

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 30742
 Name: Palomino Petroleum, Inc.
 Address: 4924 SE 84th St.
 City/State/Zip: Newton, Kansas 67114-8827
 Purchaser: NCRA
 Operator Contact Person: Klee R. Watchous
 Phone: (316) 799-1000
 Contractor: Name: Warren Drilling, L.L.C.
 License: 33724
 Wellsite Geologist: Robert A. Schreiber
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)
 If Workover/Re-entry: Old Well Info as follows:
 Operator: _____
 Well Name: _____
 Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

<u>6/21/06</u>	<u>6/30/06</u>	<u>6/30/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

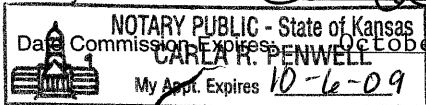
API No. 15 - 135-24485-0000
 County: Ness
 N/2 NW SW Sec. 24 Twp. 16 S. R. 24 East West
2310 feet from (S) N (circle one) Line of Section
600 feet from E (W) (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW (SW)
 Lease Name: Shellenberger Well #: 1
 Field Name: None (Wildcat)
 Producing Formation: Cherokee Sand
 Elevation: Ground: 2516 Kelly Bushing: 2526
 Total Depth: 4631 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 267 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set 1851 Feet
 If Alternate II completion, cement circulated from 1851
 feet depth to surface w/ 200 sx cmt.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit) *ALT II DPW 8-29-06*
 Chloride content _____ ppm Fluid volume _____ bbls
 Dewatering method used _____
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: _____ License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Klee R. Watchous
 Title: President Date: August 21, 2006
 Subscribed and sworn to before me this 21st day of August,
2006
 Notary Public: Carla R. Penwell
 Carla R. Penwell



KCC Office Use ONLY

Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

RECEIVED
AUG 23 2006
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Operator Name: Palomino Petroleum, Inc. Lease Name: Shellenberger Well #: 1
 Sec. 24 Twp. 16 S. R. 24 East West County: Ness

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Dual Induction, Micro, Compensated Density/ Neutron, Sonic	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table border="0" style="width:100%"> <tr> <td style="width:60%">Name</td> <td style="width:20%">Top</td> <td style="width:20%">Datum</td> </tr> <tr> <td>Anhy.</td> <td>1858</td> <td>(+ 668)</td> </tr> <tr> <td>Base Anhy.</td> <td>1893</td> <td>(+ 633)</td> </tr> <tr> <td>Topeka</td> <td>3584</td> <td>(-1058)</td> </tr> <tr> <td>Heebner</td> <td>3902</td> <td>(-1376)</td> </tr> <tr> <td>LKC</td> <td>3944</td> <td>(-1418)</td> </tr> <tr> <td>BKC</td> <td>4234</td> <td>(-1708)</td> </tr> <tr> <td>Marmaton</td> <td>4274</td> <td>(-1748)</td> </tr> <tr> <td>Pawnee</td> <td>4354</td> <td>(-1828)</td> </tr> </table>	Name	Top	Datum	Anhy.	1858	(+ 668)	Base Anhy.	1893	(+ 633)	Topeka	3584	(-1058)	Heebner	3902	(-1376)	LKC	3944	(-1418)	BKC	4234	(-1708)	Marmaton	4274	(-1748)	Pawnee	4354	(-1828)
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BKC	4234	(-1708)																										
Marmaton	4274	(-1748)																										
Pawnee	4354	(-1828)																										

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 7/8"	20#	267'	Common	200	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4623'	SMD	155	500 gal. mud flush w/add.
							20 bbls. KCL water

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
3	4513-4516		

TUBING RECORD		Size 2 7/8"	Set At 4590'	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 7/31/06		Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil 96%	Bbls. 97	Gas Mcf	Water 4%	Bbls. 4
				Gas-Oil Ratio	Gravity

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	

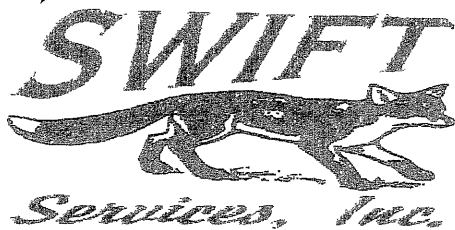
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1513524 4850000

