



For KCC Use:
 Effective Date: _____
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION 1077444
 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: _____
month day year

OPERATOR: License# _____
 Name: _____
 Address 1: _____
 Address 2: _____
 City: _____ State: _____ Zip: _____ + _____
 Contact Person: _____
 Phone: _____

CONTRACTOR: License# _____
 Name: _____

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic ; _____ # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Mud Rotary
<input type="checkbox"/> Other: _____		<input type="checkbox"/> Air Rotary
		<input type="checkbox"/> Cable
<input type="checkbox"/> 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: _____
 _____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ E W
(Q/Q/Q/Q) _____ feet from N / S Line of Section
 _____ feet from E / W Line of Section

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

County: _____
 Lease Name: _____ Well #: _____

Field Name: _____
 Is this a Prorated / Spaced Field? Yes No

Target Formation(s): _____
 Nearest Lease or unit boundary line (in footage): _____

Ground Surface Elevation: _____ 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: _____

Depth to bottom of usable water: _____
 Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: _____
 Length of Conductor Pipe (if any): _____

Projected Total Depth: _____
 Formation at Total Depth: _____

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.

Submitted Electronically

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

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: _____

E
 W



1077444

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: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

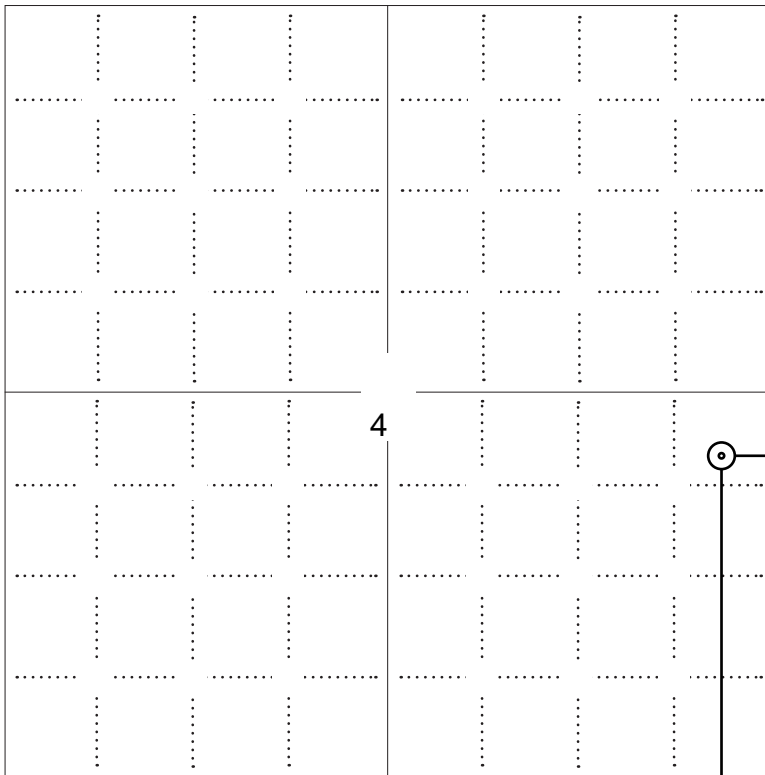
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

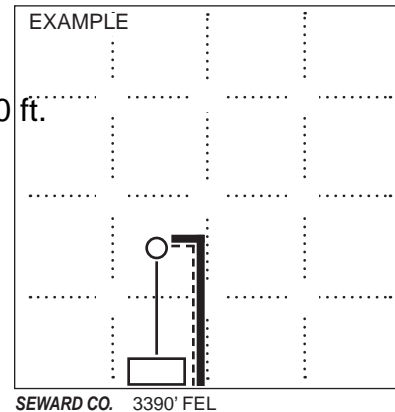
PLAT

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.



LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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

2200 ft.

