

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

COPY

Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 30742
Name: Palomino Petroleum, Inc.
Address: 4924 SE 84th St.
City/State/Zip: Newton, Kansas 67114-8827
Purchaser: NCRA
Operator Contact Person: Klee R. Watchous
Phone: (316) 799-1000
Contractor: Name: Southwind Drilling, Inc.
License: 33350
Wellsite Geologist: Jon R. Stewart

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:

Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

<u>4/5/06</u>	<u>4/12/06</u>	<u>4/12/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 163-23525-0000
County: Rooks
SW SW NE Sec. 5 Twp. 8 S. R. 20 East West
2200 feet from S (N) (circle one) Line of Section
2300 1310 feet from (E) W (circle one) Line of Section
Footages Calculated from ^{KCC} Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Thyfault Well #: 1
Field Name: Thyfault East
Producing Formation: LKC, Conglomerate
Elevation: Ground: 1950 Kelly Bushing: 1960
Total Depth: 3509 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 224 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 1468 Feet
If Alternate II completion, cement circulated from 1468
feet depth to surface w/ 120 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Klee R. Watchous
Title: President Date: July 3, 2006

Subscribed and sworn to before me this 3rd day of July,
20 06.

Notary Public: Carla R. Penwell
Carla R. Penwell

NOTARY PUBLIC - State of Kansas
Date Commission Expires: October 6, 2009
CARLA R. PENWELL
My Appt. Expires 10-6-09

KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

**RECEIVED
JUL 05 2006
KCC WICHITA**

Operator Name: Palomino Petroleum, Inc. Lease Name: Thyfault Well #: 1
 Sec. 5 Twp. 8 S. R. 20 East West County: Rooks

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Radiation Guard, Dual Receiver Cement Bond, Micro	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhy.</td> <td>1511</td> <td>(+ 449)</td> </tr> <tr> <td>Base Anhy.</td> <td>1546</td> <td>(+ 414)</td> </tr> <tr> <td>Topeka</td> <td>2932</td> <td>(- 972)</td> </tr> <tr> <td>Heebner</td> <td>3134</td> <td>(-1174)</td> </tr> <tr> <td>Toronto</td> <td>3163</td> <td>(-1203)</td> </tr> <tr> <td>LKC</td> <td>3176</td> <td>(-1216)</td> </tr> <tr> <td>BKC</td> <td>3379</td> <td>(-1419)</td> </tr> <tr> <td>Marmaton</td> <td>3411</td> <td>(-1451)</td> </tr> </table>	Name	Top	Datum	Anhy.	1511	(+ 449)	Base Anhy.	1546	(+ 414)	Topeka	2932	(- 972)	Heebner	3134	(-1174)	Toronto	3163	(-1203)	LKC	3176	(-1216)	BKC	3379	(-1419)	Marmaton	3411	(-1451)
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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 5/8"	20#	224'	Common	185	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	3509'	EA-2	135	500 gal. mud flush
							w/add. 20 bbls. KCL water

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	3214-3218		
4	3421-3427		

TUBING RECORD	Size 2 7/8"	Set At 3397'	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumerd Production, SWD or Enhr. 6/6/06	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls. 50% 10	Gas Mcf	Water Bbls. 50% 20	Gas-Oil Ratio RECEIVED JUL 05 2006

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.) Other (Specify)

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LOGS

Conglomerate	3421	(-1461)
Arbuckle	3439	(-1479)
LTD	3509	(-1549)

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