

JUN 10 2019

CONSERVATION DIVISION  
WICHITA, KS

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

In the matter of the Application of Palomino Petroleum, Inc., )  
An exception to the Pit Closure time limitation of K.A.R 82- )  
3-602 at its Preisser Farms #1 located in the NE/4 of Section )  
23, Township 25, Range 10 West, Reno County, Kansas )  
)

<sup>3404</sup>  
Docket No. 19-CONS- -CEXC  
CONSERVATION DIVISION  
License No. 30742

**APPLICATION**

COMES NOW Palomino Petroleum, Inc. (Applicant) and in support of its Application in the above captioned matter, states as follows:

1. Applicant is a Kansas Corporation doing business in the State of Kansas. Applicant's address is 4924 SE 84<sup>th</sup> St., Newton, Kansas 67114-8827.
2. The Kansas Corporation Commission has issued Applicant an Operator's License number 30742, which expires on June 30, 2019.
3. Applicant is the owner and operator of the Preisser Farms #1 well, API #15-155-21751-00-00 (the subject well), which is located 951 feet from the north line and 130 feet from the east line of the NE/4 of Section 23, Township 25 South, Range 10 West of the 6th P.M., Reno County, Kansas. The subject pit is located on an Applicant's Preisser Farms #1 oil and gas lease covering the NE/4 of Section 23, Township 25 South, Range 10 West, Reno County, Kansas.
4. K.A.R. 82-3-100 (b) states that the Commission may grant an exception to the requirement of any of its regulations.
5. Applicant respectfully requests an exception to the deadline for closing a drilling pit as provided in K.A.R. 82-3-602. Applicant has received two 3-month extensions but, due

to certain circumstances beyond Applicant's control, has been unable to complete closure of the drilling pit.

6. An exception and corresponding extension of time to close the pit will cause no environmental harm. The subject pit has been emptied several times and Applicant has closed up those portions of the pit deemed dry enough to close. Any fluid which may remain in the pit is fresh water.

7. The Applicant has been unable to completely close the pit within the time prescribed by regulation due to intermittent but persistent rainfall at the location.

8. The name and address of the landowner on whose land the well and pit are located is Lawrence A. Preisser, 105 SE 130<sup>th</sup> Ave., Cunningham, Kansas 67035. The names and addresses of the unleased mineral owners of record and operators of leases of record within one-half (1/2) mile of the subject well and entitled to receive notice of this Application are shown on the attached Exhibit "A."

9. Attached as Exhibit "B" is a plat map showing the location of the Preisser Farms #1 well.

WHEREFORE, Palomino Petroleum, Inc. prays that this Application be docketed by the Commission and that if no written protest is received within thirty (30) days after Notice of the Application has been published and duly provided to all interested parties, the Commission issue an order administratively granting Palomino Petroleum, Inc. an exception to the time limitation set forth in K.A.R. 82-3-602 and allow an additional extension of three (3) months. In the event a timely and proper protest is filed with the Commission, Palomino Petroleum, Inc. requests that the Commission set this Application for hearing and, upon such hearing, grant the request for exception and afford such other and further relief as the Commission deems necessary and proper.

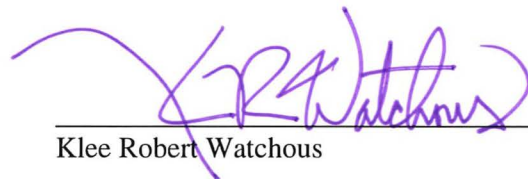
Respectfully Submitted,

Palomino Petroleum, Inc.  
4924 SE 84<sup>th</sup> St.  
Newton, Kansas 67114-8827  
Klee Robert Watchous, President

By  \_\_\_\_\_  
Klee Robert Watchous

**CERTIFICATE OF SERVICE**

I hereby certify that on this 6th day of June, 2019, true and correct copies of the above and foregoing Application and the Notice of Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to the landowners set forth in paragraph 8 of the said Application and each of the unleased mineral owners and operators set forth in Exhibit "A" attached to said Application, and the original Application and all necessary support documentation was electronically filed with the Kansas Corporation Commission to a new docket via E-Filing Express.

 \_\_\_\_\_  
Klee Robert Watchous

VERIFICATION

STATE OF KANSAS            )  
  ) SS:  
COUNTY OF HARVEY        )

Klee Robert Watchous, of lawful age, being first duly sworn, upon oath states that he is the President of Palomino Petroleum, Inc.; and that he has read the foregoing Application, is familiar with the contents thereof, and that the statements contained therein are true and correct according to her/his knowledge, information and belief.

Subscribed and sworn to before me, a notary public.



My appointment expires:  
October 6, 2021

Carla R. Penwell  
Carla R. Penwell

OFFSET OPERATORS/UNLEASED MINERAL OWNERS  
(within 1/2, mile radius)  
TO  
PALOMINO PETROLEUM,  
INC.  
**Preisser Farms #1**  
951' FNL & 130' FEL  
Sec. 23-25S-10W  
Reno County, Kansas

W/2 Sec. 23-25S-10W

Unit Petroleum Company  
7130 S. Lewis Ave., Ste. 1000  
Tulsa, OK 74136  
**(offset operator)**

NW/4 Sec. 24-25S-10W

ELIM, L.P., Michael E. Prieb  
9716 E. 82<sup>nd</sup> Ave., Buhler, KS 67522  
**(offset operator)**

SW/4 Sec. 24-25S-10W

Unit Petroleum Company  
7130 S. Lewis Ave., Ste. 1000  
Tulsa, OK 74136  
**(offset operator)**

NE/4 Sec. 23-25S-10W

Lawrence A. Preisser  
105 Southeast 130<sup>th</sup> Ave.  
Cunningham, KS 67035  
**(mineral owner)**

