

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

Form CP-4
December 2003
Type or Print on this Form
Form must be Signed
All blanks must be Filled

Lease Operator: Palomino Petroleum, Inc.

Address: 4924 SE 84th St., Newton, KS 67114-8827

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: 04-08-05 (Date)

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

Is ACO-1 filed? [X] 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 - 185-23310-00-00

Lease Name: Spangenberg

Well Number: 2

Spot Location (QQQQ): 140' S & 30' W - N/2 - N/2 - NE

470 Feet from [X] North / [ ] South Section Line

1350 Feet from [X] East / [ ] West Section Line

Sec. 17 Twp. 22 S. R. 12 [ ] East [X] West

County: Stafford

Date Well Completed: D & A

Plugging Commenced: 04-08-05

Plugging Completed: 04-08-05

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' to 312', 8 5/8" new 23#, 301.11', 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 hole with 135 sacks of 60/40 Poz and 6% gel.

1st plug @ 670' with 50 sacks. 2nd plug @ 330' with 50 sacks. 3rd plug @ 40' with 10 sacks to surface.

Plug mouse hole with 10 sacks and rat hole with 15 sacks.

Plug down @ 10:30 pm on 04-08-05 by Allied Cementing (tk #14418)

Name of Plugging Contractor: Allied Cementing Southwind License #: na 33380

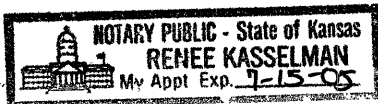
Address: PO Box 31, Russell, KS 67665

Name of Party Responsible for Plugging Fees: Klee R. 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 11 day of April, 20 05

Renee Kasselmann My Commission Expires: 7-15-05
Notary Public

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

SOUTHWIND DRILLING, INC.  
PLUGGING ORDERS AND REPORTS

Lease: SPANGENBERG # 2

Plugging received from KCC representative:

Name: RICHARD LACEY Date 4-8-05 Time 11:20

1<sup>st</sup> plug @ 670 ft. 50 sx. Stands: 11

2nd plug @ 330 ft. 50 sx. Stands: 5 1/2

3rd plug @ 40 ft. 10 sx. Stands: 1

4th plug @ \_\_\_\_\_ ft. \_\_\_\_\_ sx. Stands: \_\_\_\_\_

5th plug @ \_\_\_\_\_ ft. \_\_\_\_\_ sx. Stands: \_\_\_\_\_

Mousehole \_\_\_\_\_ 10 sx.

Rahole \_\_\_\_\_ 15 sx.

Total Cement used: \_\_\_\_\_ 135 sx.

Type of cement 60/40 POZ 6% GEL

Plug down @ 10:30 P.M. 4-8-05 BY ALLEN T, NO. - 14418

Call KCC When Completed:

Name: MIKE MAIER Date 4-11-05 Time 9:00

RECEIVED  
APR 13 2005  
KCC WICHITA

# ALLIED CEMENTING CO., INC.

14418

Federal Tax I.D.# XXXXXXXXXX

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

SERVICE POINT: At Road

DATE <u>4-8-05</u>	SEC. <u>17</u>	TWP. <u>22</u>	RANGE <u>12</u>	CALLED OUT <u>9:00PM</u>	ON LOCATION <u>9:00PM</u>	JOB START <u>9:30PM</u>	JOB FINISH <u>10:30PM</u>
LEASE <u>Sprague's</u>	WELL # <u>2</u>		LOCATION <u>281 + K-19-5E, 15, 1/4 W, 5/3</u>		COUNTY <u>Sheridan</u>	STATE <u>Ks</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Sandwind #2  
 TYPE OF JOB Rotary Drill  
 HOLE SIZE 4 1/2" T.D. 3708  
 CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE 4 1/2" DEPTH 670  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_  
 CEMENT LEFT IN CSG. \_\_\_\_\_  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT \_\_\_\_\_

OWNER Some  
 CEMENT AMOUNT ORDERED 1352.69/40 690.108  
 COMMON \_\_\_\_\_ @ \_\_\_\_\_  
 POZMIX \_\_\_\_\_ @ \_\_\_\_\_  
 GEL \_\_\_\_\_ @ \_\_\_\_\_  
 CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 HANDLING \_\_\_\_\_ @ \_\_\_\_\_  
 MILEAGE \_\_\_\_\_ @ \_\_\_\_\_  
 TOTAL \_\_\_\_\_

