



SOUTHWIND DRILLING, INC. PLUGGING ORDERS AND REPORTS

PALOMINO PETROLEUM

Lease: Davidson - Johnson #1Plugging received from: Lynn Reimer Date: 5-15-07 Time: 3:00 PM1st Plug @ 1950 FT. 50 SX Stands: 312nd Plug @ 1200 FT. 80 SX Stands: 203rd Plug @ 600 FT. 50 SX Stands: 104th Plug @ 270 FT. 40 SX Stands: 4 1/25th Plug @ 60 FT. 20 SX Stands: 1Mousehole 10 SXRathole 15 SXTotal Cement used: 265 SXType of cement: 60/40 POZ 690 GEL 1/4" Floseal per SXPlug down at 5:00 AM 05-17-07 by Allied ticket #

Call State When Completed:

Name Michelle Pennington Date: 05-17-07 Time: 3:00 PM10'S ; 90' W of NW-NE-NW Sec. 11 Twp 17 Range 26
NESS COUNTYAPI# 15-135-24635

5/8 set @ 224 w/ 160 SX cement did circulate

Inhydrite = 1911 to 1958

TD = 4561

TD = 4560 by ELI

FORMATION @ TD - Mississippi

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CONSERVATION DIVISION
WICHITA KS

30352

SERVICE POINT:

ETCINI.

OWNER Falconino Petroleum

CEMENT

AMOUNT ORDERED 265 ^{6% 1/40 POZ}
6% Gel 1/4" floor per sq.

COMMON	@	
POZMIX	@	
GEL	@	
CHLORIDE	@	
ASC	@	
FLO SEAL	@	
	@	
	@	
	@	
	@	
	@	
	@	
	@	
	@	
HANDLING	@	
MILEAGE		

TOTAL _____

EQUIPMENT

<i>New</i>	
PUMP TRUCK	CEMENTER <i>J. D. Phauling</i>
# <i>224</i>	HELPER <i>Jim Weighous</i>
BULK TRUCK	
# <i>357</i>	DRIVER <i>Don Rugan</i>
BULK TRUCK	
#	DRIVER

REMARKS:

1 st	50 AX 1950'
2 ND	80 AX 1200'
3 RD	50 AX 600'
4 th	40 AX 270'
5 th	20 AX 60'
	15 AX Rothala

SERVICE

DEPTH OF JOB 1950
PUMP TRUCK CHARGE _____
EXTRA FOOTAGE _____ @ _____
MILEAGE _____ @ _____
MANIFOLD _____ @ _____
_____ @ _____
_____ @ _____

TOTAL 100.00

CHARGE TO: Palomino Petroleum Inc.
STREET 4924 SE 84th St.
CITY Newton STATE Kansas ZIP 67114-8827

Thank you!

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.

PLUG & FLOAT EQUIPMENT

[illegible]

TAX _____
TOTAL CHARGE _____
DISCOUNT _____ IF PAID IN 30 DAY

SIGNATURE X Doug Roberts X Doug Roberts
PRINTED NAME

PRINTED NAME _____

Thane Van

SOUTHWIND DRILLING, INC.

RIG #1

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

DRILLING REPORT

Davidson-Johnson #1

Location: 380' FNL & 1560' FWL
API#: 15-135-24635-00-00

Section 11-17S-26W
Ness County, Kansas

OWNER: : Palomino Petroleum, Inc.
CONTRACTOR: Southwind Drilling, Inc. Rig #2

COMMENCED: 05-07-07
COMPLETED: 05-17-07

TOTAL DEPTH: Driller: 4561'
Logger: 4560'

Ground Elevation: 2525'
KB Elevation: 2535'

LOG:

0'	-	225'	Sand/Lime
225'	-	940'	Shale
940'	-	1912'	Sand/Shale
1912'	-	1946'	Anhydrite
1946'	-	4060'	Shale
4060'	-	4560'	Shale/Lime
		4560'	RTD

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 @ 11:45 pm on 05-07-07 by Allied Cementing (tk #23904).