LOGS

Ft. Scott	4438	(-1912)
Cherokee Sh.	4462	(-1936)
Ch. Sd.-Upr.	4513	(-1987)
Ch. Sd.-Lwr.	4534	(-2008)
Miss. Chert	4552	(-2026)
Miss. Dolo.	4573	(-2047)
Miss. Osage	4587	(-2061)
LTD	4631	(-2105)

RECEIVED
AUG 23 2006
KCC WICHITA



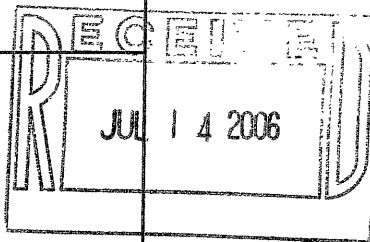
P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



Invoice

DATE	INVOICE #
7/11/2006	10926

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827



- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Schoellenbur...	Ness	DS&W Well Servi...	Oil	Development	Tools	Roger

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
105	Port Collar Tool Rental With Man	1	Each	400.00	400.00T
107	Stripper Head Rental Per Day	1	Each	175.00	175.00T
	Subtotal				575.00
	Sales Tax Ness County			5.30%	30.48

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AUG 23 2006
KCC WICHITA

We Appreciate Your Business!	Total	\$605.48
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CHARGE TO: *Palomino Pet.*
 ADDRESS:
 CITY, STATE, ZIP CODE:

RECEIVED
 AUG 23 2006
 KCC WICHITA

TICKET
 No 10926

PAGE 1 OF 1

1. SERVICE LOCATIONS <i>Ness City, Mo</i>	WELL/PROJECT NO. <i>#1</i>	LEASE <i>Schoellenburger</i>	COUNTY/PARISH <i>Ness</i>	STATE <i>Ks.</i>	CITY	DATE <i>7-11-06</i>	OWNER <i>Same</i>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <i>D.S. + W.</i>	RIG NAME/NO.	SHIPPED VIA <i>CIT</i>	DELIVERED TO <i>Lca</i>	ORDER NO.	
3.	WELL TYPE <i>Oil</i>	WELL CATEGORY <i>Development</i>	JOB PURPOSE <i>Cement Port Collar</i>	WELL PERMIT NO.	WELL LOCATION		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
					MILEAGE						
<i>105</i>		<i>1</i>			<i>Port Collar opening Tool</i>	<i>1</i>	<i>ea</i>			<i>400.00</i>	<i>400.00</i>
<i>107</i>		<i>1</i>			<i>Stripper head</i>	<i>1</i>	<i>ea</i>			<i>175.00</i>	<i>175.00</i>

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

DATE SIGNED _____ TIME SIGNED _____ A.M. P.M.

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

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL	<i>505.00</i>
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?				<i>Ness TAX 5.3%</i>	<i>30.48</i>
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	<i>605.48</i>
<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 *Roger B. Lylander* APPROVAL _____

Thank You!

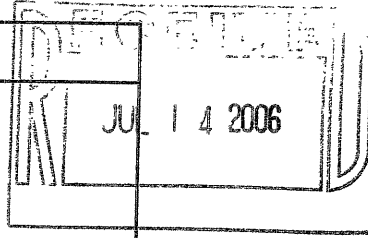


P. O. Box 466
 Ness City, KS 67560
 Off: 785-798-2300

Invoice

DATE	INVOICE #
7/11/2006	10425

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827



- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Schoellenbur...	Ness	DS&W Well Servi...	Oil	Development	Cement Port Collar	Roger

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	20	Miles	4.00	80.00
578D-D	Pump Charge	1	Job	1,250.00	1,250.00
581D	Service Charge Cement	200	Sacks	1.10	220.00
583D	Drayage	199	Ton Miles	1.00	199.00
330	Swift Multi-Density Standard (MIDCON II)	200	Sacks	12.50	2,500.00T
276	Flocele	50	Lb(s)	1.25	62.50T
	Subtotal				4,311.50
	Sales Tax Ness County			5.30%	135.81

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Thank You For Your Business!	Total	\$4,447.31
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CHARGE TO: Palomino Petroleum
 ADDRESS _____
 CITY, STATE, ZIP CODE _____

