

**BEFORE THE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

IN THE MATTER OF THE APPLICATION )	DOCKET NO. 21-CONS-3225-CWLE
OF PALOMINO PETROLEUM, INC., )	
FOR A LOCATION EXCEPTION FOR ITS )	LICENSE NO. 30742
COOMBS-WILLIAMSON #2 WELL LOCATED )	
IN THE SE/4 SECTION 7-18S-24W OF )	
SEC. 7-18S-24W, NESS COUNTY, KANSAS )	CONSERVATION DIVISION
_____ )	

**APPLICATION**

1. Applicant herein, Palomino Petroleum, Inc. (hereinafter “Palomino”), 4924 SE 84<sup>th</sup> Street, Newton, KS, 67114, has acquired the right to drill and operate upon a valid oil and gas lease covering the SE/4 Section 7-18S-24W, Ness County, Kansas, upon which it plans to drill its Coombs-Williamson #2 well at a location that is 268 feet from the South line and 178 feet from the East line of said Section 7, which are the nearest lease lines to the intended location.

2. Applicant requests that it be granted a well location exception for said well pursuant to Section 82-3-108 of the General Rules and Regulations of the Commission, which exception is necessary to prevent waste and protect correlative rights.

3. Applicant’s 3-D seismic data indicates a significant structural closure, the crest of which feature and the majority of which feature are located in the SE/4 of Section 7-T18S-R24W. Drilling on the crest requires a well location less than 330 feet from said lease lines. Waste and damage to the correlative rights of Applicant’s lessor will result if Applicant is not permitted to drill at the above-described location.

6. Attached hereto, marked Exhibit “A” and made a part hereof, is a plat showing the property on which the well is sought to be drilled, the location of said well, all other wells on the property and adjacent property and the proposed location of said well.

7. There are two separate operators on lands that are less than 330 feet from the intended well location.

SW/4 8-T18S-R24W  
Pickrell Drilling Co., Inc.  
100 S. Main, Suite 505  
Wichita KS 67202

NE/4 18-T18S-R24W  
Norstar Petroleum, Inc.  
88 Iverness Cir E. Unit F104  
Englewood CO 80112

8. The names and addresses of all unleased mineral owners whose property is less than 330 feet from the intended well location are: None.

9. The Applicant's lessors on leases operated by Applicant that will be situated less than 330 feet from the proposed well location are:

(a) NW/4 of Section 17-T18S-R24W

Judy J. Humburg and Don M. Humburg  
11242 120 Road  
Ness City KS 67560

(b) SE/4 of Section 7-T18S-R24W

John Holly Williamson  
10001 Venice Blvd., Apt. 109  
Los Angeles CA 90034

Gloria J. Williamson, Trustee,  
Williamson Revocable Living Trust  
14949 Toft Drive  
Lake Elsinore CA 92530

F. Alan Coombs and Marjorie W. Coombs, Trustees  
Coombs Living Trust  
1940 Michigan  
Salt Lake City UT 84108

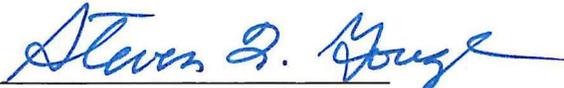
10. In discussions with the offset operators, Pickrell and Norstar, Palomino has reached an agreement whereby Palomino will limit the allowable for the Coombs-Williamson #2 well to a maximum of 58 bbl/day as provided by K.A.R. 82-3-108(c), 82-3-203(a) and 82-3-207. Accordingly, Palomino states that it will accept a maximum allowable of 58 bbl/day for the Coombs-Williamson #2 well rather than be granted a full and unreduced allowable 200 bbl/day.

11. A true and accurate copy of the Notice of this Application that will be published is attached hereto, a copy of which has been mailed to the operators and mineral owners described in Paragraphs 7 and 9 above

NOW, THEREFORE, Applicant prays that the Commission grant the exception herein requested on an administrative basis and without hearing, unless timely protest is received pursuant to the rules and regulations of the Commission; that if timely and proper protest is received, the Commission set this application for hearing at the earliest possible date and that upon such hearing grant said exception and allowable; and for such other Orders as the Commission shall deem proper in the circumstances.

Respectfully submitted,

Palomino Petroleum, Inc.

By: 

Steven D. Gough #09016  
Withers, Gough, Pike & Pfaff, LLC  
O.W. Garvey Building  
200 W. Douglas, Suite 1010  
Wichita, KS 67202  
sgough@withersgough.com  
316-266-5021  
*Attorneys for Applicant*

STATE OF KANSAS }  
 }  
COUNTY OF SEDGWICK }

ss.

