

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

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: Southwind Drilling, Inc.
License: 33350
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>9/20/05</u> | <u>9/30/05</u> | <u>9/30/05</u> |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 135-24403-0000
County: Ness
SE SE SE Sec. 12 Twp. 19 S. R. 24 East West
130 feet from (S) N (circle one) Line of Section
100 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Harkness-Stum Well #: 1
Field Name: Obee SE
Producing Formation: Mississippian
Elevation: Ground: 2232 Kelly Bushing: 2242
Total Depth: 4303 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 211 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 1470 Feet
If Alternate II completion, cement circulated from 1470
feet depth to surface w/ 155 sx cmt.
ALT II WHM 10-24-06

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
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. DEC 23 2005 East West
County: _____ Docket No.: _____
KCC WICHITA

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.

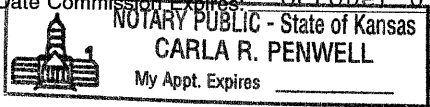
All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Klee R. Watchous
Title: President Date: December 21, 2005

Subscribed and sworn to before me this 21st day of December,
20 05.

Notary Public: Carla R. Penwell
Carla R. Penwell

Date Commission Expires: October 6, 2009



KCC Office Use ONLY

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

X

ORIGINAL

Operator Name: Palomino Petroleum, Inc. Lease Name: Harkness-Stum Well #: 1
 Sec. 12 Twp. 19 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 Yes No
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
 (Submit Copy)

List All E. Logs Run:

Radiation Guard

Log Formation (Top), Depth and Datum Sample

| Name | Top | Datum |
|------------|------|---------|
| Anhy. | 1489 | (+ 753) |
| Base Anhy. | 1524 | (+ 718) |
| Topeka | 3338 | (-1096) |
| Heebner | 3648 | (-1406) |
| LKC | 3692 | (-1450) |
| BKC | 3992 | (-1750) |
| Marmaton | 4034 | (-1792) |
| Pawnee | 4110 | (-1868) |

| 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 5/8" | 20# | 211' | 60/40 Pozmix | 160 | 2% gel, 3% c.c. |
| Production | 7 7/8" | 5 1/2" | 14# | 4291' | SMD cement | 160 | 500 gal. mud flush |
| | | | | | | | w/add., 20bbls. 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 | | | | |

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| 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 |
|----------------|---|---|-------|
| | | | |
| | | | |
| | | | |
| | | | |

| TUBING RECORD | Size | Set At | Packer At | Liner Run |
|---------------|--------|--------|-----------|---|
| | 2 7/8" | 4290' | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

| Date of First, Resumerd Production, SWD or Enhr. | Producing Method |
|--|---|
| 10/24/05 | <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 Bbls. | Gas Mcf | Water Bbls. | Gas-Oil Ratio | Gravity |
|-----------------------------------|-----------|---------|-------------|---------------|---------|
| | 19% 34 | | 81% 144 | | |

Disposition of Gas Vented Sold Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____

ORIGINAL

LOGS

| | | |
|--------------|------|---------|
| Ft. Scott | 4192 | (-1950) |
| Cherokee Sh. | 4215 | (-1973) |
| Miss. Dolo. | 4282 | (-2040) |
| LTD | 4303 | (-2061) |

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SWIFT



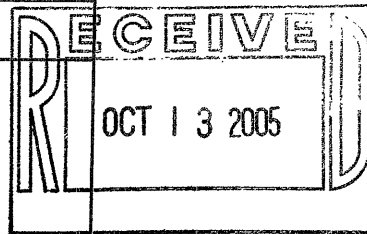
P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



Invoice

| | |
|-----------|-----------|
| DATE | INVOICE # |
| 10/7/2005 | 9093 |

| |
|--|
| 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 | Harkness-Stem | Ness | Mobile Drilling | Oil | Development | Cement Port Collar | Wayne |

| PRICE REF. | DESCRIPTION | QTY | UM | UNIT PRICE | AMOUNT |
|------------|--|-----|-------|------------|-----------|
| 575D | Mileage - 1 Way | 10 | Miles | 4.00 | 40.00 |
| 577D | Pump Charge | 1 | Job | 800.00 | 800.00 |
| 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 |
| 330 | Swift Multi-Density Standard (MIDCON II) | 155 | Sacks | 11.50 | 1,782.50T |
| 276 | Flocele | 41 | Lb(s) | 1.10 | 45.10T |
| 581D | Service Charge Cement | 165 | Sacks | 1.10 | 181.50 |
| 582D | Minimum Drayage Charge | 1 | Each | 100.00 | 100.00 |
| | Subtotal | | | | 3,524.10 |
| | Sales Tax Ness County | | | 5.30% | 127.34 |

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Thank You For Your Business!

