KANSAS CORPORATION COMMISSION

OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC 15 days prior to commencing well

For KCC Use:

Spa 40 N 2 # E
NE NE NW
NE NE NW

September 17

East:

24

West:

24

S R

W Line of Section

2270

W Line of Section

Is SECTION Regular or Irregular?

Yes

No

W (not labeled on the Section Plat on reverse side)

S

Yes

No

County:

Ness

Well Name:

Bueno Vista

Lease Name:

Yes

No

Lease Expires

Jan 1

Target Formation(s):

Mississippian

Trilateral

Yes

No

Lease # or Unit:

Yes

No

Western Lease or Unit boundary:

330

Surface Pipe by Alternate:

280

Well: 1

Yes

No

Field Name:

No

No

Ground Surface Elevation:

330

Surface Pipe Planned to be set:

None

Wet Weather well within one-quarter mile:

Yes

No

Public water supply well within one mile:

Yes

No

Depth to bottom of fresh water:

220

Surface Pipe by Alternate:

2

Surface Pipe above Alternate:

2

Yes

No

Formation at Top Depth:

Mississippian

Wet Weather well within one-quarter mile:

Yes

No

Public water supply well within one mile:

Yes

No

Depth to bottom of fresh water:

220

Surface Pipe by Alternate:

2

Surface Pipe Planned to be set:

None

Wet Weather well within one-quarter mile:

Yes

No

Public water supply well within one mile:

Yes

No

Depth to bottom of fresh water:

220

Approved by:

KCC DKT #

KCC DKT #

205

CONSERVATION DIVISION

WICHITA, KS

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FEB 1 2005

Date: February 14, 2005

Signature of Operator or Agent:

President

For KCC Use ONLY

API # 15

5043/00 1135.2

4225

0.00

N/A

640 feet

640 feet per Acre

KJ30-05

This authorization expires

12-5-05

(At expiration date, no drilling shall be initiated within 6 months of effective date.)

Spud date:

Agent

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Remember to:

- File Drill Pit Application (Form COP-1) with Intent to Drill;
- File Completion Form ADO-1 within 120 days of spud date;
- File appropriate attribution plan according to field promotion orders;
- Notify appropriate district of 68 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Check with authorized person before disposing of waste water;
- If this permit has expired (See, authorized expiration date), please check the box below and return to the address below;
- Well Not Drilled - Permit Expired

Signature of Operator or Agent:

Date:

17-12-24
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field, complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of or the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15:
Operator: Palomino Petroleum, Inc.
Lease: Buena Vista
Well Number: 1
Fields: Franklin/E
Number of Acres attributable to well:
QTR / QTR / QTR of acreage: NE, NE, NW

Location of Well: County: Nye
3500
3270

Sec. 17

Location of Section:
W Line of Section
S Line of Section
N W

Is Section: Regular or Irregular
If Section is Irregular, locate well from nearest corner boundary.
Section corner used:
NE, NW, SE, SW

PLAT
(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show location to the nearest well or unit boundary line.)

NOTE: In all cases locate the spot of the proposed drilling location.

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ANSAG CORPORATION COMMISSION
FEB 14 2005
"CONSERVATION DIVISION"
WICHITA KS

EXAMPLE

SEWARD CO.

In plotting the proposed location of the well, you must show:
1. The map on which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached (CO-7 for oil wells: CG-8 for gas wells).