Steven D. Gough, of lawful age, and being first duly sworn upon oath, deposes and says: that he is an attorney for Palomino Petroleum, Inc.; that he has read the within and foregoing Application; and the statements and contents thereof are true to the best of his knowledge and belief.

By: Steven D. Gough  
Steven D. Gough

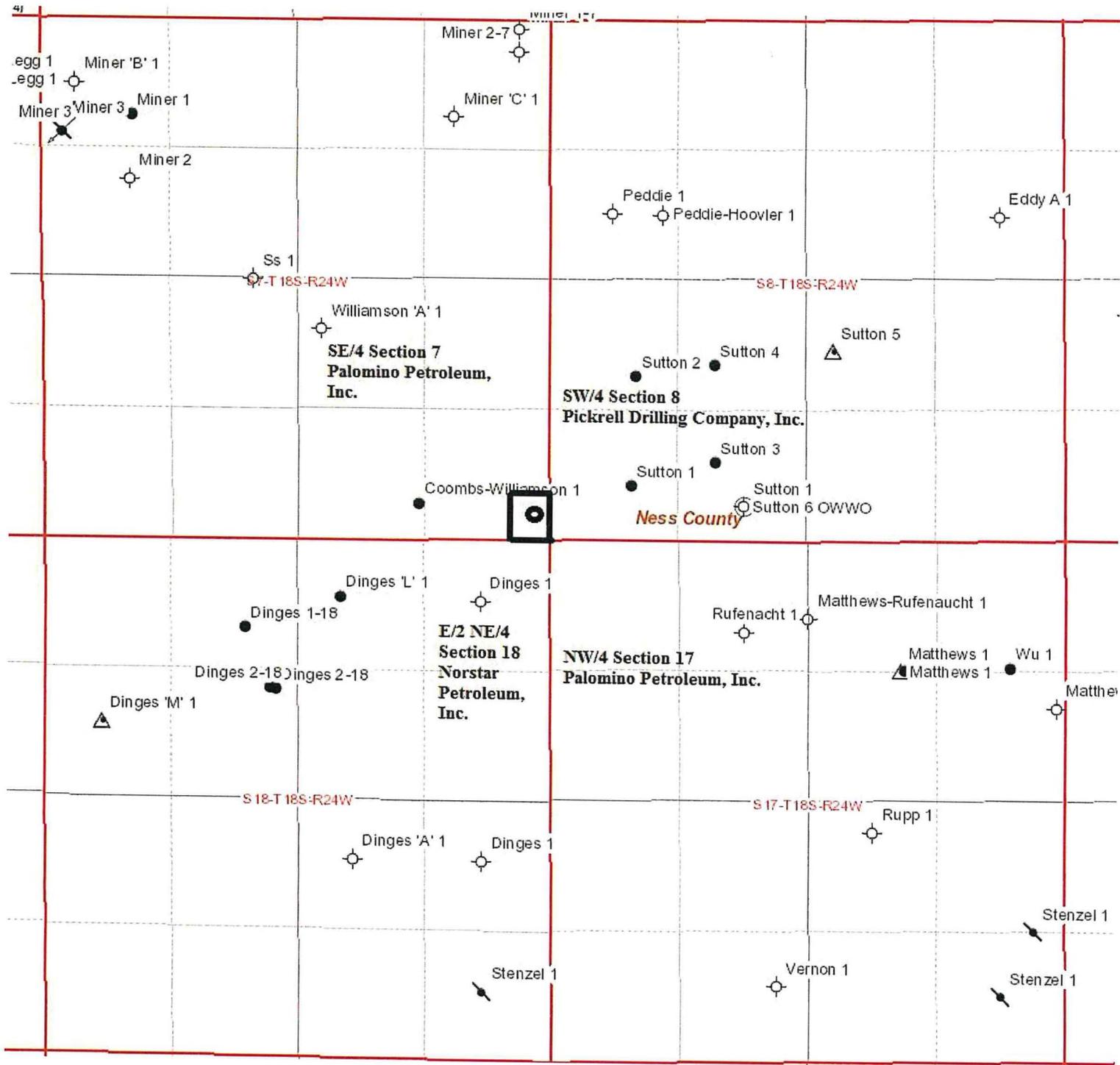
Subscribed and sworn to before me this 15<sup>th</sup> day of April 2021.