Production casing – 5 1/2"

None – plugged the well

DEVIATION SURVEYS

3/4 degree (s)	@	225'
1 1/4 degree (s)	@	2549'
3/4 degree (s)	@	4163'
3/4 degree (s)	@	4217'

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WICHITA, KS

MORNING DRILLING REPORT					Fax to: Klee Watchous			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Bob Schreiber 620-786-0991		WELL NAME		Davidson-Johnson #1	
					LOCATION		380' FNL & 1560' FWL Sec. 11-17S-26W Ness County, KS	
Rig #1 Phone Numbers					Palomino Petroleum, Inc. 4924 SE 84 th Newton, KS 67114 316-799-1000			
620-794-2075	Rig Cellular (Dog house)				ELEVATION G.L. 2525' K.B. 2535' API# 15-135-24635-00-00			
620-794-2078	Geologist Trailer Cellular							
620-617-7324	Tool Pusher Cellular		Doug Roberts					

Driving Directions: From Utica (on Hwy 4): ½ Mile East, 3 miles South on "E" Road, ¾ mile West, South into.

Day	1	Date	05-07-07	Monday	Survey @ 225' = ¾ degree
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Moved Rig #1 on location

Spud @ 6:00 pm

Ran 4.00 hours drilling (1.00 drill rat hole, 3.00 drill 12 ¼"). Down 20.00 hours (9.75 move/rig up, .25 rig repair, .50 connection, .50 CTCH, .25 survey, .25 trip, .75 run casing, .25 circulate, .25 cement, 7.25 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 @ 225') = 3.00 hrs. - 225'

1" fuel = 37.75 gals.

Fuel usage: 113.25 gals (32" used 3") Start @ 35"

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 @ 11:45 pm on 05-07-07 by Allied Cementing (tkr #23904).

Day	2	Date	05-08-07	Tuesday	Anhydrite (1911'-1958')
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7:00 am – Waiting on cement @ 225'

Ran 16.50 hours drilling. Down 7.50 hours (1.00 wait on cement, .25 drill plug, .50 rig check, 1.25 rig repair, 3.25 connection, 1.25 jet)

Mud properties: freshwater

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

Wt. on bit: 35,000, 80 RPM, 700# pump pressure

12 ¼" bit #1 (in @ 0' out @ 225') = 3.00 hrs. - 225'

7 7/8" bit #1 (in @ 225') = 16.50 hrs. - 1812'

Fuel usage: 226.50 gals (77" used 6") 32" + 51" delivered = 83"

Day	3	Date	05-09-07	Wednesday	Survey @ 2549' = 1 ¼ degree Pipe strap = .23 short to the board
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7:00 am – Drilling @ 2037'

Ran 16.75 hours drilling. Down 7.25 hours (.75 rig check, .50 rig repair, .75 jet, 1.75 connection, 3.50 bit trip)

Mud properties: freshwater

Daily Mud Cost = \$843.49. Mud Cost to Date = \$843.49

Wt. on bit: 35,000, 80 RPM, 750# pump pressure

12 ¼" bit #1 (in @ 0' out @ 225') = 3.00 hrs. - 225'

7 7/8" bit #1 (in @ 225' out @ 2549') = 27.00 hrs. - 2324'

7 7/8" bit #2 (in @ 2549') = 6.25 hrs. - 262'

Fuel usage: 339.75 gals (68" used 9")

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CONSERVATION DIVISION
WICHITA, KS

MORNING DRILLING REPORT			Fax to: Klee Watchous			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800		Wellsite Geologist: Bob Schreiber 620-786-0991	WELL NAME		Davidson-Johnson #1	
			LOCATION		380' FNL & 1560' FWL Sec. 11-17S-26W Ness County, KS	
Rig #1 Phone Numbers			Palomino Petroleum, Inc. 4924 SE 84 th Newton, KS 67114 316-799-1000			
620-794-2075	Rig Cellular (Dog house)					
620-794-2078	Geologist Trailer Cellular					
620-617-7324	Tool Pusher Cellular	Doug Roberts	ELEVATION	G.L. 2525'	K.B. 2535'	API# 15-135-24635-00-00

Driving Directions: From Utica (on Hwy 4): ½ Mile East, 3 miles South on "E" Road, ¾ mile West, South into.