Total

\$3,651.44



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

TICKET
 No 9093

PAGE 1 OF 1

| | | | | | | | |
|---|--|-------------------------------------|--------------------------------------|--------------------------|--|------------------------|----------------------|
| 1. SERVICE LOCATIONS <u>NESS CO., KS</u> | WELL/PROJECT NO. #1 | LEASE <u>HARNESS - STW</u> | COUNTY/PARISH <u>NESS</u> | STATE <u>KS</u> | CITY | DATE <u>10-7-05</u> | OWNER <u>SAME</u> |
| 2. | TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES | CONTRACTOR <u>MOORE OIL</u> | RIG NAME/NO. | SHIPPED VIA <u>CT</u> | DELIVERED TO <u>ASLAW</u> | ORDER NO. | |
| 3. | WELL TYPE <u>OIL</u> | WELL CATEGORY <u>DEVELOPMENT</u> | JOB PURPOSE <u>CSW. PORT COLL</u> | WELL PERMIT NO. | WELL LOCATION <u>NESS CO., KS - 35, 3/4 W, N5</u> | | |
| 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 # 106 | 10 | ME | | | 4.00 | 40.00 |
| 577 | | 1 | | | PUMP SERVICE | 1 | JOB | | | 800.00 | 800.00 |
| 105 | | 1 | | | PORT COLL OILFIELD TOOL | 1 | JOB | | | 400.00 | 400.00 |
| 109 | | 1 | | | STRAPPER HOCS - RUBBER | 1 | JOB | | | 175.00 | 175.00 |
| 330 | | 1 | | | SURFT MULTI-BODY SANDS | 155 | SD | | | 11.50 | 1782.50 |
| 276 | | 1 | | | FLOCCLE | 41 | US | | | 1.10 | 45.10 |
| 581 | | 1 | | | SEARCH CHARGE CSW. | 165 | US | | | 1.10 | 181.50 |
| 582 | | 1 | | | MINIMUM DRAGAGE | 16391 | US | 81.96 | 171 | 100.00 | 100.00 |

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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

A.M.
 P.M.
 DATE SIGNED: 10-7-05 TIME SIGNED: 1445

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? | | | | | | | 3524.10 |
| WE UNDERSTOOD AND MET YOUR NEEDS? | | | | | | | |
| OUR SERVICE WAS PERFORMED WITHOUT DELAY? | | | | | | | |
| WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY? | | | | | | | |
| ARE YOU SATISFIED WITH OUR SERVICE? | | | <input type="checkbox"/> YES | <input type="checkbox"/> NO | | | |
| <input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND | | | | | | | |
| | | | | | | NESS TAX 5.3% | 127.34 |
| | | | | | | TOTAL | 3651.44 |

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

SWIFT OPERATOR: Wanda Wasson

APPROVAL: _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 10-7-05 PAGE NO. 1

CUSTOMER PALOMIZO PETROLEUM WELL NO. #1 LEASE HAGNESS - STUM JOB TYPE CEMENT PORT COLLAR TICKET NO. 9093

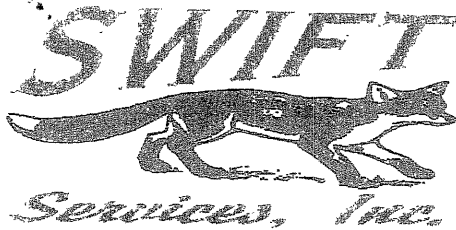
| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL)(GAL) | PUMPS | | PRESSURE (PSI) | | DESCRIPTION OF OPERATION AND MATERIALS |
|-----------|------|------------|-------------------|-------|---|----------------|--------|--|
| | | | | T | C | TUBING | CASING | |
| | 1430 | | | | | | | ON LOCATION |
| | | | | | | | | TUBING - 2 3/8 CASING - 5 1/2" PORT COLLAR = 1470' |
| | 1505 | | | | ✓ | | 1000 | PSE-TEST- HELD |
| | 1510 | 2 1/2 | 2 | ✓ | | 350 | | OPEN PORT COLLAR - INT. RATE |
| | 1512 | 3 1/2 | 86 | ✓ | | 350 | | MAX CEMENT 155 SKS SMD |
| | 1538 | 3 | 5 | ✓ | | 500 | | DESPIARE CEMENT |
| | 1545 | | | ✓ | | 1000 | | CLOSE PORT COLLAR - PSE-TEST - HELD |
| | | | | | | | | CALCULATED 10 SKS CEMENT TO POT |
| | 1555 | 3 | 15 | ✓ | | 350 | | RUN 4 JTS CALCULATE CLEAN |
| | | | | | | | | WASH UP |
| | | | | | | | | PULL TOOL |
| | 1700 | | | | | | | JOB COMPLETE |