Katherine E. Abel  
Notary Public

My Commission Expires:

June 30, 2022



For KCC Use:  
Effective Date: \_\_\_\_\_  
District # 1  
SGA?  Yes  No

**DRAFT**  
KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form C-1  
March 2010  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

**NOTICE OF INTENT TO DRILL**

*Must be approved by KCC five (5) days prior to commencing well  
Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.*

Expected Spud Date: 6/18/2021  
month day year

OPERATOR: License# 30742  
Name: Palomino Petroleum, Inc.  
Address 1: 4924 SE 84TH ST  
Address 2: \_\_\_\_\_  
City: NEWTON State: KS Zip: 67114 + 8827  
Contact Person: Klee Robert Watchous  
Phone: 316-799-1000

CONTRACTOR: License# 30606  
Name: Murfin Drilling Co., Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Mud Rotary
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Air Rotary
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Wildcat	
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other	

If OWWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No  
If Yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_  
KCC DKT #: \_\_\_\_\_

Spot Description: \_\_\_\_\_  
SE - SE - SE - SE Sec. 7 Twp. 18 S. R. 24  E  W  
(0/0/0/0) 268 feet from  N /  S Line of Section  
178 feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?  
(Note: Locate well on the Section Plat on reverse side)

County: Ness  
Lease Name: Coombs-Williamson Well #: 2  
Field Name: Dex South  
Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Mississippian

Nearest Lease or unit boundary line (in footage): 178  
Ground Surface Elevation: 2324 Estimated \_\_\_\_\_ feet MSL  
Water well within one-quarter mile:  Yes  No  
Public water supply well within one mile:  Yes  No  
Depth to bottom of fresh water: 180  
Depth to bottom of usable water: 840  
Surface Pipe by Alternate:  I  II  
Length of Surface Pipe Planned to be set: 200  
Length of Conductor Pipe (if any): \_\_\_\_\_  
Projected Total Depth: 4600  
Formation at Total Depth: Mississippian

Water Source for Drilling Operations:  
 Well  Farm Pond  Other: \_\_\_\_\_  
DWR Permit #: \_\_\_\_\_  
(Note: Apply for Permit with DWR )  
Will Cores be taken?  Yes  No  
If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office *prior* to spudding of 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; in all cases surface pipe *shall be set* through all unconsolidated materials plus a minimum of 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 well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date.  
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II 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 to the best of my knowledge and belief.

Date: \_\_\_\_\_ Signature of Operator or Agent: \_\_\_\_\_ Title: \_\_\_\_\_

<b>For KCC Use ONLY</b>
API # 15 - _____
Conductor pipe required _____ feet
Minimum surface pipe required _____ feet per ALT. <input type="checkbox"/> I <input checked="" type="checkbox"/> II
Approved by: _____
This authorization expires: _____ (This authorization void if drilling not started within 12 months of approval date.)
Spud date: _____ Agent: _____

**Remember to:**

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: \_\_\_\_\_  
Signature of Operator or Agent: \_\_\_\_\_

7  
18  
24  
 E  
 W

# Side Two DRAFT

For KCC Use ONLY  
API # 15 - \_\_\_\_\_

## IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Palomino Petroleum, Inc.  
 Lease: Coombs-Williamson  
 Well Number: 2  
 Field: Dex South

Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: SE - SE - SE - SE

Location of Well: County: Ness  
268 feet from  N /  S Line of Section  
178 feet from  E /  W Line of Section  
 Sec. 7 Twp. 18 S. R. 24  E  W

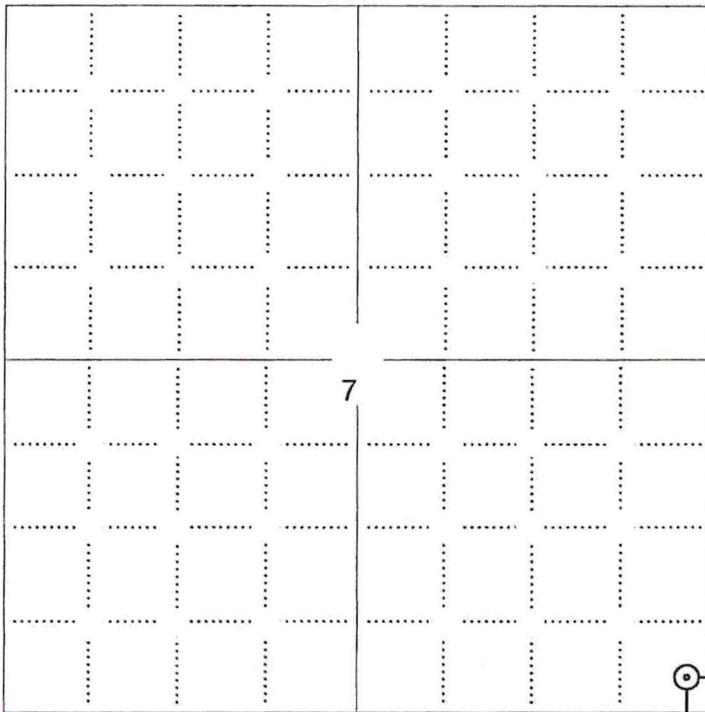
Is Section:  Regular or  Irregular

If Section is Irregular, locate well from nearest corner boundary.