Day	4	Date	05-10-07	Thursday
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7:00 am – Drilling @ 2811'
 Ran 18.75 hours drilling. Down 5.25 hours (1.00 rig check, 2.25 jet, 2.00 connection)
 Mud properties: wt. 8.6, vis. 96
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$843.49
 Wt. on bit: 35,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 225') = 3.00 hrs. - 225'
 7 7/8" bit #1 (in @ 225' out @ 2549') = 27.00 hrs. - 2324'
 7 7/8" bit #2 (in @ 2549') = 25.00 hrs. - 879'

Fuel usage: 415.25 gals (57" used 11")

Day	5	Date	05-11-07	Friday
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7:00 am – Drilling @ 3428'
 Ran 21.00 hours drilling. Down 3.00 hours (1.00 rig check, .75 rig repair, .25 jet, 1.00 connection)
 Mud properties: wt. 9.0, vis. 45
 Daily Mud Cost = \$4,440.51. Mud Cost to Date = \$5,284.00
 Wt. on bit: 35,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 225') = 3.00 hrs. - 225'
 7 7/8" bit #1 (in @ 225' out @ 2549') = 27.00 hrs. - 2324'
 7 7/8" bit #2 (in @ 2549') = 46.00 hrs. - 1381'

Fuel usage: 415.25 gals (46" used 11")

Day	6	Date	05-12-07	Saturday	Survey @ 4163' = ¾ degree
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7:00 am – Drilling @ 3930'
 Ran 14.50 hours drilling. Down 9.50 hours (.50 rig check, 7.75 rig repair/bit trip, 1.00 connection, .25 survey)
 Mud properties: wt. 9.4, vis. 47
 Daily Mud Cost = \$390.67. Mud Cost to Date = \$5,674.67
 Wt. on bit: 35,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 225') = 3.00 hrs. - 225'
 7 7/8" bit #1 (in @ 225' out @ 2549') = 27.00 hrs. - 2324'
 7 7/8" bit #2 (in @ 2549' out @ 4163') = 58.00 hrs. - 1381'
 7 7/8" bit #3 (in @ 4163') = 2.50 hrs. - 44'

Fuel usage: 377.50 gals (36" used 10")

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MORNING DRILLING REPORT			Fax to: Klee Watchous			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Bob Schreiber 620-786-0991		WELL NAME Davidson-Johnson #1	
Rig #1 Phone Numbers					LOCATION 380' FNL & 1560' FWL Sec. 11-17S-26W Ness County, KS	
620-794-2075 Rig Cellular (Dog house)					Palomino Petroleum, Inc. 4924 SE 84 th Newton, KS 67114 316-799-1000	
620-794-2078 Geologist Trailer Cellular					ELEVATION G.L. 2525' K.B. 2535' API# 15-135-24635-00-00	
620-617-7324 Tool Pusher Cellular			Doug Roberts			

Driving Directions: From Utica (on Hwy 4): ½ Mile East, 3 miles South on "E" Road, ¾ mile West, South into.

Day	7	Date	05-13-07	Sunday	Survey @ 4217' = ¾ degree
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Pipe strap = 2.58 short to the board

7:00 am – Drilling @ 4207'

Ran 9.00 hours drilling. Down 15.00 hours (1.00 rig check, 13.50 rig repair/swivel, .25 jet, .25 survey)

Mud properties: wt. 9.4, vis. 46

Daily Mud Cost = \$330.24. Mud Cost to Date = \$6,088.07

Wt. on bit: 35,000, 80 RPM, 800# pump pressure

12 ¼" bit #1 (in @ 0' out @ 225') = 3.00 hrs. - 225'

7 7/8" bit #1 (in @ 225' out @ 2549') = 27.00 hrs. - 2324'