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

- 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.
- The distance of the proposed drilling location from the south / north and east / west outside section lines.
- The distance to the nearest lease or unit boundary line (in footage).
- If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
- The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



KANSAS CORPORATION COMMISSION 1077444
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: _____		License Number: _____	
Operator Address: _____			
Contact Person: _____		Phone Number: _____	
Lease Name & Well No.: _____		Pit Location (QQQQ): _____-_____-_____-_____	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input 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 type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (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: _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: 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		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ Drill pits must be closed within 365 days of spud date.	
<p>Submitted Electronically</p>			

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



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 # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location: _____
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

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

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

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 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 Submitted Electronically

I

**BEREXCO, LLC
RANDA LEASE
SE.1/4. SECTION 4. T16S. R25W
NESS COUNTY, KANSAS**

GRAVEL (COUNTY LINE) ROAD

Notes:

1. Set (2) wood stakes at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N. line. Sec.4.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec.4.
6. Found old well per magnetic response.
7. Contact landowner for best access.

*Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.

ROAD (H ROAD)
GRAVEL

TRAIL
ROAD (I ROAD)
GRASS

4
Old Well Location
Randa #1 O. W. W. O.
110'S. & 20'W. NE NE SE
2200'FSL 350'FEL
Ground Elevation = 2536
Y = 739982 X = 1547934

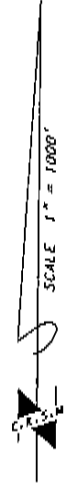
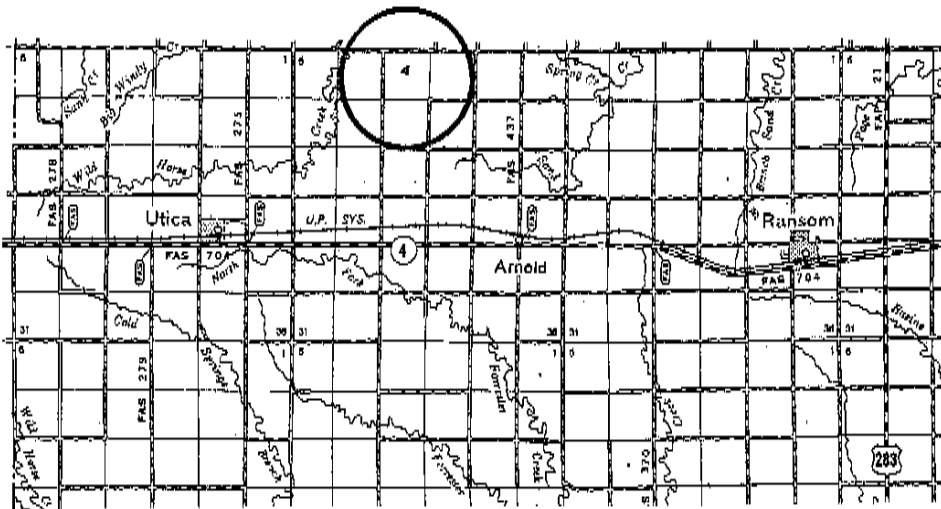
State Plane-NAD 27-Kansas South
(Mapping Grade GPS Used)



STUBBLE

DRAW

NO ROAD (290 ROAD)



*Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.

*Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drilling location in the section is not guaranteed. Therefore, the operator securing this service and accepting this plat and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and hold entities released from any liability from incidental or consequential damages.

*Elevations derived from National Geodetic Vertical Datum.

