

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, 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: 08-26-05 (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 - 135-24389-00-00

Lease Name: Webster

Well Number: 1

Spot Location (QQQQ): 20'N - 90'E - SE-NE - SW

1670 Feet from [ ] North / [X] South Section Line

2400 Feet from [ ] East / [X] West Section Line

Sec. 34 Twp. 16 S. R. 25 [ ] East [X] West

County: Ness

Date Well Completed: D & A

Plugging Commenced: 08-27-05

Plugging Completed: 08-27-05

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

Table with 7 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', 224', 8 5/8" new 20#, 212', 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.

Plug well with 265 sacks of 60/40 Poz, 6% gel, 1/4# flo-seal per sack.

1st plug @ 1900' with 50 sacks. 2nd plug @ 1130' with 80 sacks. 3rd plug @ 500' with 40 sacks.

4th plug @ 250' with 50 sacks. 5th plug @ 60' with 20 sacks to surface. Plug rat hole with 15 sacks.

Plug mouse hole with 10 sacks. Plug down @ 10:30 am on 08-27-05 by Swift Services (tk# 9032)

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 31 day of August, 20 05

(Signature) Renee Kasselmann

Notary Public

My Commission Expires: 7-15-09

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

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Handwritten initials 'Bw'

SOUTHWIND DRILLING, INC. PLUGGING ORDERS AND REPORTS

Lease: Webster #1 Palomino Petroleum

Plugging received from: Richard Lacey Date: 8-26-05 Time: 1:30 P.M.

1<sup>st</sup> Plug @ 1900 FT. 50 SX Stands: 31

2<sup>nd</sup> Plug @ 1130 FT. 80 SX Stands: 17

3<sup>rd</sup> Plug @ 500 FT. 40 SX Stands: 7 1/2

4<sup>th</sup> Plug @ 250 FT. 50 SX Stands: 4

5<sup>th</sup> Plug @ 60 FT. 20 SX Stands: 1

Mousehole 10 SX

Rathole 15 SX

Total Cement used: 265 SX

Type of cement: 60/40 poz 690gel 1/4# Plbseal/sack

Plug down at 10:30 AM 08-27-05 by Swift

Call State When Completed:

Name Jerry Stapelton Date: 8-29-05 Time: 8:30AM

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CHARGE TO: PALOMINO PETROLEUM  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

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TICKET # 9032

PAGE 1 OF 1

1. SERVICE LOCATIONS NESS CITY, KS	WELL/PROJECT NO. #1	LEASE WERTER	COUNTY/PARISH NESS	STATE KS	CITY	DATE 8-27-05	OWNER CAME
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR SARINWA DELG #1	RIG NAME/NO.	SHIPPED VIA CT	DELIVERED TO LOCATION	ORDER NO.	
3.	WELL TYPE OTU	WELL CATEGORY NEEDS	JOB PURPOSE PTA	WELL PERMIT NO.	WELL LOCATION A2W004, KS-2W, 1 3/4 S, E 2W		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE # 106					4.00	120.00
576P		1			PUMP 2.000					650.00	650.00
410		1			IMP PUMP					20.00	20.00
276		1			FLUX					1.10	72.60
322		1			SWIFT LEASE 60/42 P20MIN (W/LEAS)					7.00	1203.00
291		1			SURVEY TRIP 1.000					1.00	291.00
225		1			DYALOG					1.00	341.22

**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X  
 DATE SIGNED: 8-27-05  
 TIME SIGNED: 0630  
 A.M.  
 P.M.

**REMIT PAYMENT TO:**  
 SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

<b>SURVEY</b>	AGREE	UN-DECIDED	DIS-AGREE	<b>PAGE TOTAL</b>	3410.32
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				<b>TAX</b>	
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				<b>TOTAL</b>	
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

**CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES** The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR  
 WAVE WAVE