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THANK YOU
WAYNE, JASON, BRETT



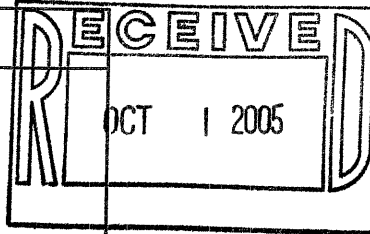
P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



Invoice

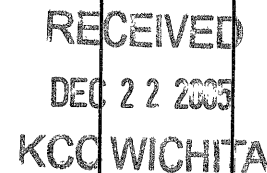
| | |
|-----------|-----------|
| DATE | INVOICE # |
| 9/30/2005 | 9082 |

| |
|--|
| 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 | Harkness-Stum | Ness | Southwind Drilling | Oil | Development | 5-1/2" Longstring | Wayne |
| PRICE REF. | DESCRIPTION | | | | QTY | UM | UNIT PRICE | AMOUNT |
| 575D | Mileage - 1 Way | | | | 10 | Miles | 4.00 | 40.00 |
| 578D-L | Pump Charge - Long String - 4291 Feet | | | | 1 | Job | 1,250.00 | 1,250.00 |
| 221 | Liquid KCL (Clayfix) | | | | 2 | Gallon(s) | 25.00 | 50.00T |
| 281 | Mud Flush | | | | 500 | Gallon(s) | 0.75 | 375.00T |
| 402-5 | 5 1/2" Centralizer | | | | 9 | Each | 60.00 | 540.00T |
| 403-5 | 5 1/2" Cement Basket | | | | 2 | Each | 200.00 | 400.00T |
| 404-5 | 5 1/2" Port Collar - Top Joint #68 - 1470 Feet | | | | 1 | Each | 1,900.00 | 1,900.00T |
| 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 | 200.00 | 200.00T |
| 330 | Swift Multi-Density Standard (MIDCON II) | | | | 175 | Sacks | 11.00 | 1,925.00T |
| 276 | Flocele | | | | 44 | Lb(s) | 1.10 | 48.40T |
| 581D | Service Charge Cement | | | | 175 | Sacks | 1.10 | 192.50 |
| 582D | Minimum Drayage Charge | | | | 1 | Each | 100.00 | 100.00 |
| | Subtotal | | | | | | | 7,480.90 |
| | Sales Tax Ness County | | | | | | 5.30% | 312.62 |



| | | |
|-------------------------------------|--------------|------------|
| Thank You For Your Business! | Total | \$7,793.52 |
|-------------------------------------|--------------|------------|



CHARGE TO:
PALOMBO PEROLEUM
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET
 No 9082

PAGE 1 OF 2

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| | | | | | | | |
|---|---|---|------------------------------|---|-----------|------------------------|----------------------|
| 1. SERVICE LOCATIONS NESS CIRCLE | WELL/PROJECT NO. #1 | LEASE HARKNESS - STUM | COUNTY/PARISH NESS | STATE Ks | CITY | DATE 9-30-05 | OWNER SAME |
| 2. TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES | CONTRACTOR SOUTHWIND DRILLING | RIG NAME/NO. | SHIPPED VIA CT | DELIVERED TO LOCATION | ORDER NO. | | |
| 3. WELL TYPE OIL | WELL CATEGORY Development | JOB PURPOSE 5 1/2" LWD DRILLING | WELL PERMIT NO. | WELL LOCATION NESS CIRCLE 3S, 1/2 W | | | |
| 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 | 10 | ME | | | 4.00 | 40.00 |
| 578 | | 1 | | | PUMP SERVICE | 1 | JOB | 4291 | FT | 1250.00 | 1250.00 |
| 221 | | 1 | | | LUBRICANT KCL | 2 | GAL | | | 25.00 | 50.00 |
| 281 | | 1 | | | MUD FLUSH | 500 | GAL | | | .75 | 375.00 |
| 402 | | 1 | | | CONTRACTORS | 9 | EA | 5 1/2" | | 60.00 | 540.00 |
| 403 | | 1 | | | CONWT BARRIERS | 2 | EA | | | 200.00 | 400.00 |
| 404 | | 1 | | | PORT COLLAR TOP JT # 68 | 1 | EA | 1470 | FT | 1900.00 | 1900.00 |
| 406 | | 1 | | | LATCH DOWN PUG - BAFFLE | 1 | EA | | | 210.00 | 210.00 |
| 407 | | 1 | | | ASSET FLOAT SHADE W/ AUTO FOLLOW | 1 | EA | | | 250.00 | 250.00 |
| 419 | | 1 | | | ROMANIC HEAD RENTAL | 1 | JOB | | | 200.00 | 200.00 |