Date March 27, 2012

**BEREXCO, LLC
RANDA LEASE
SE.1/4. SECTION 4, T16S, R25W
NESS COUNTY, KANSAS**

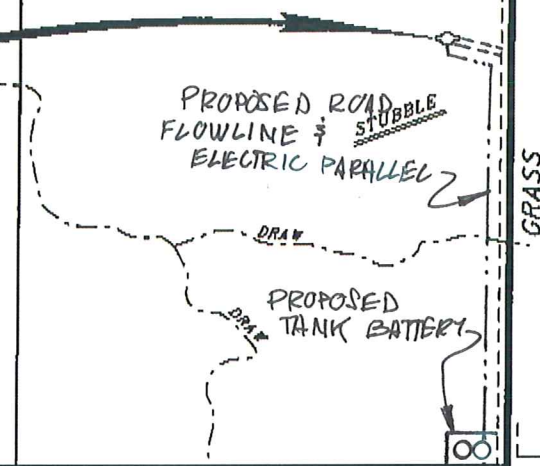
GRAVEL (COUNTY LINE) ROAD

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State Plane-NAD 27-Kansas South
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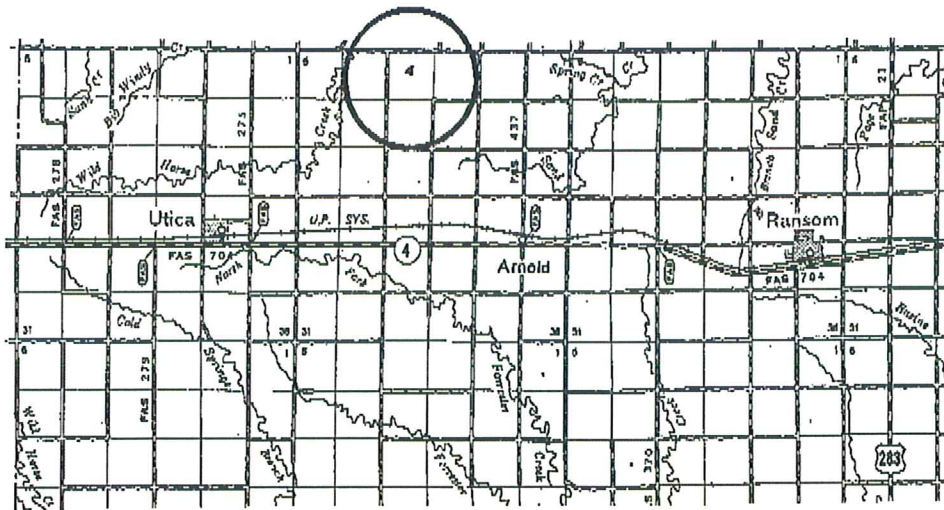
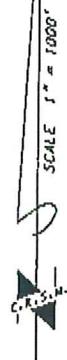


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ROAD (H ROAD)
GRAVEL

TRAIL
(T ROAD)
GRAVEL

NO ROAD (290 ROAD)



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Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the well in the section is not guaranteed. Therefore, the operator assuming this service and occupying this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.

Elevations derived from National Geodetic Vertical Datum.

Date March 27, 2012

RECEIVED

NOV 23 2005

KCC WICHITA

Form CP-4

December 2003

Please Print on this Form

Form must be Signed

All blanks must be Filled

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION WELL PLUGGING RECORD K.A.R. 82-3-117

Lease Operator: Palomino Petroleum, Inc.

Address: 4924 SE 84th, Newton, KS 67114

Phone: (316) 799-1000 Operator License #: 30742

Type of Well: Oil D & A Docket #: (Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)

The plugging proposal was approved on: 11-16-05 (Date)

by: Richard Lacey (KCC District Agent's Name)

Is ACO-1 filed? Yes No If not, is well log attached? Yes No

Producing Formation(s): List All (If needed attach another sheet)

Depth to Top: Bottom: T.D. Depth to Top: Bottom: T.D. Depth to Top: Bottom: T.D.

API Number: 15 - 135-24404-00-00

Lease Name: Randa

Well Number: #1

Spot Location (QQQQ): approx. - NE - NE - SE 2200 Feet from North / South Section Line

350 Feet from East / West Section Line

Sec. 4 Twp. 16 S. R. 25 East West

County: Ness

Date Well Completed: D & A

Plugging Commenced: 11-18-05

Plugging Completed: 11-18-05

Show depth and thickness of all water, oil and gas formations.

Table with columns: Oil, Gas or Water Records (Formation, Content) and Casing Record (Surface Conductor & Production) (From, To, Size, Put In, Pulled Out). Row 1: *see attached drilling report, 0', 256', 8 5/8" new 23#, 244', 0'.