**EQUIPMENT**

PUMP TRUCK CEMENTER Tim D  
 # 181 HELPER Bob P  
 BULK TRUCK DRIVER Rich H  
 # 342  
 BULK TRUCK DRIVER \_\_\_\_\_  
 # \_\_\_\_\_

**REMARKS:**

Mixed SO @ 670  
SO @ 330  
10-4-40  
15-RH  
10-MH  
T Sprague

**SERVICE**

DEPTH OF JOB 670  
 PUMP TRUCK CHARGE \_\_\_\_\_  
 EXTRA FOOTAGE \_\_\_\_\_ @ **RECEIVED**  
 MILEAGE \_\_\_\_\_ @ **APR 13 2005**  
 PLUG 1-8 3/8 Dryhole @ **KCC WICHITA**  
 \_\_\_\_\_ @ \_\_\_\_\_  
 TOTAL \_\_\_\_\_

CHARGE TO: Palomino  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**FLOAT EQUIPMENT**

\_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_

To Allied Cementing Co., Inc.  
 You are hereby requested to rent cementing equipment  
 and furnish cementer and helper to assist owner or

TOTAL \_\_\_\_\_

# SOUTHWIND DRILLING, INC.

## RIG #2

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

### DRILLING REPORT

Spangenberg #2

Location: 140' S & 30' W of N/2-N/2-NE  
API#: 15-185-23310-00-00

Section 17-22S-12W  
Stafford County, Kansas

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

COMMENCED: 03-30-05  
COMPLETED: 04-08-05

TOTAL DEPTH: Driller: 3708'  
Log: 3708'

Ground Elevation: 1872'  
KB Elevation: 1881'

### LOG:

0'	-	240'	Sand
240'	-	651'	Sand/Redbed
651'	-	670'	Anhydrite
670'	-	1170'	Sand/Shale
1170'	-	2014'	Shale
2014'	-	3708'	Shale/Lime
		3708'	LTD & RTD

### CASING RECORDS

#### Surface casing – 8 5/8"

Ran 7 joints of 23# new 8 5/8" surface casing. Tally @ 301.11'. Set @ 312'. Cement with 275 sacks of common, 2% gel, 3% calcium chloride. Cement did not circulate. Plug down @ 3:00 am on 04-01-05. Cement 40' down. Cement 1" from 40' down with 75 sacks of common, 3% calcium chloride. Cement did circulate. Plug down @ 4:30 am on 04-01-05 by Allied Cementing (tk # 14409).

#### Production casing – 5 1/2"

None – plugged well

### DEVIATION SURVEYS

3/4 degree (s) @ 315'  
1 1/2 degree (s) @ 3385'  
1 degree (s) @ 3708'

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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: Todd Morgenstern 620-786-1729 (Mobile) 620-564-3728 (Office)		WELL NAME		Spangenberg #2	
Rig #2 Phone Numbers		N USE		LOCATION		140' S & 30' W of N/2-N/2-NE Sec. 17-22S-12W Stafford County, Kansas	
620-617-5921	Rig Cellular (Dog house)	Yes		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> St. Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866			
620-617-5920	Geologist Trailer Cellular	Yes		ELEVATION	G.L. 1872'	K.B. 1881'	API# 15-185-23310-00-00
620-794-2076	Tool Pusher Cellular	Yes	Darryl Krier				

**Driving Directions:** From Junction of K-19 Hwy and Dartmouth blacktop, 1 mile South, ¼ mile East, South into.

Day 1 Date 03-31-05 Thursday

Moved Rig #2 on location

Spud @ 11:15 am

Ran 4.00 hours (.75 drill rat hole, 3.25 drill 12 ¼"). Down 20.00 hours (1.50 rig up, 2.75 rig repairs, 1.50 connection, .25 CTCH, 1.00 trip, 3.00 run surface/didn't go, 4.00 ream hole, 1.25 run surface again, .75 cement, 3.75 wait on cement, .25 surface pipe 1")

Mud properties: freshwater

Hours on 12 ¼" bit: 3.25

Fuel usage: 103.50 gals. (89" used 3") 52" + 40" delivered = 92"

Day 2 Date 04-01-05 Friday Anhydrite (651'-670')  
Survey @ 315' = 3/4 degree

7:00 am - Waiting on cement @ 315'

Ran 8.50 hours drilling. Down 15.50 hours (6.75 rig repair, 5.50 wait on cement, .25 drill plug, 2.50 connection, .25 rig check, .25 jet)

Mud properties: freshwater

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

Hours on 12 ¼" bit: 3.25

Hours on 7 7/8" bit: 8.50

Fuel usage: 138 gals. (85" used 4")

Ran 7 joints of 23# new 8 5/8" surface casing. Tally @ 301.11'. Set @ 312'. Cement with 275 sacks of common, 2% gel, 3% calcium chloride. Cement did not circulate. Plug down @ 3:00 am on 04-01-05. Cement 40' down. Cement 1" from 40' down with 75 sacks of common, 3% calcium chloride. Cement did circulate. Plug down @ 4:30 am on 04-01-05 by Allied Cementing (tk # 14409).

