous  
 Phone: (316) 799-1000

CONTRACTOR: License# 5123  
 Name: Pickrell Drilling Co., Inc.

10' N & 40' E of  
 Spot  
 C S/2 SW Sec. 2 Twp. 18 S. R. 24  
670 feet from  N /  S Line of Section  
1360 feet from  E /  W Line of Section  
 Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Ness  
 Lease Name: Melody Well #: 1  
 Field Name: None (Wildcat)

Is this a Prorated / Spaced Field?  Yes  No  
 Target Information(s): Cherokee Sand  Yes  No

Nearest Lease or unit boundary: 670  
 Ground Surface Elevation: 2366 feet MSL

Water well within one-quarter mile:  Yes  No  
 Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: 180  
 Depth to bottom of usable water: 900

Surface Pipe by Alternate:  1  2  
 Length of Surface Pipe Planned to be set: 200+

Length of Conductor Pipe required: None  
 Projected Total Depth: 4400

Formation at Total Depth: Mississippian  
 Water Source for Drilling Operations:  
 Well  Farm Pond  Other

DWR Permit #: \_\_\_\_\_  
 (Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

Well Drilled For: Well Class: Type Equipment:  
 Oil  Eah Rec  Infield  Mud Rotary  
 Gas  Storage  Pool Ext.  Air Rotary  
 CWO  Disposal  Wildcat  Cable  
 Seismic: \_\_\_\_\_ # of Holes  Other  
 Other

If OWWO: old well information as follows:  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No  
 If Yes, true vertical depth: \_\_\_\_\_  
 Bottom Hole Location: \_\_\_\_\_  
 KCC DKT #: \_\_\_\_\_

Pusher Mike Lewis INIT. ML  
 SPUD DATE 3/10/04 200' of 85'8"  
 LENGTH SURFACE PLANNED  
 MIN 200 Art 2  
 RESERVE PIT STATUS - REMOVE FLUID LINED  
 after salt sect. bbls. when done bbls.  
 RATHOLED AHEAD? Y N SIZE HOLE  
 SURFACE PIPE 8 3/8" @ 2-18" CONDUCTOR  
 ANHYDRITE T- 16.5lb B- 16.0lb ELEVATION  
 (4360)  
 TD 4475 FORMATION  
 RAN PIPE 5 1/2 @ 4441 DV, TOOL 1617 ALT II DONE  
165 SX Y. N X  
 Arbuckle Plug @ RP Ft. W/ SX  
 Hug. / Council @ RP Ft. W/ SX  
 Anhydrite Base @ 1700 Ft. W/ 50 SX  
 1/2 Base Anyh. @ 950 Ft. W/ 80 SX  
 1/2, 1/2 Plug @ 500 Ft. W/ 40 SX  
 Bottom Surface @ 250 Ft. W/ 40 SX  
 40' Plug @ 40 Ft. W/ 10 SX  
 RAT HOLE CIRC/W 15 SX MOUSE HOLE W/ 10 1/2" SX  
 WATER WELL \_\_\_\_\_ SX (Irr. Well) Pond \_\_\_\_\_  
 TECHNICIAN SP DATE 3/18/04 Hauling \_\_\_\_\_  
 TYPE OF CEMENT 100/40 for 6' @ 1/4" FS  
 STARTING TIME \_\_\_\_\_ (AM/PM) DATE \_\_\_\_\_  
 COMPLETION TIME 7:30 (AM/PM) DATE 3/20/04  
 CEMENT COMPANY Swift Sand