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Plugged well with 265 sacks of 60/40 Poz, 6% gel, 1/4# floseal per sack. 1st plug @ 1980' with 50 sacks. 2nd plug @ 1130' with 80 sacks. 3rd plug @ 600' with 40 sacks. 5th plug @ 60' with 20 sacks to surface. Plug rat hole with 15 sacks. Plug mouse hole with 10 sacks. Plug down @ 10:15 pm on 11-18-05 by Allied Cementing (tk # 21696).

Name of Plugging Contractor: Southwind Drilling, Inc. License #: 33350

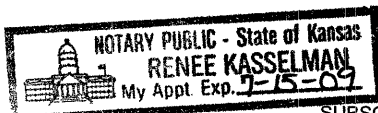
Address: PO Box 276, Ellinwood, KS 67526

Name of Party Responsible for Plugging Fees: Klee Watchous

State of Kansas County, Barton, ss.

Todd E. Morgenstern, VP/OP of Southwind Drilling, Inc. (Employee of Operator) or (Operator) on above-described well, being first duly

sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.



(Signature) Todd E. Morgenstern (Address) PO Box 276, Ellinwood, KS 67526

SUBSCRIBED and SWORN TO before me this 22 day of November, 20 05

Renee Kasselmann My Commission Expires: 7-15-09 Notary Public

Handwritten signature/initials.

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KCC WICHITA

SOUTHWIND DRILLING, INC. PLUGGING ORDERS AND REPORTS

Lease: Randa #1 Palomino Petroleum

Plugging received from: Richard Lacey Date: 11-16-05 Time: 4:00 PM

1st Plug @ 1980 FT. 50 SX Stands: 32

2nd Plug @ 1130 FT. 80 SX Stands: 18

3rd Plug @ 600 FT. 40 SX Stands: 10

4th Plug @ 280 FT. 50 SX Stands: 4 1/2

5th Plug @ 60 FT. 20 SX Stands: 1

Mousehole 10 SX

Rathole 15 SX

Total Cement used: 265 SX

Type of cement: 60/40 po2 690sel 1/4" floosed / sx

Plug down at 10:15 PM 11-18-05 by Allied TKT # 21696

Call State When Completed:

Name Michelle Date: 11-21-05 Time: 9:00 AM.

NESS CO. Sec. 4 Twp. 16 s R. 25 w
SPOT 110' S & 20' W of
NE - NE - SE

API # 15-135-24404-0000

SET 8 5/8 @ 256 KB OR @ 246 GH

RTD = 4711 & FORMATION @ TD is Gilmore City

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NOV 23 2005
KCC WICHITA

SOUTHWIND DRILLING, INC.
RIG #1

PO Box 276, Ellinwood, KS 67526
Office Phone 620-564-3800, Fax 620-564-3845

DRILLING REPORT

Randa #1

Location: 2200' FSL & 350' FEL
API#: 15-135-24404-00-00

Section 4-16S-25W
Ness County, Kansas

OWNER: _____ : Palomino Petroleum, Inc.
CONTRACTOR: Southwind Drilling, Inc. Rig #1

COMMENCED: 11-07-05
COMPLETED: 11-18-05

TOTAL DEPTH: Driller: 4711'
Log: 4709'

Ground Elevation: 2536'
KB Elevation: 2546'

LOG :

0'	-	259'	Sand/Lime
259'	-	990'	Sand/Clay
990'	-	1950'	Sand/Shale
1950'	-	1986'	Anhydrite
1986'	-	2950'	Sand/Shale
2950'	-	4270'	Shale
4270'	-	4410'	Shale/Lime
4410'	-	4500'	Shale
4500'	-	4711'	Shale/Lime
		4711'	RTD

CASING RECORDS

Surface casing – 8 5/8"

Ran 6 joints of 23# new 8 5/8" surface casing. Tally @ 244'. Set @ 256'. Cement with 165 sacks of common, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 12:30 am on 11-08-05 by Allied Cementing (tkt# 22436).

