TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

Operator License No.: 30742

Op Name: PALOMINO PETROLEUM, INC.

Address: 4924 SE 84TH STREET **NEWTON, KS 67114**

API Well Number: 15-135-24424-00-00

Spot: E2SW

Lease Name: SOMY

Sec/Twnshp/Rge: 5-17S-24W

1220 feet from S Section Line,

2110 feet from W Section Line

Well #: 1

County: NESS

Total Vertical Depth: 4570 feet

String Size Depth (ft) Pulled (ft) Comment

SURF 8.625 224 WITH 160 SX CMT

Well Type: DH

UIC Docket No:

Date/Time to Plug: 01/12/2006 3:00 PM

Plug Co. License No.: 33350

Plug Co. Name: SOUTHWIND DRILLING, INC.

Proposal Rcvd. from: DOUG ROBERTS

Company: SOUTHWIND DRILLING, INC.

Phone: (620) 564-3800

Proposed 1ST PLUG AT 1856' WITH 50 SX CMT. 2ND PLUG AT 1100' WITH 80 SX CMT. 3RD PLUG AT 600' WITH 50 SX Plugging CMT. 4TH PLUG AT 250' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE

Method: RAT HOLE WITH 15 SX CMT. 7TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Plugging Proposal Received By: STEVE PFEIFER

WitnessType: NONE

Date/Time Plugging Completed: 01/10/2006 4:45 PM

KCC Agent: STEVE PFEIFER

Actual Plugging Report:

Perfs:

1ST PLUG AT 1856' WITH 50 SX CMT. 2ND PLUG AT 1100' WITH 80 SX CMT. 3RD PLUG AT 600' WITH 50 SX CMT. 4TH PLUG AT 250' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 7TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Remarks:

USED 60/40 POZMIX 6% GEL BY SWIFT SERVICES.

Plugged through: DP

INVOICED

District: 01

JAN 20 2006 KCC Dodge Cit

Signed

RECEIVED

(TECHNICIAN)

JAN 2 5 2006

KCC WIGHITA