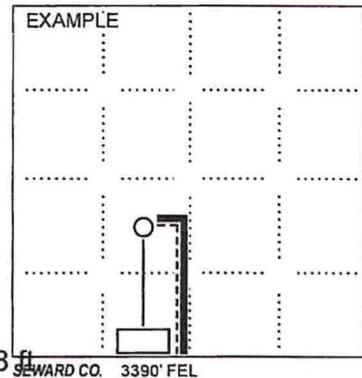
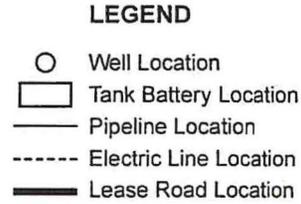
Section corner used:  NE  NW  SE  SW

### PLAT

*Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.*



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



178 ft.  
268 ft.

**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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

**DRAFT**  
**KANSAS CORPORATION COMMISSION**  
**OIL & GAS CONSERVATION DIVISION**  
**APPLICATION FOR SURFACE PIT**

Form CDP-1  
 May 2010  
 Form must be Typed

*Submit in Duplicate*

Operator Name: Palomino Petroleum, Inc.		License Number: 30742	
Operator Address: 4924 SE 84TH ST		NEWTON KS 67114	
Contact Person: Klee Robert Watchous		Phone Number: 316-799-1000	
Lease Name & Well No.: Coombs-Williamson 2		Pit Location (QQQQ): SE - SE - SE - SE Sec. 7 Twp. 18 R. 24 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 268 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 178 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Ness County	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 3420 _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		How is the pit lined if a plastic liner is not used? <b>Drilling mud and shale from wellbore</b>	
Pit dimensions (all but working pits):    80 Length (feet)    80 Width (feet) <input type="checkbox"/> N/A: Steel Pits		Depth from ground level to deepest point:    3 (feet) <input type="checkbox"/> No Pit	
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit: 4128 feet    Depth of water well 45 feet		Depth to shallowest fresh water 26 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: Fresh Number of working pits to be utilized: 2 Abandonment procedure: <b>Evaporate and backfill</b> Drill pits must be closed within 365 days of spud date.	
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.			
_____ Date		_____ Signature of Applicant or Agent	

<b>KCC OFFICE USE ONLY</b>			
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS	
Date Received: _____	Permit Number: _____	Permit Date: _____	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No

**DRAFT**  
KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1  
January 2014  
Form Must Be Typed  
Form must be Signed  
All blanks must be Filled

**CERTIFICATION OF COMPLIANCE WITH THE  
KANSAS SURFACE OWNER NOTIFICATION ACT**

*This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.*

Select the corresponding form being filed:  C-1 (Intent)  CB-1 (Cathodic Protection Borehole Intent)  T-1 (Transfer)  CP-1 (Plugging Application)

OPERATOR: License # 30742  
Name: Palomino Petroleum, Inc.  
Address 1: 4924 SE 84TH ST  
Address 2: \_\_\_\_\_  
City: NEWTON State: KS Zip: 67114 + 8827  
Contact Person: Klee Robert Watchous  
Phone: ( 316 ) 799-1000 Fax: ( 316 ) 799-2728  
Email Address: krw@ppiks.com

Well Location:  
SE SE SE SE Sec. 7 Twp. 18 S. R. 24  East  West  
County: Ness  
Lease Name: Coombs-Williamson Well #: 2

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

Name: Gloria J. Williamson, et al  
Address 1: First National Bank of Hutchinson  
Address 2: PO Box 913  
City: Hutchinson State: KS Zip: 67504 + \_\_\_\_\_

