TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

API Well Number: 15-135-25438-00-00

Spot: NENWSWNE

Sec/Twnshp/Rge: 2-16S-25W

1570 feet from N Section Line,

2166 feet from E -Section Line

Lease Name: GIESS BROS.

Well #: 1

County: NESS

Total Vertical Depth: 4600 feet

Operator License No.: 30742

Op Name: PALOMINO PETROLEUM, INC.

Address: 4924 SE 84TH ST

NEWTON, KS 67114

String Size Depth (ft) Pulled (ft) Comment

SURF 8.625

267

WITH 150 SX CMT

Well Type: DH

UIC Docket No:

Date/Time to Plug: 08/08/2012 3:00 PM

Plug Co. License No.: 34484

Plug Co. Name: FOSSIL DRILLING, INC.

Proposal Rcvd. from: BOB SANDERS

Company: FOSSIL DRILLING, INC.

Phone: (620) 672-5625

Proposed 1ST PLUG AT 2030' WITH 50 SX CMT. 2ND PLUG AT 1200' WITH 80 SX CMT. 3RD PLUG AT 630' WITH 40 SX Plugging CMT. 4TH PLUG AT 270' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE

Method: RAT HOLE WITH 30 SX CMT. NO MOUSE HOLE.

Plugging Proposal Received By: MICHAEL MAIER

WitnessType: NONE

Date/Time Plugging Completed: 08/08/2012 6:30 PM

KCC Agent: MICHAEL MAIER

Actual Plugging Report:

Perfs:

1ST PLUG AT 2030' WITH 50 SX CMT. 2ND PLUG AT 1200' WITH 80 SX CMT. 3RD PLUG AT 630' WITH 40 SX CMT. 4TH PLUG AT 270' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. NO MOUSE HOLE.

Remarks:

USED 60/40 POZMIX 4% GEL 1/4# FLO SEAL BY CONSOLIDATED.

Plugged through: DP

RECEIVED AUG 1 6 2012

KCC WICHITA

District: 01

RECEIVED

Signed

(TECHNICIAN)

Form CP-2/3

KCC DODGE CITY