KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL PLUGGING APPLICATION
Please TYPE Form and File ONE Copy

API #: 15-135-22034-00
(Identifier Number of this well). This must be listed for wells drilled since 1967; if no API # was issued,
indicate original spud or completion date 7/16/91

Well Operator: Palomino Petroleum Inc
KCC License #: 30742

Address: 4924 SE 84th St
City: Newton

State: KS Zip Code: 67114 Contact Phone: (316) 799-1000

Lease: Giess D Well #: 2 Sec. 10 Twp. 16 S. R. 25 [East] West

C. NW NE SE Spot Location / QQQQ County: Ness

2310 Feet (in exact footage) From [North] [South] (from nearest outside section corner) Line of Section (Not Lease Line)
990 Feet (in exact footage) From [East] [West] (from nearest outside section corner) Line of Section (Not Lease Line)

[ ] SWD Docket # [ ] ENHR Docket # [ ] Other:

Conductor Casing Size: Set at: Cemented with:
Surface Casing Size: 8 5/8 Set at: 293 Cemented with: 190 Sacks
Production Casing Size: 5 ½ Set at: 4520 Cemented with: 350 Sacks

List (ALL) Perforations and Bridgeplug Sets: 4520-4540


Condition of Well: [□] Good [□] Poor [□] Casing Leak [□] Junk in Hole Unknown

Proposed Method of Plugging (attach a separate page if additional space is needed): Per KCC specs

Is Well Log attached to this application as required? [□] Yes [X] No Is ACO-1 filed? [X] Yes [□] No

If not explain why:

Plugging of this Well will be done in accordance with K.S.A. 55-101 et seq. and the Rules and Regulations of the State Corporation Commission.

List Name of Company Representative authorized to be in charge of plugging operations: Mike J. Fritzler, President of
Whitetail Crude, Inc
Phone: (785) 798-3641

Address: P.O. Box 544
City / State: Ness City, KS 67560-0544

Plugging Contractor: Whitetail Crude, Inc KCC License #: 31627
(Company Name)
Phone: (785) 798-3641

Address: P.O. Box 544, Ness City, KS 67560-0544

Proposed Date and Hour of Plugging (if known): ASAP

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 5/19/05 Authorized Agent: [Signature] Mike J. Fritzler

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202
NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

Palomino Petroleum, Inc.
4924 SE 84th Street
Newton, KS 67114-8827

May 24, 2005

Re: GIESS D #2
API 15-135-22034-00
NWNSE 10-16S-25W, 2310 FSL 990 FEL
NESS COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well.

Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well.

This notice in no way constitutes authorization to plug the above-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

Sincerely,

David P. Williams
Production Supervisor

District: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888