

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

Phone: (316) 799-1000

Operator License #: 30742

Type of Well: Oil D & A

(Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) Docket #: \_\_\_\_\_ (If SWD or ENHR)

The plugging proposal was approved on: 10-24-06 (Date)

by: Jerry Stapleton (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 - 135-24557-00-00

Lease Name: Parker

Well Number: 1

Spot Location (QQQQ): 40'S - 70'W - N/2 - S/2-N/2

1690 Feet from ☒ North / ☐ South Section Line

2570 Feet from ☐ East / ☒ West Section Line

Sec. 20 Twp. 18 S. R. 28 ☐ East ☒ West

County: Ness

Date Well Completed: D & A

Plugging Commenced: 10-25-06

Plugging Completed: 10-25-06

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
*see attached drilling		0'	224'	8 5/8" new 20#	212'	0'
report						

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# floeal per sack.

1st plug @ 2040' with 50 sacks. 2nd plug @ 1140' with 80 sacks. 3rd plug @ 570' with 50 sacks.

4th plug @ 60' with 20 sacks to surface. Plug rathole with 15 sacks. Plug mouse hole with 10 sacks.

Job complete @ 7:15 am on 10-25-06 by Quality Cement (tk #1138).

Name of Plugging Contractor: Southwind Drilling, Inc. License #: 33350

Address: PO Box 276, Ellinwood, KS 67526

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

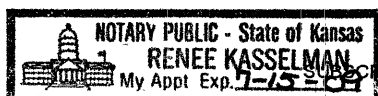
State of Kansas County, Barton, ss.

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



RECEIVED AND SWORN TO before me this 26 day of October, 20 06

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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**SOUTHWIND DRILLING, INC. PLUGGING ORDERS AND REPORTS**

PALOMINO PETROLEUM

Lease: PARKER #1

Plugging received from: Jerry Stapleton Date: 10-24-06 Time: 10:00 AM

1<sup>st</sup> Plug @ 2040 FT. 50 SX Stands: 33

2<sup>nd</sup> Plug @ 1140 FT. 80 SX Stands: 18 1/2

3<sup>rd</sup> Plug @ 570 FT. 50 SX Stands: 9

4<sup>th</sup> Plug @ 240 FT. 40 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" flaseal per SX

Plug down at START @ 4:00 AM Plug down @ 7:15 AM 10-25-06

BY Quality Oilwell Cementing Ticket # 1138  
Call State When Completed:

Name KEN JEHLIK Date: 10-25-06 Time: 8:30 A.M.

40'S & 70' W of N/2 - S/2 - N/2 SEC. 20 Twp. 18 Range 26  
NESS COUNTY

API # 15-135-24557

ANHYDRITE - 1993 to 2032

RTD = 4630

FORMATION @ TD MISSISSIPPI

API # 15-135-24557

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# SOUTHWIND DRILLING, INC.

## RIG #1

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

### DRILLING REPORT

Parker #1

Location: 1690' FNL & 2570' FWL  
API#: 15-135-24557-00-00

Section 20-18S-26W  
Ness County, Kansas

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

COMMENCED: 10-15-06  
COMPLETED: 10-25-06

TOTAL DEPTH: Driller: 4630'  
Logger: 4625'

Ground Elevation: 2616'  
KB Elevation: 2626'

LOG :

### 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 @ 2:30 am on 10-16-06 06 by Allied Cementing (tk# 26246).

#### Production casing - 5 1/2"

### DEVIATION SURVEYS

1 degree (s) @ 227'  
1 degree (s0) @ 4444'

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<b>MORNING DRILLING REPORT</b>				<b>Fax to: 316-799-2728</b>			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Parker #1
					LOCATION		1690' FNI & 2570' FWL Sec. 20-18S-26W Ness County, KS
<b>Rig #1 Phone Numbers</b>			<b>IN USE</b>		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> Newton, KS 67114 316-799-1000		
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. 2616'	K.B. 2626'	API# 15-135-24557-00-00	

**Driving Directions:** From Ness City: 17 miles West on Hwy 96, 1 ½ miles North, East into.

Day	1	Date	10-15-06	Sunday	Survey @ 227' = ½ degree
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Moved Rig #1 on location

Spud @ 9:00 pm

Ran 2.50 hours drilling (.50 drill rat hole, 2.00 drill 12 ¼"). Down 21.50 hours (13.00 move/rig up, 1.75 connection, .50 CTCH, .25 survey, .25 trip, .75 run casing, .25 circulate, .25 cement, 4.50 wait on cement)

Mud properties: spud mud

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

Wt. on bit: 20,000, 120 RPM, 500# pump pressure

12 ¼" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'

1" fuel = 37.75 gals.