7 7/8" bit #2 (in @ 2549' out @ 4163') = 58.00 hrs. - 1381'

7 7/8" bit #3 (in @ 4163' out @ 4217') = 3.25 hrs. - 54'

7 7/8" bit #4 (in @ 4217') = 8.25 hrs. - 103'

Fuel usage: 339.75 gals (27" used 9")

Day	8	Date	05-14-07	Monday
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7:00 am – Drilling @ 4320'

Ran 13.00 hours drilling. Down 11.00 hours (1.00 rig check, 9.25 rig repair/swivel, .75 CFS @ 4480')

Mud properties: wt. 9.5, vis. 51

Daily Mud Cost = \$1,091.10. Mud Cost to Date = \$7,179.17

Wt. on bit: 35,000, 80 RPM, 800# pump pressure

12 ¼" bit #1 (in @ 0' out @ 225') = 3.00 hrs. - 225'

7 7/8" bit #1 (in @ 225' out @ 2549') = 27.00 hrs. - 2324'

7 7/8" bit #2 (in @ 2549' out @ 4163') = 58.00 hrs. - 1381'

7 7/8" bit #3 (in @ 4163' out @ 4217') = 3.25 hrs. - 54'

7 7/8" bit #4 (in @ 4217') = 21.25 hrs. - 263'

Fuel usage: 377.50 gals (17" used 10")

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620-794-2075	Rig Cellular (Dog house)					
620-794-2078	Geologist Trailer Cellular					
620-617-7324	Tool Pusher Cellular	Doug Roberts	ELEVATION	G.L. 2525'	K.B. 2535'	API# 15-135-24635-00-00

Driving Directions: From Utica (on Hwy 4): ½ Mile East, 3 miles South on "E" Road, ¾ mile West, South into.

Day	9	Date	05-15-07	Tuesday	DST #1 (4415'-4487')
					<u>Mississippi formation</u>
					<u>Recovered 15' oil cut mud</u>

RTD = 4561'

LTD = 4560'

7:00 am – CFS @ 4480'

Ran 4.50 hours drilling. Down 19.50 hours (.50 CFS @ 4480', 1.50 CFS @ 4487', 10.00 trip, 1.50 DST #1, .50 rig check, 1.00 CTCH, 1.00 CFS @ 4499', 1.00 wait on orders, .25 CFS @ 4555', 1.25 CFS @ 4561', .75 log, .25 connection)

Mud properties: wt. 9.5, vis. 57

Daily Mud Cost = \$283.90. **Total Mud Cost = \$7,463.07**

Wt. on bit: 35,000, 80 RPM, 800# pump pressure

12 ¼" bit #1 (in @ 0' out @ 225') = 3.00 hrs. - 225'

7 7/8" bit #1 (in @ 225' out @ 2549') = 27.00 hrs. - 2324'

7 7/8" bit #2 (in @ 2549' out @ 4163') = 58.00 hrs. - 1381'

7 7/8" bit #3 (in @ 4163' out @ 4217') = 3.25 hrs. - 54'

7 7/8" bit #4 (in @ 4217' out @ 4561') = 25.75 hrs. - 344'

Fuel usage: 302.00 gals (29" used 8") 17" + 20" delivered = 37"

Day	10	Date	05-16-07	Wednesday	DST #2 (info. Not available)
					<u>Mississippi formation</u>
					<u>Recovered ??</u>

7:00 am – Logging @ 4560'

Ran 0.00 hours drilling. Down 24.00 hours (4.50 log, 1.75 wait on tester, 5.50 trip, 2.00 DST #2, 5.25 lay down pipe, 3.00 plug, .50 jet, 1.50 tear down)

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

1st plug @ 1950' with 50 sacks. 2nd plug @ 1200' with 80 sacks. 3rd plug @ 600' with 50 sacks.

4th plug @ 270' with 40 sacks. 5th plug @ 60' with 20 sacks to surface.

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

Job complete @ 5:00 am on 05-17-07 by Allied Cementing (tkr #30352)

Fuel usage: 151.00 gals (25" used 4")

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