

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 30 days from plugging date.

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION WELL PLUGGING RECORD K.A.R. 82-3-117

Form CP-4 September 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: EOR Docket #:
The plugging proposal was approved on: 1/4/06
by: Herb Deines (KCC District Agent's Name)
Is ACO-1 filed? [] Yes [] No Unknown is well log attached? [] Yes [X] No
Producing Formation(s): List All (If needed attach another sheet)

API Number: 15-181-20,013,A-00-01
Lease Name: #2 Hartley
Well Number: #2
Spot Location (QQQQ): NW NW SW SE ST2 1-31-06 RBDMs
1320 Feet from [] North [X] South Section Line
2640 Feet from [] East [X] West Section Line
Sec. 3 Twp. 6 S. R. 37 [] East [X] West
County: Sherman
Date Well Completed: 1974 7/30/1975
Plugging Commenced: 1/6/06
Plugging Completed: 1/6/06

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)

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 feet to feet each set.

Plugged from top down. See attached Allied tickets.

RECEIVED

JAN 30 2006

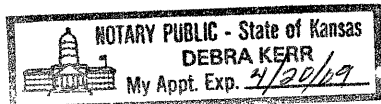
KCC WICHITA

Name of Plugging Contractor: Whitetail Crude, Inc License #: 31627
Address: P O Box 544, Ness City, KS 67560-0544
Name of Party Responsible for Plugging Fees: Palomino Petroleum, Inc

State of Kansas County, Ness, ss.

Mike J. Fritzler, President Whitetail Crude, 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) Mike J. Fritzler, President Whitetail Crude, Inc
(Address) P O Box 544, Ness City, KS 67560-0544

SUBSCRIBED and SWORN TO before me this 27th day of January, 2006

Notary Public Debra Kerr My Commission Expires: 4/20/09

ALLIED CEMENTING CO., INC.

22254

Federal Tax I.D.# ~~45-2787940~~

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

SERVICE POINT:

Oakley #3

DATE <u>1-6-06</u>	SEC. <u>3</u>	TWP. <u>6</u>	RANGE <u>37w</u>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <u>Hantley</u>	WELL # <u>#2</u>	LOCATION <u>Brewster 13w. 3w</u>	COUNTY <u>Sherman</u>	STATE <u>KS</u>			<u>3:30p</u>
<input checked="" type="radio"/> OLD OR NEW (Circle one)							

CONTRACTOR Fritzler OWNER same
 TYPE OF JOB AWP

HOLE SIZE	T.D.
CASING SIZE <u>4 1/2</u>	DEPTH <u>4661'</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX	MINIMUM
MEAS. LINE	SHOE JOINT
CEMENT LEFT IN CSG.	
PERFS.	
DISPLACEMENT	

CEMENT
 AMOUNT ORDERED 265 sk 60/40
1000#
500# hulls

COMMON	<u>129</u>	@ <u>10.00</u>	<u>1290.00</u>
POZMIX	<u>86</u>	@ <u>4.70</u>	<u>404.20</u>
GEL	<u>18</u>	@ <u>14.00</u>	<u>252.00</u>
CHLORIDE		@	
ASC		@	
Hulls	<u>600#</u>	@ <u>21.00</u>	<u>126.00</u>
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>293</u>	@ <u>1.60</u>	<u>468.80</u>
MILEAGE	<u>064 sk mile</u>		<u>1054.00</u>
TOTAL			<u>3595.00</u>

EQUIPMENT

PUMP TRUCK	CEMENTER <u>Fuzzy</u>
# <u>373</u>	HELPER <u>Andrew</u>
BULK TRUCK	
# <u>394</u>	DRIVER <u>Lennie</u>
BULK TRUCK	
#	DRIVER <u>Alan</u>

REMARKS:

mix 140 sks w/ 600# hulls
down csg 800' net pres
0 shut in.
75 sks down Annulus 300#
press 0 shut in.
Job complete @ 3:30pm
Thanks Fuzzy crew

SERVICE

DEPTH OF JOB	<u>4597'</u>
PUMP TRUCK CHARGE	<u>300.00</u>
EXTRA FOOTAGE	@
MILEAGE	<u>NA</u>
MANIFOLD	@
	@
	@

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TOTAL 300.00

KCC WICHITA
TUG & FLOAT EQUIPMENT

	@	
	@	
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	@	

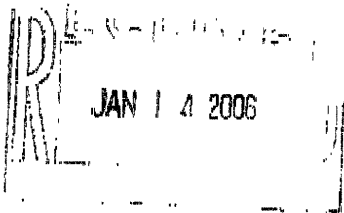
TOTAL

TAX

TOTAL CHARGE

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cement and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

Allied Cementing Co., Inc
P.O. Box 31
Russell, KS 67665



* I N V O I C E *

Invoice Number: 100233

Invoice Date: 01/12/06

Sold Palomino Petroleum, Inc.
To: 4924 SE 34th St.
Newton, KS
67114-8827

Cust I.D.....: Palo
P.O. Number...: Hartley #2
P.O. Date.....: 01/12/06

Due Date.: 02/11/06
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	129.00	SKS	10.0000	1290.00	T
Pozmix	86.00	SKS	4.7000	404.20	T
3el	18.00	SKS	14.0000	252.00	T
Hulls	6.00	SKS	21.0000	126.00	T
Handling	293.00	SKS	1.6000	468.80	T
Mileage	60.00	MILE	17.5800	1054.80	T
293 sks @.06 per sk per mi					
plug	1.00	JOB	300.0000	300.00	T

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
if Account CURRENT take Discount of \$389.58
ONLY if paid within 30 days from Invoice Date

Subtotal: 3895.80
Tax.....: 255.18
Payments: 0.00
Total....: 4150.98

- 389.58

3761.40

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KCC WICHITA