Day 3 Date 04-02-05 Saturday

7:00 am - Drilling @ 1170'

Ran 18.00 hours drilling. Down 6.00 hours (.75 rig check, 1.75 rig repair, .25 jet, 2.25 connection, 1.00 time change)

Mud properties: freshwater

Wt. on bit: 30,000, 80 RPM, 750# pump pressure

Hours on 12 ¼" bit: 3.25

Hours on 7 7/8" bit: 26.50

Fuel usage: 586.50 gals. (68" used 17") note: filled up generator

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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: Todd Morgenstern 620-786-1729 (Mobile) 620-564-3728 (Office)		WELL NAME		Spangenberg #2	
				LOCATION		140' S & 30' W of N/2-N/2-NE Sec. 17-22S-12W Stafford County, Kansas	
Rig #2 Phone Numbers		N USE		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> St. Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866			
620-617-5921	Rig Cellular (Dog house)	Yes		ELEVATION			
620-617-5920	Geologist Trailer Cellular	Yes		G.L. 1872'	K.B. 1881'	API# 15-185-23310-00-00	
620-794-2076	Tool Pusher Cellular	Yes	Darryl Krier				

**Driving Directions:** From Junction of K-19 Hwy and Dartmouth blacktop, 1 mile South, ¼ mile East, South into.

Day	4	Date	04-03-05	Sunday
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7:00 am - Drilling @ 2014'  
 Ran 20.00 hours drilling. Down 4.00 hours (.75 rig check, .50 rig repair, 2.00 connection, .75 jet)  
 Mud properties: wt. 9.3, vis. 34  
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$0.00  
 Wt. on bit: 35,000, 80 RPM, 850# pump pressure  
 Hours on 12 ¼" bit: 3.25  
 Hours on 7 7/8" bit: 46.50

Fuel usage: 345. gals. (58" used 10")

Day	5	Date	04-04-05	Monday
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7:00 am - Drilling @ 2740'  
 Ran 18.00 hours drilling. Down 6.00 hours (.75 rig check, 2.75 rig repair, 1.00 connection, 1.50 jet)  
 Mud properties: wt. 9.2, vis. 67  
**Displace @ 2815'**  
 Daily Mud Cost = \$3,736.00. Mud Cost to Date = \$3,736.00  
 Wt. on bit: 35,000, 80 RPM, 850# pump pressure  
 Hours on 12 ¼" bit: 3.25  
 Hours on 7 7/8" bit: 64.50

Fuel usage: 345 gals. (48" used 10")

Day	6	Date	04-05-05	Tuesday
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**DST #1 (3320'-3385')**

**LKC "A" - "D" zone**

**Recovered 5' mud**

**DST #2 (3380'-3410')**

**LKC "E" - "F" zone**

**Recovered 5' mud**

**Survey @ 3385' = 1 ½ degree**

7:00 am - Drilling @ 3355"  
 Ran 2.75 hours drilling. Down 21.25 hours (1.25 CFS @ 3385', 1.00 CTCH, 1.00 short trip, 12.25 trips, .25 survey, .25 rig check, 1.00 CFS @ 3410', 1.00 rig repair, 1.00 DST #1, 2.00 DST #2, .25 connection)  
 Mud properties: wt. 9.1, vis. 55  
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$3,736.00  
 Wt. on bit: 35,000, 80 RPM, 850# pump pressure  
 Hours on 12 ¼" bit: 3.25  
 Hours on 7 7/8" bit: 67.25

Fuel usage: 207 gals. (42" used 6")

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**APR 13 2005**  
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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: Todd Morgenstern 620-786-1729 (Mobile) 620-564-3728 (Office)		WELL NAME		Spangenberg #2	
				LOCATION		140' S & 30' W of N/2-N/2-NE Sec. 17-22S-12W Stafford County, Kansas	
Rig #2 Phone Numbers		N USE		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> St. Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866			
620-617-5921	Rig Cellular (Dog house)	Yes		ELEVATION			
620-617-5920	Geologist Trailer Cellular	Yes		G.L. 1872'	K.B. 1881'	API# 15-185-23310-00-00	
620-794-2076	Tool Pusher Cellular	Yes	Darryl Krier				

