

TO:
STATE CORPORATION COMMISSION
CONSERVATION DIVISION - PLUGGING
130 SOUTH MARKET, SUITE 2078
WICHITA, KANSAS 67202

API Well Number: 15-135-25445-00-00
Spot: SESENWNE Sec/Twnshp/Rge: 8-17S-26W
1070 feet from N Section Line, 1576 feet from E Section Line
Lease Name: TORNADO Well #: 1
County: NESS Total Vertical Depth: 4640 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 | 213 | | WITH 165 SX CMT |

Well Type: DH UIC Docket No: _____ Date/Time to Plug: 08/31/2012 12:00 PM
Plug Co. License No.: 33793 Plug Co. Name: H2 DRILLING LLC
Proposal Rcvd. from: GARY AXTEL Company: H2 DRILLING LLC Phone: (620) 636-2090

Proposed Plugging Method: 1ST PLUG AT 2060' WITH 50 SX CMT. 2ND PLUG AT 1230' WITH 80 SX CMT. 3RD PLUG AT 600' WITH 50 SX CMT. 4TH PLUG AT 240' WITH 40 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. NO MOUSE HOLE.

Plugging Proposal Received By: RICHARD LACEY WitnessType: NONE
Date/Time Plugging Completed: 08/31/2012 12:00 PM KCC Agent: RICHARD LACEY

Actual Plugging Report:

Perfs:

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RECEIVED
SEP 10 2012
KCC WICHITA

Remarks: USED 60/40 POZMIX 4% GEL 1/4# FLO SEAL BY ALLIED.

Plugged through: DP

District: 01

Signed Richard M. Lacey
9/20/12 (TECHNICIAN)

RECEIVED
SEP - 5 2012
KCC DODGE CITY

RNL