Production casing – 5 1/2"

None – plugged well

DEVIATION SURVEYS

3/4 degree (s) @ 259'
1 degree (s) @ 4410'

MORNING DRILLING REPORT				Fax to: Klee Watchous @ 316-799-2728			
Southwind Drilling, Inc. PO Box 276 112 North Main Ellinwood, KS 67526		Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Randa #1	
				LOCATION		2200' FSL & 350' FEL Sec. 4-16S-25W Ness County, Kansas	
Rig #1 Phone Numbers		N USE		Palomino Petroleum, Inc. 4924 SE 84 th Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866			
620-794-2075	Rig Cellular (Dog house)	Yes		ELEVATION			
620-794-2078	Geologist Trailer Cellular	Yes		G.L. 2536'	K.B. 2546'	API# 15-135-24404-00-00	
620-617-7324	Tool Pusher Cellular	Yes	Doug Roberts				

Driving Directions: From Arnold on Hwy 4: 2 miles West, 3 1/2 miles North, West into.

Day 1 Date 11-07-05 Monday Survey @ 259' = 3/4 degree

Moved Rig #1 on location

Spud @ 5:30 pm

Ran 4.00 hours drilling (.75 drill rat hole, 3.25 drill 12 1/4"). Down 20.00 hours (9.75 move/rig up, 1.25 connection, .25 clean screen, .50 CTCH, .25 survey, .50 trip, .50 run casing, .25 circulate, .25 cement, 6.50 wait on cement)

Mud properties: spud mud

Daily Mud Cost = \$0.00. Mud Cost to Date = \$0.00

Wt. on bit: all, 100 RPM, 400# pump pressure

12 1/4" bit (in @ 0' out @ 259') = 3.25 hrs - 259'

1" fuel = 37.75 gals.

Fuel usage: 151.00 gals. (30"used 4") start @ 34"

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NOV 23 2005

KCC WICHITA

Ran 6 joints of 23# new 8 5/8" surface casing. Tally @ 244'. Set @ 256'. Cement with 165 sacks of common, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 12:30 am on 11-08-05 by Allied Cementing (tk# 22436).

Day 2 Date 11-08-05 Tuesday

7:00 am - Waiting on cement @ 259'

Ran 16.25 hours drilling. Down 7.75 hours (.25 rig check, .75 rig repair, 2.50 wait on cement, 1.00 jet, 2.50 connection, .75 drill plug)

Mud properties: freshwater

Daily Mud Cost = \$220.75. Mud Cost to Date = \$220.75

Wt. on bit: 25,000, 80 RPM, 700# pump pressure

12 1/4" bit (in @ 0' out @ 259') = 3.25 hrs - 259'

7 7/8" bit #1 (in @ 259') = 16.25 hrs - 1045'

Fuel usage: 264.25 gals. (23"used 7")

Day 3 Date 11-09-05 Wednesday Anhydrite (1950'-1986')

7:00 am - Drilling @ 1304'

Ran 19.25 hours drilling. Down 4.75 hours (1.25 rig check, 1.50 jet, 2.00 connection)

Mud properties: freshwater

Daily Mud Cost = \$1,909.63. Mud Cost to Date = \$2,130.38

Wt. on bit: 30,000, 80 RPM, 700# pump pressure

12 1/4" bit (in @ 0' out @ 259') = 3.25 hrs - 259'

7 7/8" bit #1 (in @ 259') = 35.50 hrs - 2191'

Fuel usage: 264.25 gals. (76"used 7") 23" + 60" delivered = 83"

MORNING DRILLING REPORT				Fax to: Klee Watchous @ 316-799-2728			
Southwind Drilling, Inc. PO Box 276 112 North Main Ellinwood, KS 67526		Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Randa #1	
				LOCATION		2200' FSL & 350' FEL Sec. 4-16S-25W Ness County, Kansas	
Rig #1 Phone Numbers		N USE		Palomino Petroleum, Inc. 4924 SE 84 th Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866			
620-794-2075	Rig Cellular (Dog house)	Yes					
620-794-2078	Geologist Trailer Cellular	Yes					
620-617-7324	Tool Pusher Cellular	Yes	Doug Roberts	ELEVATION	G.L. 2536'	K.B. 2546'	API# 15-135-24404-00-00

Driving Directions: From Arnold on Hwy 4: 2 miles West, 3 ½ miles North, West into.

