

**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 DH KCC 6/29/06 PKT PercP-2/3 Docket #: \_\_\_\_\_  
 (Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)  
 The plugging proposal was approved on: June 10, 2006 (Date)  
 by: Dave Wertz (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 - 079-20670-0000  
 Lease Name: Watchous  
 Well Number: 1  
 Spot Location (QQQQ): NW - NE - NW -  
330 Feet from  North /  South Section Line  
1790 Feet from  East /  West Section Line  
 Sec. 19 Twp. 24S S. R. 2  East  West  
 County: Harvey  
 Date Well Completed: 6/10/06  
 Plugging Commenced: 6/10/06  
 Plugging Completed: 6/10/06

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	<u>220' 213'</u>	8 5/8" new 20#	220'	0
				<u>KCC 6/29/06 PKT PercP-2/3</u>		

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.

10 sacks @ 3250' Top of Arbuckle, 35 sacks @ 263', 25 sacks @ 60', 15 sacks Rat Hole 60/40 Pozmix cement, 4% gel

Name of Plugging Contractor: C & G Drilling, Inc. License #: 32701  
 Address: 303 S. High, Eureka, Kansas 67045  
 Name of Party Responsible for Plugging Fees: Palomino Petroleum, Inc.  
 State of Kansas County, Harvey, ss.

**RECEIVED  
JUN 29 2006  
KCC WICHITA**

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.

**NOTARY PUBLIC - State of Kansas**  
**CARLA R. PENWELL**  
 My Appt. Expires 10-6-09

(Signature) [Signature]  
 (Address) 4924 SE 84th St., Newton, Kansas 67114-8827

SUBSCRIBED and SWORN TO before me this 27th day of June, 20 06

Carla R. Penwell My Commission Expires: October 6, 2009  
 Notary Public Carla R. Penwell

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

*[Handwritten initials]*