Fuel usage: 113.25 gals. (35"used 3") start @ 38"

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 @ 2:30 am on 10-16-06 06 by Allied Cementing (tk# 26246).

Day	2	Date	10-16-06	Monday
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7:00 am – Waiting on cement @ 227'

Ran 12.25 hours drilling. Down 11.75 hours (3.50 wait on cement, 1.00 drill plug, .50 rig check, 1.00 jet, 3.25 connection, 2.50 rig repair)

Mud properties: spud mud

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

Wt. on bit: 25,000, 80 RPM, 750# pump pressure

12 ¼" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'

7 7/8" bit #1 (in @ 227') = 12.25 hrs. - 1081'

Fuel usage: 188.75 gals. (30"used 5")

Day	3	Date	10-17-06	Tuesday	Anhydrite (2003'-2032')
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7:00 am – Drilling @ 1308'

Ran 15.25 hours drilling. Down 8.75 hours (2.00 connection, 1.25 jet, 4.75 rig repair, .75 rig check)

Mud properties: freshwater

Daily Mud Cost = \$1,988.06. Mud Cost to Date = \$1,988.06

Wt. on bit: 35,000, 80 RPM, 850# pump pressure

12 ¼" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'

7 7/8" bit #1 (in @ 227') = 27.50 hrs. - 2108'

Fuel usage: 302.00 gals. (75"used 8") 30" + 53" delivered = 83"

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Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Parker #1
					LOCATION		1690' FNI & 2570' FWL Sec. 20-18S-26W Ness County, KS
<b>Rig #1 Phone Numbers</b>			<b>IN USE</b>		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> Newton, KS 67114 316-799-1000		
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. 2616'	K.B. 2626'	API# 15-135-24557-00-00	

**Driving Directions:** From Ness City: 17 miles West on Hwy 96, 1 ½ miles North, East into.

Day	4	Date	10-18-06	Wednesday
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7:00 am – Drilling @ 2335'  
 Ran 19.00 hours drilling. Down 5.00 hours (.50 rig check, 2.25 connection, 1.00 jet, 1.25 lost circulation @ 2708')  
 Mud properties: freshwater  
 Daily Mud Cost = \$2,361.99. Mud Cost to Date = \$4,350.05  
 Wt. on bit: 35,000, 80 RPM, 900# pump pressure  
 12 ¼" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'  
 7 7/8" bit #1 (in @ 227') = 46.50 hrs. - 2863'

Fuel usage: 377.50 gals. (65"used 10")

Day	5	Date	10-19-06	Thursday
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7:00 am – Drilling @ 3090'  
 Ran 21.50 hours drilling. Down 2.50 hours (.50 rig check, 1.00 jet, 1.00 connection)  
 Mud properties: wt. 8.8, vis. 44  
 Daily Mud Cost = \$2,394.38. Mud Cost to Date = \$6,744.43  
 Wt. on bit: 35,000, 80 RPM, 900# pump pressure  
 12 ¼" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'  
 7 7/8" bit #1 (in @ 227') = 68.00 hrs. - 3395'

Fuel usage: 453.00 gals. (53"used 12")

Day	6	Date	10-20-06	Friday
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7:00 am – Drilling @ 3622'  
 Ran 19.75 hours drilling. Down 4.25 hours (.75 rig check, 1.00 connection, 1.50 rig repair, .25 jet, .75 tight hole @ 3870')  
 Mud properties: wt. 9.3, vis. 46  
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$6,744.43  
 Wt. on bit: 35,000, 80 RPM, 900# pump pressure  
 12 ¼" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'  
 7 7/8" bit #1 (in @ 227') = 87.75 hrs. - 3860'

Fuel usage: 339.75 gals. (44"used 9")

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Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Parker #1
					LOCATION		1690' FNI & 2570' FWL Sec. 20-18S-26W Ness County, KS
<b>Rig #1 Phone Numbers</b>			<b>IN USE</b>		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> Newton, KS 67114 316-799-1000		
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. 2616'	K.B. 2626'	API# 15-135-24557-00-00

**Driving Directions:** From Ness City: 17 miles West on Hwy 96, 1 1/2 miles North, East into.

Day 7 Date 10-21-06 Saturday

7:00 am – Drilling @ 4087'

Ran 17.00 hours drilling. Down 7.00 hours (1.00 rig check, .75 connection, 5.00 rig repair, .25 jet)