Day 4 Date 11-10-05 Thursday

7:00 am – Drilling @ 2450'
Ran 20.50 hours drilling. Down 3.50 hours (.75 rig check, 1.25 jet, 1.50 connection)
Mud properties: freshwater
Daily Mud Cost = \$0.00. Mud Cost to Date = \$2,130.38
Wt. on bit: 30,000, 80 RPM, 800# pump pressure
12 ¼" bit (in @ 0' out @ 259') = 3.25 hrs - 259'
7 7/8" bit #1 (in @ 259') = 56.00 hrs - 2901'

Fuel usage: 339.75 gals. (67"used 9")

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Day 5 Date 11-11-05 Friday

7:00 am – Drilling @ 3160'
Ran 19.75 hours drilling. Down 4.25 hours (.75 rig check, .25 rig repair, .50 jet, .75 connection, 2.00 displace)
Mud properties: wt. 8.8, vis 53, water loss 8.0
Daily Mud Cost = \$2,494.46. Mud Cost to Date = \$4,624.84
Wt. on bit: 35,000, 80 RPM, 800# pump pressure
12 ¼" bit (in @ 0' out @ 259') = 3.25 hrs - 259'
7 7/8" bit #1 (in @ 259') = 75.75 hrs - 3401'

Fuel usage: 377.50 gals. (57"used 10")

Day 6 Date 11-12-05 Saturday

7:00 am – Drilling @ 3660'
Ran 22.25 hours drilling. Down 1.75 hours (.75 rig check, .75 connection, .25 jet)
Mud properties: wt. 9.3, vis 51
Daily Mud Cost = \$0.00. Mud Cost to Date = \$4,624.84
Wt. on bit: 35,000, 80 RPM, 800# pump pressure
12 ¼" bit (in @ 0' out @ 259') = 3.25 hrs - 259'
7 7/8" bit #1 (in @ 259') = 98.00hrs - 3812'

Fuel usage: 415.25 gals. (46"used 11")

Day 7 Date 11-13-05 Sunday

7:00 am – Drilling @ 4071'
Ran 22.00 hours drilling. Down 2.00 hours (.75 rig check, .75 rig repair, .50 connection)
Mud properties: wt. 9.4, vis 50
Daily Mud Cost = \$0.00. Mud Cost to Date = \$4,624.84
Wt. on bit: 35,000, 80 RPM, 800# pump pressure
12 ¼" bit (in @ 0' out @ 259') = 3.25 hrs - 259'
7 7/8" bit #1 (in @ 259') = 120.00 hrs - 4086'

Fuel usage: 377.50 gals. (36"used 10")

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MORNING DRILLING REPORT				Fax to: Klee Watchous @ 316-799-2728			
Southwind Drilling, Inc. PO Box 276 112 North Main Ellinwood, KS 67526			Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Randa #1
					LOCATION		2200' FSL & 350' FEL Sec. 4-16S-25W Ness County, Kansas
Rig #1 Phone Numbers				N USE		Palomino Petroleum, Inc. 4924 SE 84 th Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866	
620-794-2075	Rig Cellular (Dog house)	Yes			ELEVATION		G.L. 2536' K.B. 2546' API# 15-135-24404-00-00
620-794-2078	Geologist Trailer Cellular	Yes					
620-617-7324	Tool Pusher Cellular	Yes	Doug Roberts				

Driving Directions: From Arnold on Hwy 4: 2 miles West, 3 1/2 miles North, West into.