*When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.*

*If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.*

**Select one of the following:**

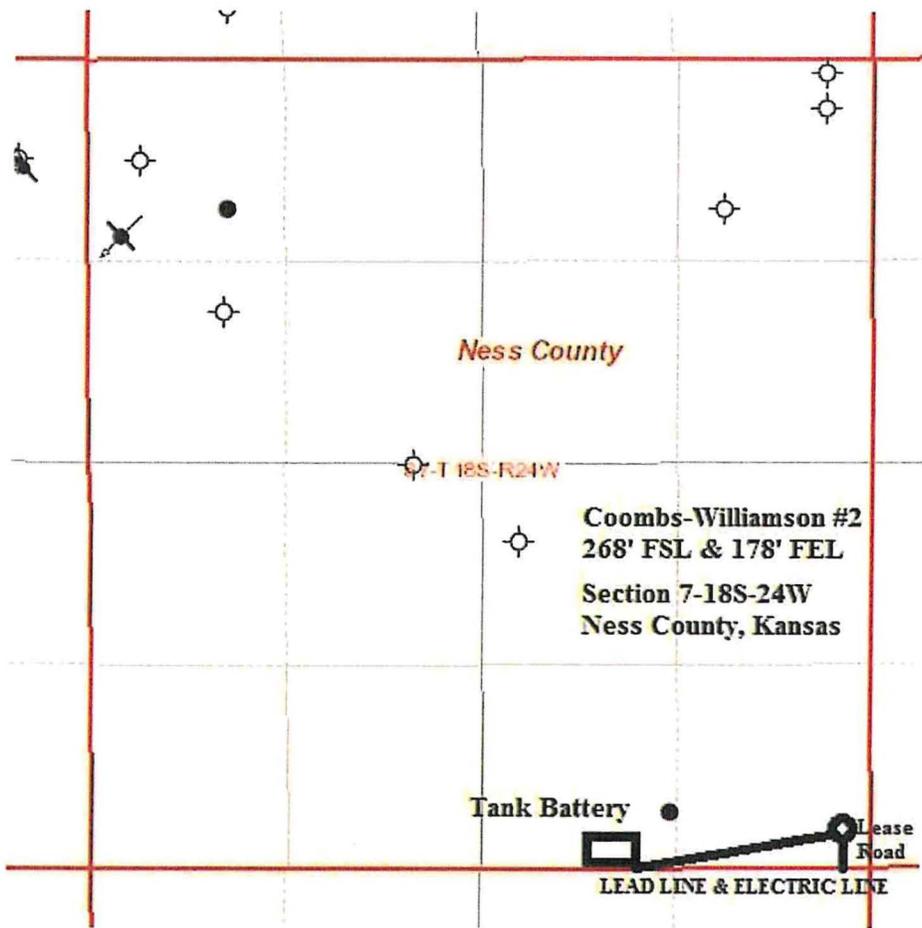
I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

*If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.*

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

Date: \_\_\_\_\_ Signature of Operator or Agent: \_\_\_\_\_ Title: \_\_\_\_\_





23-18s-24w-bar-usgs  
CRD NO.

00-18s-24w  
DMT NO.

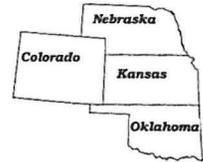
# PRO-STAKE

LLC

Construction Site Staking

14680

INVOICE NO.



Palomino Petroleum, Inc.  
OPERATOR

Ness County, KS  
COUNTY

Coombs-Williamson #2  
(restake)

268' FSL - 178' FEL  
LOCATION SPOT

2323.3'  
GR ELEVATION

38.493986636  
NAD 83 LAT

100.010314755  
NAD 83 LONG

07 18s 24w  
Sec. Twp. Rng.

SCALE: 1" = 1000'  
DATE STAKED: April 8<sup>th</sup>, 2021  
MEASURED BY: Pierce R.  
DRAWN BY: Pierce R.  
AUTHORIZED BY: Nick G.  
DATE REVISED:

P.O. Box 2324 Garden City, Kansas 67846  
Office/Fax: (620) 276-6159 – Cell: (620) 272-1499  
burt@prostakellc.com

### LEGEND

- ⊙ irr. well
- ⊕ water hydrant
- ⊕ tank battery
- ⊙ staked loc.
- ⊗ prod. well / aband. well
- house
- building
- G— gas line
- W— water line
- E— transmission powerline
- 3— 3 phase powerline
- 1— single phase powerline
- x—x— fence
- ▬ gravel / sand rd.
- ▬ gravel trail / lease rd.
- ▬ dirt rd.
- ▬ dirt trail / lease rd.
- ▬ Hwy / blacktop rd.

**DIRECTIONS:** From Ness City, KS at the intersection of Hwy. 96 & Hwy. 283 – Now go 4.6 miles West on Hwy. 96 – Now go 3 miles North on N Rd – Now go 1 mile West on 160 Rd. to ingress stake North then NW into at the SE corner of section 07-18s-24w – Now go approx. 390' North then NW through CRP like grass into staked location

**Final ingress must be verified with landowner or operator.**  
*This drawing does not constitute a monumented survey or a land survey plat.*  
*This drawing is for construction purposes only.*



**LANDOWNER/CONTACT: Rob Tanner: 620-560-6148 Gary Brenner: 785-798-5220**