RECEIVED
 AUG 23 2006
 KCC WICHITA

TICKET No 10425

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>Ness City, Ks</u>	WELL/PROJECT NO. # <u>1</u>	LEASE <u>Shoelkuburger</u>	COUNTY/PARISH <u>Ness</u>	STATE <u>Ks.</u>	CITY	DATE <u>7-11-06</u>	OWNER <u>Same</u>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>D.S. + W</u>	RIG NAME/NO.	SHIPPED VIA <u>CIT</u>	DELIVERED TO <u>Loc.</u>	ORDER NO.	
3.	WELL TYPE <u>Oil</u>	WELL CATEGORY <u>Water Development</u>	JOB PURPOSE <u>Cement Port Collar</u>	WELL PERMIT NO.	WELL LOCATION		
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 #104	20	mil			4	00	80	00
578		1			Pump Service	1	ea			1250	00	1250	00
581		1			Service Charge	200	sk			1	10	220	00
583		1			Drayage	199	ton miles			1	00	199	00
330		1			SMOC	200	sk			12	50	2500	00
226		1			Flocele	50	#			1	25	62	50

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 Rud Schreder

DATE SIGNED _____ TIME SIGNED _____
 A.M.
 P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL	4/31	50
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?				Ness TAX 5.3%	135	81
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	4447	31
<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 Ryan B. Lybster APPROVAL _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 7-11-06 PAGE NO. 1

CUSTOMER Palomino Petr. WELL NO. #1 LEASE Schoellenburger JOB TYPE Cmt. Port Collar TICKET NO. 10425

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1400							on loc. set up truck Locate Port Collar @ 1851'
						1000	1000	Press test csg. 1,000psf hold Open Port Collar
		3				400		pump 3 BPM 400psf Start mixing
	1440							200 sks S.M.O.C. 1/4" Floccle 15 ^{SS} pumped established circulation 80 ^{SS} pumped Cement to surface ✓ Increase cmt. weight Finishal mixing
	15:05		6			1,000	1,000	Displace Close P.C. test to 1,000psf hold Run 3 Joints Reverse out short way hole clean pull out of hole wash and rack up truck
	1545							JOS Complete

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Thank You

Reggie, Destiny, Shane

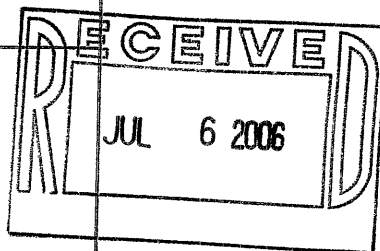


P. O. Box 466
 Ness City, KS 67560
 Off: 785-798-2300

Invoice

DATE	INVOICE #
6/30/2006	10582

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827



- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Shellenberger	Ness	Warren Drilling	Oil	Development	5-1/2" LongString	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				20	Miles	4.00	80.00
578D-L	Pump Charge - Long String - 4626 Feet				1	Job	1,250.00	1,250.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	26.00	52.00T
281	Mud Flush				500	Gallon(s)	0.75	375.00T
402-5	5 1/2" Centralizer				10	Each	60.00	600.00T
403-5	5 1/2" Cement Basket				3	Each	230.00	690.00T
404-5	5 1/2" Port Collar - Top Joint #66 - 1851 Feet				1	Each	2,000.00	2,000.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	210.00	210.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	250.00	250.00T
419-5	5 1/2" Rotating Head Rental				1	Each	250.00	250.00T
330	Swift Multi-Density Standard (MIDCON II)				175	Sacks	12.00	2,100.00T
276	Flocele				44	Lb(s)	1.25	55.00T
290	D-Air				2	Gallon(s)	32.00	64.00T
581D	Service Charge Cement				175	Sacks	1.10	192.50
583D	Drayage				173.84	Ton Miles	1.00	173.84
	Subtotal							8,342.34
	Sales Tax Ness County						5.30%	352.24

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We Appreciate Your Business!

Total \$8,694.58



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

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 KCC WICHITA

TICKET No 10582


PAGE 1 OF 2

SERVICE LOCATIONS 1. <u>NESS CITY, KS</u>	WELL/PROJECT NO. # 1	LEASE SHELLENBERGER	COUNTY/PARISH NESS	STATE KS	CITY	DATE 6-30-06	OWNER SAME
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR WARREN DRILLING	RIG NAME/NO.	SHIPPED VIA CT	DELIVERED TO LOCATION	ORDER NO.	
3.	WELL TYPE OIL	WELL CATEGORY DEVELOPMENT	JOB PURPOSE 5 1/2" LONGSTRAW	WELL PERMIT NO.	WELL LOCATION RANNO, KS - NORTH SIDE		
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 # 104	20		ME		4.00	80.00
578		1			PUMP SERVICE	1	4626	JOB	FT	1250.00	1250.00
221		1			LIQUID KOL	2		GAL		26.00	52.00
281		1			MUD FLUSH	500		GAL		.75	375.00
402		1			CENTRALIZERS	10		EA	5 1/2"	60.00	600.00
403		1			CEMENT BASKETS	3		EA		230.00	690.00
404		1			PORT COLLAR	1	1851	EA	FT	2000.00	2000.00
406		1			CATCH DOWN PLUG - BAFFLE	1		EA		210.00	210.00
407		1			INSERT FLOAT SUBE W/ FELLUP	1		EA		250.00	250.00
419		1			ROTATING HEAD RENTAL	1		JOB		250.00	250.00