Day	8	Date	11-14-05	Monday	DST #1 (4355'-4410') Fort Scott formation Recovered 50' slightly oil cut mud
					Survey @ 4410' = 1 degree Pipe strap = 2.83 short to the board

7:00 am – Drilling @ 4345'
 Ran 5.50 hours drilling. Down 18.50 hours (.50 rig check, 10.75 trips, 2.25 CFS @ 4410', .50 jet, 1.00 CTCH, .25 rig repair, .25 survey, 3.00 DST #1)
 Mud properties: wt. 9.4, vis 55, water loss 7.2
 Daily Mud Cost = \$1,534.09. Mud Cost to Date = \$6,158.93
 Wt. on bit: 30,000, 80 RPM, 800# pump pressure
 12 1/4" bit (in @ 0' out @ 259') = 3.25 hrs - 259'
 7 7/8" bit #1 (in @ 259') = 125.50 hrs - 4151'
 Fuel usage: 264.25 gals. (29"used 7")

Day	9	Date	11-15-05	Tuesday
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7:00 am – Tripping in with bit after DST #1 @ 4410'
 Ran 7.00 hours drilling. Down 17.00 hours (1.00 CTCH, 1.50 CFS @ 4489', 1.75 CFS @ 4498', 1.00 CFS @ 4500', 9.00 trips, .75 rig check, 2.00 DST #2)
 Mud properties: wt. 9.3, vis 54
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$6,158.93
 Wt. on bit: 30,000, 80 RPM, 800# pump pressure
 12 1/4" bit (in @ 0' out @ 259') = 3.25 hrs - 259'
 7 7/8" bit #1 (in @ 259' out @ 4500') = 132.50 hrs - 4241'
 Fuel usage: 264.25 gals. (50"used 7" 29" + 28" delivered = 57")

MORNING DRILLING REPORT				Fax to: Klee Watchous @ 316-799-2728			
Southwind Drilling, Inc. PO Box 276 112 North Main Ellinwood, KS 67526			Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Randa #1
					LOCATION		2200' FSL & 350' FEL Sec. 4-16S-25W Ness County, Kansas
Rig #1 Phone Numbers				N USE		Palomino Petroleum, Inc. 4924 SE 84 th Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866	
620-794-2075	Rig Cellular (Dog house)	Yes			ELEVATION		G.L. 2536' K.B. 2546' API# 15-135-24404-00-00
620-794-2078	Geologist Trailer Cellular	Yes					
620-617-7324	Tool Pusher Cellular	Yes	Doug Roberts				

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Driving Directions: From Arnold on Hwy 4: 2 miles West, 3 1/2 miles North, West into.

Day	10	Date	11-16-05	Wednesday	DST #2 (4480'-4500') <u>Mississippi formation</u> <u>Recovered 40' oil and</u> <u>80' oil cut mud</u>
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DST #3 (4481'-4507')
Mississippi formation
Recovered 10' clean oil and
75' oil cut mud

7:00 am – Tripping out with DST #2 @ 4500'
 Ran 0.25 hours drilling. Down 23.75 hours (1.50 CTCH, 1.75 CFS @ 4505', 1.25 CFS @ 4507', 14.00 trips, .25 rig check, .25 wait on testers, 3.50 DST #3, .75 rig repair, .50 clean floor)
 Mud properties: wt. 9.0, vis 56
 Daily Mud Cost = \$316.21. Daily Mud Cost = \$6,475.14
 Wt. on bit: 30,000, 80 RPM, 800# pump pressure
 12 1/4" bit (in @ 0' out @ 259') = 3.25 hrs - 259'
 7 7/8" bit #1 (in @ 259' out @ 4507') = 132.75 hrs - 4248'

Fuel usage: 226.50 gals. (44"used 6")

Day	11	Date	11-17-05	Thursday
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RTD = 4711'
LTD = 4709'

7:00 am – CTCH @ 4507'
 Ran 14.50 hours drilling. Down 9.50 hours (2.50 CTCH, 1.50 CFS @ 4513', 1.50 CFS @ 4517', 1.50 CFS @ 4527', 1.00 rig check, 1.25 trip, .25 connection)
 Mud properties: wt. 9.4, vis 52
 Daily Mud Cost = \$577.56. Total Mud Cost = \$7,052.70
 Wt. on bit: 30,000, 80 RPM, 800# pump pressure
 12 1/4" bit (in @ 0' out @ 259') = 3.25 hrs - 259'
 7 7/8" bit #1 (in @ 259' out @ 4711') = 147.25 hrs - 4452'

