

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, Kansas 67114-8827
 Phone: (316) 799-1000 Operator License #: 30742
 Type of Well: Oil Docket #: _____
 (Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)
 The plugging proposal was approved on: 5/27/05 (Date)
 by: Steve Durrant (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 - 135-24357-0000
 Lease Name: Parkerson
 Well Number: 1
 Spot Location (QQQQ): N/2 - N/2 - NW -
410 Feet from North / South Section Line
1270 Feet from East / West Section Line
 Sec. 31 Twp. 18 S. R. 23 East West
 County: Ness
 Date Well Completed: 6/1/05
 Plugging Commenced: 6/2/05
 Plugging Completed: 6/2/05

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

Oil, Gas or Water Records		Casing Record (Surface Conductor & Production)				
Formation	Content	From	To	Size	Put In	Pulled Out
		0	219'	8 5/8" new 20#	219'	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.

50 sx @ 1520', 80 sx @ 1520', 80 sx @ 780', 40 sx @ 240', 10 sx @ 40', 15 sx in RH of 60-40 poz., 6% gel with 1/4# FC/sx.

Name of Plugging Contractor: Pickrell Drilling Company, Inc. License #: 5123

Address: 100 S. Main, Suite 505, Wichita, Kansas 67202-3738

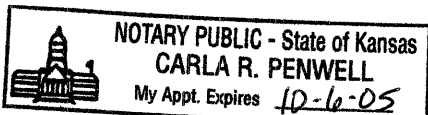
Name of Party Responsible for Plugging Fees: Palomino Petroleum, Inc.

State of Kansas County, Harvey, ss.

Klee R. Watchous

(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) Klee R. Watchous
 (Address) 4924 SE 84th St., Newton, Kansas 67114-8827



SUBSCRIBED and SWORN TO before me this 18th day of July, 20 05
Carla R. Penwell My Commission Expires: October 6, 2005
 Notary Public Carla R. Penwell

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

RECEIVED
JUL 19 2005
KCC WICHITA

Bw