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 *[Signature]*
 DATE SIGNED **9-30-05** TIME SIGNED **0030** 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 | 5215.00 |
| WE UNDERSTOOD AND MET YOUR NEEDS? | | | | #2 | 2265.90 |
| OUR SERVICE WAS PERFORMED WITHOUT DELAY? | | | | sub total | 7480.90 |
| WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY? | | | | TAX | 312.62 |
| ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO | | | | ness 5.3% | |
| <input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND | | | | TOTAL | 7793.52 |

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

SWIFT OPERATOR *WAVE WASON* APPROVAL _____

Thank You!

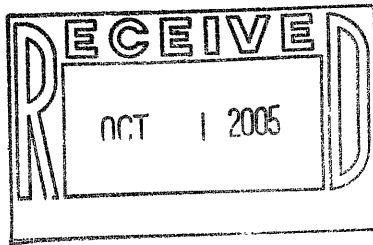
JOB LOG

SWIFT Services, Inc.

DATE 9-30-05 PAGE NO. 1

CUSTOMER PALOMAZO PETROLEUM WELL NO. # LEASE HARNESS - STUM JOB TYPE 5 1/2" LONGSTRONG TICKET NO. 9082

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL/GAL) | PUMPS | | PRESSURE (PSI) | | DESCRIPTION OF OPERATION AND MATERIALS |
|-----------|------|------------|------------------|-------|---|----------------|--------|--|
| | | | | T | C | TUBING | CASING | |
| | 0015 | | | | | | | ON LOCATION |
| | 0130 | | | | | | | START 5 1/2" CASING IN WELL |
| | | | | | | | | TD - 4303 SETR 4291 |
| | | | | | | | | TP - 4298 5 1/2" / R 14 |
| | | | | | | | | ST - 21' |
| | | | | | | | | CONTRACTORS - 1, 2, 4, 7, 10, 13, 16, 20, 67 |
| | | | | | | | | CMT BSKTS - 2, 68 |
| | | | | | | | | PORT COLLAR 1470' TOP JT # 68 |
| | 0420 | | | | | | | DROP BALL - EVALUATE ROTATE |
| | 0455 | 6 | 12 | | ✓ | | 500 | PUMP 500 GAL MUDFLUSH " |
| | 0457 | 6 | 20 | | ✓ | | 500 | PUMP 20 BBS KCL FLUSH " |
| | 0502 | | 4 1/2 - 3 | | | | | PLUG RH - MH |
| | 0506 | 5 1/2 | 38 | | ✓ | | 400 | MAX CSMT - 100 SKS = 12.4 PPG " |
| | | 5 | 21 | | ✓ | | 250 | 75 SKS = 14.0 PPG " |
| | 0521 | | | | | | | WASH OUT PUMP LANCES |
| | 0522 | | | | | | | RELEASE CATCH DOWN PUG |
| | 0525 | 6 3/4 | 0 | | ✓ | | | REPLACE PUG RECEIVED DEC 22 2005 " |
| | | 6 1/2 | 94 | | | | 750 | SHUT OFF ROMING KCC WICHITA |
| | 0540 | 6 | 104.4 | | | | 1750 | PLUG DOWN - PSE CATCH 2nd PUG |
| | 0542 | | | | | | OK | RELEASE PSE - HEAD |
| | | | | | | | | WASH UP |
| | 0630 | | | | | | | JOB COMPLETE THANK YOU WANG, JUST, BOETT |



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

 * I N V O I C E *

Invoice Number: 098649

Invoice Date: 09/28/05

Sold Palomino Petroleum , Inc.
 To: 4924 SE 84th St.
 Newton, KS
 67114-8827

Cust I.D.....: Palo
 P.O. Number...: HarknessStum#1
 P.O. Date.....: 09/28/05

Due Date.: 10/28/05
 Terms.....: Net 30

| Item I.D./Desc. | Qty. Used | Unit | Price | Net | TX |
|-----------------|-----------|------|----------|---------|----|
| Common | 160.00 | SKS | 8.7000 | 1392.00 | T |
| Gel | 3.00 | SKS | 14.0000 | 42.00 | T |
| Chloride | 5.00 | SKS | 38.0000 | 190.00 | T |
| Handling | 168.00 | SKS | 1.6000 | 268.80 | E |
| Mileage min. | 1.00 | MILE | 180.0000 | 180.00 | E |
| Surface | 1.00 | JOB | 670.0000 | 670.00 | E |
| Mileage pmp tkr | 4.00 | MILE | 5.0000 | 20.00 | E |
| Wooden Plug | 1.00 | EACH | 55.0000 | 55.00 | T |