**Driving Directions:** From Junction of K-19 Hwy and Dartmouth blacktop, 1 mile South, 3/4 mile East, South into.

Day	7	Date	04-06-05	Wednesday	<b>DST #3 (3474'-3542')</b> <b><u>LKC "I", "J", "K" zones</u></b> <b><u>Recovered 20' mud</u></b>
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7:00 am – Tripping in with bit @ 3410'  
 Ran 8.00 hours drilling. Down 16.00 hours (1.00 CTCH, 1.00 CFS @ 3425', 1.25 CFS @ 3496', 1.00 CFS @ 3542', 8.25 trips, .25 rig check, 2.00 DST #3, .25 connection, 1.00 CTCH)  
 Mud properties: wt. 9.4, vis. 48  
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$3,736.00  
 Wt. on bit: 35,000, 80 RPM, 900# pump pressure  
 Hours on 12 1/4" bit: 3.25  
 Hours on 7 7/8" bit: 75.25

Fuel usage: 241.50 gals. (35" used 7")

Day	8	Date	04-07-05	Thursday	<b>DST #4 (3547'-3606')</b> <b><u>Conglomerate formation</u></b> <b><u>Recovered 10' mud</u></b>
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7:00 am – Drilling @ 3558'  
 Ran 5.50 hours drilling. Down 18.50 hours (.75 DST #5, 1.00 CFS @ 3606', 11.00 trips, .50 rig check, 2.00 DST #4, .50 rig repair, .25 CTCH, .50 connection, .50 CFS @ 3690', 1.25 CFS @ 3708', .25 survey)  
 Mud properties: wt. 9.3, vis. 65  
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$3,736.00  
 Wt. on bit: 35,000, 80 RPM, 900# pump pressure  
 Hours on 12 1/4" bit: 3.25  
 Hours on 7 7/8" bit: 80.75

Fuel usage: 241.50 gals. (28" used 7")

**Survey @ 3708' = 1 degree**

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Southwind Drilling, Inc. PO Box 276 112 North Main Ellinwood, KS 67526		Wellsite Geologist: Todd Morgenstern 620-786-1729 (Mobile) 620-564-3728 (Office)		WELL NAME		Spangenberg #2	
				LOCATION		140' S & 30' W of N/2-N/2-NE Sec. 17-22S-12W Stafford County, Kansas	
Rig #2 Phone Numbers		N USE		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> St. Newton, KS 67114 Office: 316-799-1000 Klee's mobile: 316-258-8866			
620-617-5921	Rig Cellular (Dog house)	Yes		ELEVATION			
620-617-5920	Geologist Trailer Cellular	Yes		G.L. 1872'	K.B. 1881'	API# 15-185-23310-00-00	
620-794-2076	Tool Pusher Cellular	Yes	Darryl Krier				

**Driving Directions:** From Junction of K-19 Hwy and Dartmouth blacktop, 1 mile South, 3/4 mile East, South into.

Day	9	Date	04-08-05	Friday	<b>DST #5 (3646'-3708')</b>
					<b><u>Arbuckle formation</u></b>
					<b><u>Recovered 120' mud &amp; 110' muddy water</u></b>

**RTD = 3708'**

**LTD = 3708'**

7:00 am – On bottom with DST #5 @ 3708'

Ran 0.00 hours drilling. Down 24.00 hours (3.50 trip, 3.00 log, 2.50 DST #5, 2.50 wait on loggers, .50 tear down, 1.50 plug well, 2.50 lay down pipe, 8.00 rig down)

Mud properties: wt. 9.3, vis. 68

Daily Mud Cost = \$0.00. **Total Mud Cost = \$3,736.00**

**Hours on 12 1/4" bit: 3.25**

**Hours on 7 7/8" bit: 80.75**

Fuel usage: 241.50 gals. (21" used 7")

Plug well with 135 sacks of 60/40 Poz and 6% gel. 1<sup>st</sup> plug @ 670' with 50 sacks. 2<sup>nd</sup> plug @ 330' with 50 sacks. 3<sup>rd</sup> plug @ 40' with 10 sacks to surface. Plug mouse hole with 10 sacks and rat hole with 15 sacks. Plug down @ 10:30 pm On 04-08-05 by Allied Cementing (tk # 14418).

Day	10	Date	04-09-05	Saturday
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7:00 am – Moving rig off location

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KCC WICHITA