

TO: STATE CORPORATION COMMISSION
CONSERVATION DIVISION - PLUGGING
130 SOUTH MARKET, SUITE 2078
WICHITA, KANSAS 67202

API Well Number: 15-025-21416-00-00
Spot: SWSWSWNE Sec/Twnshp/Rge: 14-32S-21W
2600 feet from N Section Line, 2630 feet from E Section Line
Lease Name: LOESCH-STEPHENS Well #: 1
County: CLARK Total Vertical Depth: 6775 feet

Operator License No.: 30742
Op Name: PALOMINO PETROLEUM, INC.
Address: 4924 SE 84TH STREET
NEWTON, KS 67114

String	Size	Depth (ft)	Pulled (ft)	Comment
SURF	8.625	734		WITH 350 SX CMT

\$ 220.19

Well Type: DH UIC Docket No: _____ Date/Time to Plug: 06/26/2007 7:00 PM
Plug Co. License No.: 5822 Plug Co. Name: VAL ENERGY, INC.
Proposal Rcvd. from: RICK SMITH Company: VAL ENERGY, INC. Phone: (316) 263-6688

Proposed Plugging Method: 1ST PLUG AT 6720' WITH 50 SX CMT. 2ND PLUG AT 1170' WITH 50 SX CMT. 3RD PLUG AT 780' WITH 50 SX CMT. 4TH PLUG AT 210' WITH 30 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 7TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Plugging Proposal Received By: LINDLEY REIMER Witness Type: NONE
Date/Time Plugging Completed: 06/26/2007 9:30 PM KCC Agent: LINDLEY REIMER

Actual Plugging Report:

1ST PLUG AT 6720' WITH 50 SX CMT. 2ND PLUG AT 1170' WITH 50 SX CMT. 3RD PLUG AT 780' WITH 50 SX CMT. 4TH PLUG AT 210' WITH 30 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 7TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

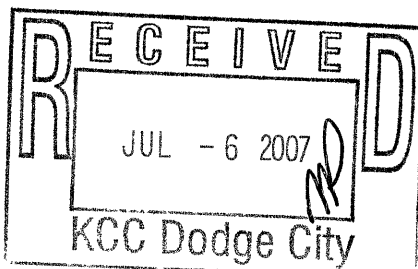
Perfs:

INVOICED
DATE 7-16-07
INV. NO. 200 8060123

Remarks: USED 60/40 POZMIX 6% GEL BY JET STAR.

Plugged through: DP

District: 01



Signed _____

L. Reimer
(TECHNICIAN)

RECEIVED
GEOLOGICAL ASSOCIATE
KANSAS CORPORATION COMMISSION P-237

JUL 13 2007

CONSERVATION DIVISION
WICHITA, KS

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