APPROVAL: \_\_\_\_\_

*Thank You!*

**JOB LOG**

**SWIFT Services, Inc.**

DATE 8-27-05 PAGE NO. 1

CUSTOMER PALOMAZO PERIODICUM WELL NO. #1 LEASE WEBSTER JOB TYPE PTA TICKET NO. 9032

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0615							ON LOCATION
								8 5/8" = 212'
								70" = 4 5/8"
	0730		15					1 <sup>ST</sup> PLUG - 50 SKS LMT @ 1900'
	0825		24					2 <sup>ND</sup> PLUG - 80 SKS LMT @ 1130'
	0900		12					3 <sup>RD</sup> PLUG - 40 SKS LMT @ 500'
	0920		15					4 <sup>TH</sup> PLUG - 50 SKS LMT @ 250'
	1020		6					5 <sup>TH</sup> PLUG - 20 SKS LMT @ 60' - 8 1/2" PLUG
	1025		4 1/2					RAINFALL - 15 SKS LMT
	1030		3					MOUSE HOLE - 10 SKS LMT
								WASH-UP
	1100							JOB COMPLETE
								THANK YOU
								WARRI DUSTY ROE

# SOUTHWIND DRILLING, INC.

## RIG #1

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

### DRILLING REPORT

Webster #1

Location: 1670' FSL & 2400' FWL  
API#: 15-135-24389-00-00

Section 34-16S-25W  
Ness County, Kansas

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

COMMENCED: 08-17-05  
COMPLETED: 08-28-05

TOTAL DEPTH: Driller: 4545'  
Log: 4545'

Ground Elevation: 2516'  
KB Elevation: 2526'

### LOG :

0'	-	192'	Sand
192'	-	1870'	Sand/Shale
1870'	-	1901'	Anhydrite
1901'	-	2665'	Sand/Shale
2665'	-	2880'	Shale
2880'	-	4545'	Lime/Shale
		4545'	RTD

### CASING RECORDS

#### Surface casing – 8 5/8"

Ran 5 joints of 20# new 8 5/8" surface casing. Tally @ 212'. Set @ 224'. Cement with 160 sacks of common, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 2:00 am on 08-18-05 by Allied Cementing (tk #17252).

#### Production casing – 5 1/2"

None- plugged well

### DEVIATION SURVEYS

¼ degree (s)	@	227'
1 degree (s)	@	4400'

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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 Screiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Webster #1	
				LOCATION		1670' FSL & 2400' FWL Sec. 34-16S-25W Ness County, Kansas	
Rig #1 Phone Numbers		N USE		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> 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. 2516'	K.B. 2526'	API# 15-135-24389-00-00

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

Day	1	Date	08-17-05	Wednesday	Survey @ 227' = 3/4 degree
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Moved Rig #1 on location.

Spud @ 6:30 pm

Ran 5.00 hours drilling (.75 drill rat hole, 4.25 drill 12 1/4"). Down 19.00 hours (10.75 move/rig up, 1.00 connection, .50 CTCH, .25 trip/survey, 1.00 run casing, .25 circulate, .25 cement casing, 5.00 wait on cement)

Mud properties: freshwater

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

Wt. on bit: 15,000, 100 RPM, 300# pump pressure

Hours on 12 1/4" bit: 4.25

1" fuel = 37.75 gals.

Fuel usage: 94.38 gals. (38 1/2" used 2.5")

Day	2	Date	08-18-05	Thursday	
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7:00 am - Waiting on cement @ 227'

Ran 15.25 hours drilling. Down 8.75 hours (1.00 rig repair, 3.00 wait on cement, .75 drill plug, .75 jet, 3.00 connection, .25 rig repair)

Mud properties: freshwater

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

Wt. on bit: 30,000, 80 RPM, 600# pump pressure

Hours on 12 1/4" bit: 4.25

Hours on 7 7/8" bit #1: 15.25

1" fuel = 37.75 gals.

Fuel usage: 226.50 gals. (32 1/2" used 6")

Ran 5 joints of 20# new 8 5/8" surface casing. Tally @ 212'. Set @ 224'. Cement with 160 sacks of common, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 2:00 am on 08-18-05 by Allied Cementing (tk #17252).

