TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

Operator License No.: 30742

Op Name: PALOMINO PETROLEUM, INC.

Address: 4924 SE 84TH ST **NEWTON, KS 67114** API Well Number: 15-135-25529-00-00

Spot: NENENWSE

Sec/Twnshp/Rge: 1-20S-26W

2543 feet from S Section Line,

1393 feet from E Section Line

Lease Name: WHIPPLE

County: NESS

Well #: 1 Total Vertical Depth: 4650 feet

String Size

Depth (ft) Pulled (ft) Comment

SURF 8.625

222

WITH 150 SX CMT

Well Type: DH

UIC Docket No:

Date/Time to Plug: 02/03/2013 1:30 PM

Plug Co. License No.: 5822

Plug Co. Name: VAL ENERGY, INC.

Proposal Revd. from: RICK SMITH

Company: VAL ENERGY, INC.

Phone: (316) 263-6688

Plugging

Proposed IST PLUG AT 1830' WITH 50 SX CMT. 2ND PLUG AT 960' WITH 80 SX CMT. 3RD PLUG AT 480' WITH 30 SX CMT. 4TH PLUG AT 240' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE

Method: RAT HOLE WITH 30 SX CMT. 7TH PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Plugging Proposal Received By: ERIC MACLAREN

WitnessType: NONE

Date/Time Plugging Completed: 02/03/2013 3:30 PM

KCC Agent: ERIC MACLAREN

Actual Plugging Report:

Perfs:

1ST PLUG AT 1830' WITH 50 SX CMT. 2ND PLUG AT 960' WITH 80 SX CMT. 3RD PLUG AT 480' WITH 30 SX CMT. 4TH PLUG AT 240' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 7TH PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Remarks:

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

Plugged through: DP

District: 01

RECEIVED

Signed & (TECHNICIAN)

Form CP-2/3

KCC DODGE CITY

