Form must be Typed
Form must be Signed
All pages must be Filed

KANSAS CORPORATION COMMISSION
NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

For KCC Use Only:
AP # 16-1
Conductor pipe required: N O N E
Minimum surface pipe required: 200 feet per Acre
Approved by: RSP 11-25-00
This authorization expires: 5-28-00
(This authorization will be drilled on or before within 6 months of approval date)
Suit date: Agent

For KCC Use ONLY
AP # 16-1
Conductor pipe required: N O N E
Minimum surface pipe required: 200 feet per Acre
Approved by: RSP 11-25-00
This authorization expires: 5-28-00
(This authorization will be drilled on or before within 6 months of approval date)
Suit date: Agent

Effective Date: 12-3-05
District # 1
SOAT: Yes / No

Expected Spud Date: November 30, 2005

OPERATOR: License: 30743 Name: Patricia Panemum, Inc.
Address: 4282 SE 44th St. Newton, Kansas 67114-6827 Contact: Kala L. Wakefield Phone: (316) 799-1023

CONTRACTOR: License: 33250 Name: Southwind Drilling, Inc.

Well Drilled For: Oil Gas
Well Class: Oil Gas
Type of Equipment: Oil Gas
Other oil well information as follows:

Original Completion Date: Original Total Depth: 
Directional, Deviated or Horizontal well?: Yes / No
If Yes, vertical depth:
Receivint Date: KCC OVT #: KANSAS CORPORATION COMMISSION

COVP: oil well information as follows:

Well Name: 
Well Class: Oil Gas
Type of Equipment: Oil Gas
Other

If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging:

Was the appropriate district office notified of the well being drilled?: Yes / No

If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging:

The undersigned hereby affirm that the following information and eventual plugging of this well will comply with K.S.A. 55a et seq.

It is agreed that the following requirements and obligations will be met:

1. Notify the appropriate district office prior to spudding or well: 

2. A copy of the approved notice of intent to drill shall be posted on each drilling rig:

3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top of all classes surface pipe shall be set with enough unconsolidated materials plus at least 20 feet into the underlying formation:

4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging:

5. The appropriate district office will be notified before the well is either plugged or produced in cases:

6. If an Alternate Method of completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.

Or pursuant to Article 9 of the Eastern Kansas surface casing order #153,821.C, which applies to the KCC (Board) 3 rules, alternate cementing must be completed within 30 days of the spud date or the well shall be plugged. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: November 28, 2005
Signature of Operator or Agent: President

Remember:

File Drill Plan Application (Form COP-1) with intent to Drill.
File Completion Form ACO-2 within 30 days of spud date.
Obtain approved drilling air permit.
Obtain issuance of additional permit 60 days prior to workover or re-entry.
Submit plugging report (CP-4) after plugging is completed.
Obtain written approval before capping or reopening last well.
If this permit has expired, please submit expiration date and check the boxes below and report to the address below:

Well Not Drilled - Permit Expired
Signature of Operator or Agent: Date

Send to: KCC - Conservation Division, 150 S. Market - Room 207B, Wichita, Kansas 67202

KANSAS CORPORATION COMMISSION

NOTICE OF INTENT TO DRILL
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 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: Palomo Petroleum, Inc.
Operator: Livingstone
Location: Arnold
Well Number: 1
Field: Arnold

Number of Acres attributable to well: NE, NW, NW

GTR / GTR / GTR of acreage: NE, NW, NW

Location of Wall: County: Ness

330 feet from N / S Line of Section
1060 feet from E / W Line of Section

Sec: 26
Twp: 16
Rng: 25
East of West

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 wall and show attributable acreage for prorated or spaced walls.)
(Show footage to the nearest lease or unit boundary line.)

RECEIVED
KANSAS CORPORATION COMMISSION
NOV 28 2005
CONSERVATION DIVISION
WICHITA, KS

EXAMPLE

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

NE55 10:

In plotting the proposed location of the well, you must show:

1. The manner in 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 (CD-7 or CD-8 for oil wells; CD-8 for gas wells).