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


 DATE SIGNED: 6-30-06
 TIME SIGNED: 1730
 A.M.
 P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				#1	5757.00
WE UNDERSTOOD AND MET YOUR NEEDS?				#2	2585.34
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Subtotal	8342.34
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX	
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			Less 5.3%	352.24
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	8694.58

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

SWIFT OPERATOR: Warren Warren

APPROVAL: _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 6-30-06 PAGE NO.

CUSTOMER PALOMIZO PETROLEUM WELL NO. #1 LEASE SHELLWATER JOB TYPE 5 1/2" KOLBSTEIN TICKET NO. 10582

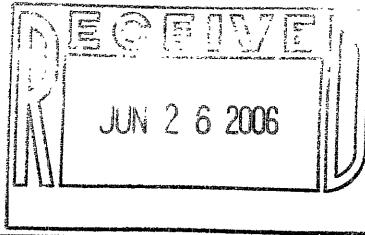
CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) GAL	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1645							ON LOCATED
	1715							START 5 1/2" CASING IN WELL
								TD - 4631 SET 4626
								TP - 4626 5 1/2" / FT 14
								SS - 21.22
								CONTRACTS - 1, 2, 4, 6, 9, 13, 18, 22, 26, 65
								CMT BSSES - 3, 7, 66
								POST COLR = 1851 TOP JT# 66
	2000							DEEP BALL - CIRCULATE ROTATE
	2055	6	12		✓		500	PUMP 500 GAL MUDFLUSH
	2057	6	20		✓		500	PUMP 20 BBL KCL FLUSH
	2101		4/2					PLUG RH - MH
	2105	6	31		✓		500	MIX CEMENT - L1 - 75 SKS SAND = 12.2 PPG
		5	31		✓		350	T2 - 100 SKS SAND = 13.5 PPG
	2118							WASH OUT PUMP - LINES
	2120							RELEASE LATCH DOWN PLUG
	2122	6 1/2	0		✓			DISPLACE PLUG
	2136	6 1/2	102				700	SHUT OFF ROTATING
	2138	6	112.4				1500	PLUG DOWN - PSE UP LATCH IN PLUG
	2140						OK	RELEASE PSE - HELD
								WASH UP TRUCK
	2230							JOB COMPLETE

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KCC WICHITA
THANK YOU
WAYNE, BRETT, SHANE

Quality Oilwell Cementing Inc.

845 E Wichita
P.O. Box 32
Russell, KS 67665

Invoice



Date	Invoice #
6/22/2006	18

Bill To
Palomino Petroleum Inc 4924 SE 84th Newton Ks 67114

P.O. No.	Terms	Project
Shellenberger #1	Net 30	

Quantity	Description	Rate	Amount
200	common	10.50	2,100.00T
4	Gel	16.25	65.00T
6	Calcium	45.00	270.00T
210	handling	1.90	399.00
18,900	Mileage	0.08	1,512.00
1	pump truck charge	775.00	775.00
90	pump truck mileage charge	5.00	450.00
1	8 5/8 wooden plug	65.00	65.00T
564	discount 10% if paid within 30 days	-1.00	-564.00
	Sales Tax	5.30%	132.50
Total			\$5,204.50

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QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.#