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$ 281.78
 ONLY if paid within 30 days from Invoice Date

| | |
|------------|---------|
| Subtotal: | 2817.80 |
| Tax.....: | 88.99 |
| Payments: | 0.00 |
| Total....: | 2906.79 |

RECEIVED
 DEC 22 2005
 KCC WICHITA

ALLIED CEMENTING CO., INC.

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

SERVICE POINT: Great Bend

| | | | | | | | |
|--------------------------------|---------------|----------------------|---------------------------------------|---------------------------|-------------------------|------------------------|----------------------------|
| DATE <u>9-20-05</u> | SEC <u>12</u> | TWP. <u>19s</u> | RANGE <u>24w</u> | CALLED OUT <u>3:30 PM</u> | ON LOCATION <u>5 PM</u> | JOB START <u>10 AM</u> | JOB FINISH <u>11:30 PM</u> |
| LEASE <u>Harkness</u> | | WELL # <u>STUM 1</u> | LOCATION <u>Ness City 3 1/2 W N/S</u> | | | COUNTY <u>Ness</u> | STATE <u>K.S.</u> |
| OLD OR <u>NEW</u> (Circle one) | | | | | | | |

CONTRACTOR Southwind Rig #1

TYPE OF JOB Surface

HOLE SIZE 12 1/2 T.D. 217 ft

CASING SIZE 8 3/4 DEPTH 214 ft

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15 ft

PERFS. _____

DISPLACEMENT 12 1/2

OWNER _____

CEMENT AMOUNT ORDERED 160 Common
32cc 2 gel

| | | | | |
|----------|---------------|---|--------------|----------------|
| COMMON | <u>160 cu</u> | @ | <u>8.70</u> | <u>1392.00</u> |
| POZMIX | _____ | @ | _____ | _____ |
| GEL | <u>3 cu</u> | @ | <u>14.00</u> | <u>42.00</u> |
| CHLORIDE | <u>SA4</u> | @ | <u>38.00</u> | <u>190.00</u> |
| ASC | _____ | @ | _____ | _____ |
| _____ | _____ | @ | _____ | _____ |
| _____ | _____ | @ | _____ | _____ |
| _____ | _____ | @ | _____ | _____ |
| _____ | _____ | @ | _____ | _____ |
| _____ | _____ | @ | _____ | _____ |
| _____ | _____ | @ | _____ | _____ |
| HANDLING | <u>168 cu</u> | @ | <u>1.60</u> | <u>268.80</u> |
| MILEAGE | <u>168 cu</u> | @ | <u>4 Min</u> | <u>180.00</u> |
| TOTAL | | | | <u>2072.80</u> |

EQUIPMENT

PUMP TRUCK # 120 CEMENTER Mike Munsch
HELPER J.D. Dreiling

BULK TRUCK # 260 DRIVER Robert Burhann

BULK TRUCK # _____ DRIVER _____

REMARKS:

waiting on welder
circulate hole with rig mud pump
Mix Cement + Release Plug Displace
plug down water

Cement did circulate to
surface

SERVICE

| | | | |
|-------------------|---------------|---|---------------|
| DEPTH OF JOB | <u>214 ft</u> | | |
| PUMP TRUCK CHARGE | _____ | | <u>670.00</u> |
| EXTRA FOOTAGE | _____ | @ | _____ |
| MILEAGE | <u>4</u> | @ | <u>5.00</u> |
| RECEIVED | | | |
| DEC 22 2005 | | | |
| KCC WICHITA | | | |
| TOTAL | | | <u>690.00</u> |

CHARGE TO: Palomino

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

| | | | | |
|-------------------------|-------|---|--------------|--------------|
| MANIFOLD | _____ | @ | _____ | _____ |
| <u>1-8# wooden Plug</u> | _____ | @ | <u>55.00</u> | <u>55.00</u> |
| _____ | _____ | @ | _____ | _____ |
| _____ | _____ | @ | _____ | _____ |
| TOTAL | | | | <u>55.00</u> |

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer 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.

SIGNATURE X Doug Roberts

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE X Doug Roberts
PRINTED NAME _____

Thank you 999