Fuel usage: 377.50 gals. (34"used 10")

MORNING DRILLING REPORT				Fax to: Klee Watchous @ 316-799-2728			
Southwind Drilling, Inc. PO Box 276 112 North Main Ellinwood, KS 67526		Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Randa #1	
				LOCATION		2200' FSL & 350' FEL Sec. 4-16S-25W Ness County, Kansas	
Rig #1 Phone Numbers		N USE		Palomino Petroleum, Inc. 4924 SE 84 th Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866			
620-794-2075	Rig Cellular (Dog house)	Yes		ELEVATION G.L. 2536' K.B. 2546' API# 15-135-24404-00-00			
620-794-2078	Geologist Trailer Cellular	Yes					
620-617-7324	Tool Pusher Cellular	Yes	Doug Roberts				

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Driving Directions: From Arnold on Hwy 4: 2 miles West, 3 1/2 miles North, West into.

Day Date 11-18-05 Friday

7:00 am – Tripping out with bit for log @ 4711'
Ran 0.00 hours drilling. Down 16.00 hours (4.00 trips, 5.50 log, 2.75 lay down pipe, .75 wait on cementers, 2.25 plug well, 4.75 tear down, 4.00 move off)

Fuel usage: 113.25 gals. (31“used 3“)

Plug well with 265 sacks of 60/40 Poz, 6% gel, 1/4# floseal per sack. 1st plug @ 1980' with 50 sacks, 2nd plug @ 1130' with 80 sacks. 3rd plug @ 600' with 40 sacks. 4th plug @ 230' with 50 sacks. 5th plug @ 60' with 20 sacks. Plug rat hole with 15 sacks. Plug mouse hole with 10 sacks. Plug down @ 10:15 pm on 11-18-05 by Allied Cementing (tk # 21696).

Day Date 11-19-05 Saturday

7:00 am – Moving rig off location

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21696

ALLIED CEMENTING CO., INC.

Federal Tax I.D.#

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Oakley

DATE <i>11-18-05</i>	SEC. <i>4</i>	TWP <i>16s</i>	RANGE <i>25w</i>	CALLED OUT	ON LOCATION <i>7:30PM</i>	JOB START <i>8:00PM</i>	JOB FINISH <i>10:15PM</i>
LEASE <i>Randg</i>	WELL # <i>1</i>	LOCATION <i>Arnold 2w 3 1/2 N w/s</i>			COUNTY <i>Noss</i>	STATE <i>KS</i>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR *Southwind Drlg*

TYPE OF JOB *PTA*

HOLE SIZE *7 3/8* T.D. *4711'*

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH *1980'*

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER *Some*

CEMENT AMOUNT ORDERED
205 sks 60/40 1/2 Gal 1/4 P10501

EQUIPMENT

PUMP TRUCK CEMENTER *Dean*

373-281 HELPER *Andrew*

BULK TRUCK

218 DRIVER *Kelly*

BULK TRUCK

_____ DRIVER _____

COMMON _____ @ _____

POZMIX _____ @ _____

GEL _____ @ _____

CHLORIDE _____ @ _____

ASC _____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

HANDLING _____ @ _____

MILEAGE _____ @ _____

REMARKS:

1st Plug 1980' w/50sks

2nd Plug 1130' w/50sks

3rd Plug 600' w/40sks

4th Plug 230' w/50sks

5th Plug 60' w/20sks

15 sks in Rat Hole

10 sks in Mouse Hole

TOTAL _____

CHARGE TO: *Palomino Petroleum Inc*

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE _____ @ _____

MILEAGE _____ @ _____

MANIFOLD _____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE *Doug Roberts*

Doug Roberts
PRINTED NAME