Mud properties: wt. 9.4, vis. 49

Daily Mud Cost = \$645.26. Mud Cost to Date = \$7,389.69

Wt. on bit: 35,000, 80 RPM, 900# pump pressure

12 1/4" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'

7 7/8" bit #1 (in @ 227') = 104.75 hrs. - 4163'

Fuel usage: 415.25 gals. (33"used 11")

Day 8 Date 10-22-06 Sunday **DST #1 (4296'-4444')**  
**Fort Scott formation**  
**Recovered 90' mud**  
**Survey @ 4444' = 1 degree**

7:00 am – Drilling @ 4390'

Ran 4.25 hours drilling. Down 19.75 hours (.25 rig check, 2.00 rig repair, .25 jet, 10.75 trip, .25 survey, 2.00 DST #1, 1.25 CFS @ 4417', 1.50 CFS @ 4444', 1.50 CTCH)

Mud properties: wt. 9.4, vis. 46

Daily Mud Cost = \$0.00. Mud Cost to Date = \$7,389.69

Wt. on bit: 35,000, 80 RPM, 850# pump pressure

12 1/4" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'

7 7/8" bit #1 (in @ 227') = 109.00 hrs. - 4217'

Fuel usage: 226.50 gals. (27"used 6")

Day 9 Date 10-23-06 Monday

7:00 am – Tripping in with bit after DST #1 @ 4444'

Ran 15.25 hours drilling. Down 8.75 hours (.50 rig check, .75 CFS @ 4444', 1.25 CFS @ 4604', 1.25 CFS @ 4613', 1.50 CFS @ 4624', 2.00 trip, 1.50 rig repair)

Mud properties: wt. 9.4, vis. 49

Daily Mud Cost = \$382.18. Mud Cost to Date = \$7,771.87

Wt. on bit: 35,000, 80 RPM, 900# pump pressure

12 1/4" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'

7 7/8" bit #1 (in @ 227') = 124.25 hrs. - 4403'

Fuel usage: 339.75 gals. (36 1/2 "used 9") 27" + 18 1/2" delivered = 45 1/2"

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<b>MORNING DRILLING REPORT</b>				<b>Fax to: 316-799-2728</b>			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Parker #1
					LOCATION		1690' FNI & 2570' FWL Sec. 20-18S-26W Ness County, KS
<b>Rig #1 Phone Numbers</b>			<b>IN USE</b>		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> Newton, KS 67114 316-799-1000		
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. 2616'	K.B. 2626'	API# 15-135-24557-00-00

**Driving Directions:** From Ness City: 17 miles West on Hwy 96, 1 ½ miles North, East into.

Day	10	Date	10-24-06	Tuesday	<b>DST #2 (4428'-4630')</b>
					<b><u>Fort Scott/Mississippi formation</u></b>
					<b><u>Recovered 430' mud and 100'</u></b>
					<b><u>watery mud with few oil specks</u></b>

**RTD = 4630'**

**LTD = 4625'**

7:00 am – CFS @ 4630'

Ran 0.00 hours drilling. Down 24.00 hours (.75 CFS @ 4630', 10.25 trips, 2.00 DST #2, 4.50 log, 3.50 lay down drill pipe, 3.00 plug)

Mud properties: wt. 9.4, vis. 49

Daily Mud Cost = \$767.61. **Total Mud Cost = \$8,539.48**

Wt. on bit: 35,000, 80 RPM, 900# pump pressure

**12 ¼" bit #1 (in @ 0' out @ 227') = 2.00 hrs. - 227'**

**7 7/8" bit #1 (in @ 227') = 124.25 hrs. - 4403'**

Fuel usage: 132.13 gals. (33"used 3 ½")

Day	11	Date	10-25-06	Wednesday
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7:00 am – Tearing down

Ran 0.00 hours drilling. Down 8.00 hours (.25 plug, 7.25 tear down)

Plug well with 265 sacks of 60/40 Poz, 6% gel, ¼# floseal per sack.

1<sup>st</sup> plug @ 2040' with 50 sacks. 2<sup>nd</sup> plug @ 1140' with 80 sacks. 3<sup>rd</sup> plug @ 570' with 50 sacks.

4<sup>th</sup> plug @ 240' with 40 sacks. 5<sup>th</sup> plug @ 60' with 20 sacks to surface.

Plug rat hole with 15 sacks. Plug mouse hole with 10 sacks.

Job complete @ 7:15 am on 10-25-06 by Quality Cement (tk #1138).

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