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 1019

Date	Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
6/21/06					1:00 pm	1:30 pm	2:30 pm
Lease	Well No.	Location		County	State		
	1	Russell, IN		Wade	KS		
Contractor				Owner			
Type Job				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Hole Size	T.D.		Charge To				
12 1/4	269		Palomares Petroleum				
Csg.	Depth		Street				
E 3	267						
Tbg. Size	Depth		City				
			State				
Drill Pipe	Depth		The above was done to satisfaction and supervision of owner agent or contractor.				
Tool	Depth						
Cement Left in Csg.	Shoe Joint						
10-15							
Press Max.	Minimum						
Meas Line	Displace		CEMENT				
	204 16 1/2						
Perf.			Amount Ordered				
			200 Pcm 3 1/2 cc 2 1/2 gal				
EQUIPMENT			Consisting of				
Pumptrk	No.	Cementor Helper	Common	200 @	10.50	2,100.00	
Bulktrk	3	Driver	Poz. Mix				
Bulktrk		Driver	Gel.	4 @	16.25	65.00	
		Driver	Chloride	6 @	45.00	270.00	
JOB SERVICES & REMARKS			Hulls				
Pumptrk Charge	775.00						
Mileage	90 @ 5.00		450.00				
Footage							
Total			1225.00				
Remarks:			Sales Tax				
			Handling		210 @ 1.90	399.00	
			Mileage		8¢ per sk per mile	1512.00	
			Pump Truck			Sub Total 1225.00	
			Floating Equipment & Plugs		2 1/2 wooden	65.00	
			Squeeze Manifold				
			Rotating Head				
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			KCC WICHITA				
					Tax	132.50	
					Discount		
					Total Charge	520.00	
X Signature							

Ricketts Testing, Inc.



Company PALOMINO PETROLEUM, INC. Lease & Well No. SHELLENBERGER #1
 Elevation 2526 K.B. Formation CHEROKEE Ticket No. 2498
 Date 6-29-06 Sec. 24 Twp. 16S Range 24W County NESS State KS
 Test Approved by BOB SCHREIBER Ricketts Representative JIM RICKETTS

Formation Test No. 1 Interval Tested from 4375 ft. to 4413 ft. Total Depth 4413 ft.
 Packer Depth 4375 ft. Size 6 3/4 in. Packer Depth _____ ft. Size _____ in.
 Packer Depth 4370 ft. Size 6 3/4 in. Packer Depth _____ ft. Size _____ in.

Top Recorder Depth (Inside) 4380 ft. Recorder Number W1022 Cap. 10000
 Bottom Recorder Depth (Outside) 4383 ft. Recorder Number 13564 Cap. 4475
 Below Straddle Recorder Depth _____ ft. Recorder Number _____ Cap. _____

Drilling Contractor WARREN DRILLING RIG #8 Drill Collar Length 260 I.D. 2.25 in.
 Mud Type CHEMICAL Viscosity 42 Weight Pipe Length _____ I.D. _____ in.
 Weight 9.3 Water Loss 9.6 cc. Drill Pipe Length 4088 I.D. 3.25 in.
 Chlorides 3600 P.P.M. Test Tool Length 27 ft. Tool Size 5 1/2 in.
 Jars: Make STERLING Serial Number 808 Anchor Length 38 ft. Size 5 1/2 in.
 Did Well Flow? NO Reversed Out NO Surface Choke Size 3/4 in. Bottom Choke Size 3/4 in.
 Gravity Oil 37° Main Hole Size 7 7/8 in. Tool Joint Size 4 1/2 XH in.

Blow: STRONG BLOW IN 2 MINUTES INITIAL FLOW PERIOD. 1" BLOW BACK ON INITIAL SHUT-IN. STRONG BLOW IN 1 1/2 MINUTES FINAL FLOW PERIOD. 1" BLOW BACK ON FINAL SHUT-IN.

Recovered 1030 ft. of OIL.
 Recovered _____ ft. of _____
 Recovered _____ ft. of _____
 Recovered _____ ft. of _____
 Recovered _____ ft. of _____

Remarks: _____

Time Set Packer (s) 2:52 A.M. Time Started Off Bottom 4:37 A.M. Maximum Temperature 124°
 Initial Hydrostatic Pressure(A) 2166 P.S.I.
 Initial Flow PeriodMinutes 15 (B) 104 P.S.I. to
 (C) 251 P.S.I.
 Initial Closed In PeriodMinutes 30 (D) 1240 P.S.I.
 Final Flow PeriodMinutes 30 (E) 265 P.S.I. to
 (F) 400 P.S.I.
 Final Closed In PeriodMinutes 30 (G) 1208 P.S.I.
 Final Hydrostatic Pressure(H) 2123 P.S.I.

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Company Name
Well Name
Type of Test
Date(s) of Test

Palomino Petroleum Inc.
Shellenberger #1
DST#1 4375 to 4413'
6-29-2008



Shellenberger #1 DST#1