Day	3	Date	08-19-05	Friday	Anhydrite (1870'-1901')
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7:00 am - Drilling @ 1670'

Ran 19.25 hours drilling. Down 4.75 hours (1.00 rig check, 1.25 jet, 2.50 connection)

Mud properties: freshwater

Daily Mud Cost = \$574.10. Mud Cost to Date = \$574.10

Wt. on bit: 30,000, 80 RPM, 800# pump pressure

Hours on 12 1/4" bit: 4.25

Hours on 7 7/8" bit #1: 34.50

Fuel usage: 320.88 gals. (77" used 8 1/2") 32 1/2" + 53" delivered = 85 1/2"

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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 Screiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Webster #1		
				LOCATION		1670' FSL & 2400' FWL Sec. 34-16S-25W Ness County, Kansas		
Rig #1 Phone Numbers			N USE	Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> 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. 2516'	K.B. 2526'	API# 15-135-24389-00-00

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

Day 4 Date 08-20-05 Saturday

7:00 am – Drilling @ 2665'  
Ran 20.50 hours drilling. Down 3.50 hours (.75 rig check, 1.00 jet, 1.75 connection)  
Mud properties: freshwater  
Daily Mud Cost = \$1,539.38. Mud Cost to Date = \$2,113.48  
Wt. on bit: 30,000, 80 RPM, 700# pump pressure  
Hours on 12 1/4" bit: 4.25  
Hours on 7 7/8" bit #1: 55.00

Fuel usage: 377.50 gals. (67" used 10")

Day 5 Date 08-21-05 Sunday

7:00 am – Drilling @ 3252'  
Ran 20.00 hours drilling. Down 4.00 hours (.75 rig check, .25 jet, 1.00 connection, 2.00 displace/lost circulation)  
Mud properties: wt. 8.9, vis. 50  
Daily Mud Cost = \$1,741.69. Mud Cost to Date = \$3,855.17  
Wt. on bit: 30,000, 80 RPM, 600# pump pressure  
Hours on 12 1/4" bit: 4.25  
Hours on 7 7/8" bit #1: 75.00

Fuel usage: 339.75 gals. (58" used 9")

Day 6 Date 08-22-05 Monday

7:00 am – Drilling @ 3745'  
Ran 21.00 hours drilling. Down 3.00 hours (.75 rig check, .75 rig repair, .50 jet, .75 connection, .25 premix)  
Mud properties: wt. 9.3, vis. 46  
Daily Mud Cost = \$70.29. Mud Cost to Date = \$3,925.46  
Wt. on bit: 30,000, 80 RPM, 700# pump pressure  
Hours on 12 1/4" bit: 4.25  
Hours on 7 7/8" bit #1: 96.00

Fuel usage: 377.50 gals. (48" 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 Screiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Webster #1	
				LOCATION		1670' FSL & 2400' FWL Sec. 34-16S-25W Ness County, Kansas	
Rig #1 Phone Numbers		N USE		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> 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. 2516'	K.B. 2526'	API# 15-135-24389-00-00

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

Day 7 Date 08-23-05 Tuesday

7:00 am – Drilling @ 4150'

Ran 17.50 hours drilling. Down 6.50 hours (.75 rig check, 2.25 rig repair, .25 jet, .75 connection, 1.25 CFS @ 4400', 1.25 short trip)

Mud properties: wt. 9.3, vis. 51

Daily Mud Cost = \$1,187.91. Mud Cost to Date = \$5,113.37

Wt. on bit: 30,000, 80 RPM, 850# pump pressure

Hours on 12 1/4" bit: 4.25

Hours on 7 7/8" bit #1: 113.50

Fuel usage: 339.75 gals. (39" used 9")

Day 8 Date 08-24-05 Wednesday **DST #1 (4346'-4400')**  
**Mississippi formation**  
**Recovered 135' heavy oil**  
**Cut mud**

**Survey @ 4400' = 1 degree**

7:00 am – CTCH @ 4400' (getting ready to trip out with bit for DST #1)

