TO: STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

WICHITA, KANSAS 67202

130 SOUTH MARKET, SUITE 2078

Sec/Twnshp/Rge: 23-18S-24W

Spot: NESWSENW 1780 feet from W Section Line 2291 feet from N Section Line,

Lease Name: OTTO

Well #: 1

County: NESS

Total Vertical Depth: 4380 feet

Operator License No.: 30742

Op Name: PALOMINO PETROLEUM, INC.

Address: 4924 SE 84TH ST **NEWTON, KS 67114**

Depth (ft) Pulled (ft) Comment String Size

SURF 8.625 WITH 150 SX CMT 217

API Well Number: 15-135-25498-00-00

Well Type: DH

UIC Docket No:

Date/Time to Plug: 11/08/2012_2:00 AM

Plug Co. License No.: 4958

Plug Co. Name: MALLARD, J. V., INC.

Proposal Revd. from: KATHY METZ

Company: MALLARD, J. V., INC.

Phone: (620) 241-4640

Proposed IST PLUG AT 1560' WITH 50 SX CMT. 2ND PLUG AT 840' WITH 80 SX CMT. 3RD PLUG AT 270' WITH 50 SX Plugging CMT. 4TH PLUG AT 60' WITH 20 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 6TH

Method: PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Plugging Proposal Received By: DANIEL BERNASCONI

WitnessType: NONE

Date/Time Plugging Completed: 11/08/2012 4:00 AM

KCC Agent: DANIEL BERNASCONI

Actual Plugging Report:

Perfs:

1ST PLUG AT 1560' WITH 50 SX CMT, 2ND PLUG AT 840' WITH 80 SX CMT, 3RD PLUG AT 270' WITH 50 SX CMT. 4TH PLUG AT 60' WITH 20 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 6TH PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

KCC WICHITA

Remarks:

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

Plugged through: DP

District: 01

Signed (

(TECHNICIAN)

Form CP-2/3

KCC DODGE OFY

RECEIVED