

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

The plugging proposal was approved on: October 14, 2006 (Date)

by: Steve Durrant (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. (repeated three times)

API Number: 15 - 185-23395-0000

Lease Name: Rusco-Golden Belt

Well Number: #1

Spot Location (QQQQ): W/2 - SW - SW - SW

790 Feet from North / South Section Line

180 Feet from East / West Section Line

Sec. 21 Twp. 22 S. R. 13 East West

County: Stafford

Date Well Completed: 10/14/06

Plugging Commenced: 10/14/06

Plugging Completed: 10/14/06

Show depth and thickness of all water, oil and gas formations.

Table with columns: Oil, Gas or Water Records (Formation, Content) and Casing Record (Surface Conductor & Production) (From, To, Size, Put In, Pulled Out). Row 1: 0, 308', 8 5/8" new 23#, 308', 0'

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.

50 sx @ 3862', 50 sx @ 780', 50 sx @ 349', 20 sx @ 60', 15 sx in RH of 60-40 poz., 6% gel w/1/14# FC/sx.

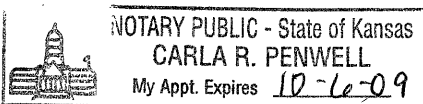
Name of Plugging Contractor: Fossil Drilling, Inc. License #: 33610

Address: P. O. Box 464, Pratt, Kansas 67124-0464

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

State of Kansas County, Harvey, ss.

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.



(Signature) Klee R. Watchous

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

SUBSCRIBED and SWORN TO before me this 14th day of November, 2006

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

RECEIVED NOV 15 2006 KCC WICHITA