Ran 7.75 hour drilling. Down 16.25 hours (.25 rig check, 2.00 CTCH, 1.50 CFS @ 4469', 1.25 CFS @ 4478', .50 CFS @ 4484', 8.50 trip, .25 survey, 2.00 DST #1)

Mud properties: wt. 9.3, vis. 35

Daily Mud Cost = \$623.03. Mud Cost to Date = \$5,736.40

Wt. on bit: 30,000, 80 RPM, 850# pump pressure

Hours on 12 1/4" bit: 4.25

Hours on 7 7/8" bit #1: 121.25

Fuel usage: 226.50 gals. (33" used 6")

Day 9 Date 08-25-05 Thursday **DST #2 (4470'-4484')**  
**Mississippi formation**  
**Recovered 140' oil &**  
**60' mud**

7:00 am – CFS @ 4484'

Ran 1.50 hours drilling. Down 22.50 hours (.75 CFS @ 4484', 1.00 CTCH, 1.50 CFS @ 4496', 1.50 CFS @ 4507', 12.75 trips, .25 rig check, .25 rig repair, .50 wait on orders, 2.00 DST #2, 2.00 DST #3)

Mud properties: wt. 9.3, vis. 55

Daily Mud Cost = \$0.00. Mud Cost to Date = \$5,736.40

Wt. on bit: 30,000, 80 RPM, 850# pump pressure

Hours on 12 1/4" bit: 4.25

Hours on 7 7/8" bit #1: 122.75

Fuel usage: 207.63 gals. (27 1/2" used 5 1/2")



<b>MORNING DRILLING REPORT</b>				Fax to: Klee Watchous @ 316-799-2728			
Southwind Drilling, Inc. PO Box 276 112 North Main Ellinwood, KS 67526			Wellsite Geologist: Bob Screiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Webster #1
					LOCATION		1670' FSL & 2400' FWL Sec. 34-16S-25W Ness County, Kansas
<b>Rig #1 Phone Numbers</b>			N USE		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> 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. 2516'	K.B. 2526'
				API# 15-135-24389-00-00			

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

Day	10	Date	08-26-05	Friday	<b>DST #3 (4482'-4507')</b>
					<b><u>Mississippi formation</u></b>
					<b><u>Recovered 110' mud</u></b>

**RTD = 4545'**

**LTD = 4545'**

7:00 am – Tripping out with DST #3 @ 4507'

Ran 2.75 hours drilling. Down 21.25 hours (9.00 trips, 2.00 CTCH, 5.00 log, .25 rig check, 4.00 lay down pipe, 1.00 rig repair)

Mud properties: wt. 9.5, vis. 55, water loss 14.0

Daily Mud Cost = \$0.00. **Total Mud Cost = \$5,736.40**

Wt. on bit: 30,000, 80 RPM, 850# pump pressure

**Hours on 12 1/4" bit: 4.25**

**Hours on 7 7/8" bit #1:125.50**

Fuel usage: 169.88 gals. (23" used 4 1/2")

Day	11	Date	08-27-05	Saturday
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7:00 am – Plugging the well @ 4545'

Ran 0.00 hours drilling. Down 24.00 hours (.25 trip in with plugging stands, 3.25 plug well, 4.50 tear down, 8.00 wait on trucks to move)

Plug well with 265 sacks of 60/40 Poz, 6% gel, 1/4# flo-seal per sack.

1<sup>st</sup> plug @ 1900' with 50 sacks. 2<sup>nd</sup> plug @ 1130' with 80 sacks. 3<sup>rd</sup> plug @ 500' with 40 sacks. 4<sup>th</sup> plug @ 250' with 50 sacks. 5<sup>th</sup> plug @ 60' with 20 sacks to surface. Plug rat hole with 15 sacks. Plug mouse hole with 10 sacks. Plug down @ 10:30 am on 08-27-05 by Swift Services (tk# 9032).

Fuel usage: 37.75 gals. (22" used 1")

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