

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, Newton, KS 67114  
Phone: (316) 799-1000 Operator License #: 30742  
Type of Well: Oil D & A Docket #: \_\_\_\_\_  
(Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)  
The plugging proposal was approved on: 12-03-07 (Date)  
by: Eric MacLaren (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. \_\_\_\_\_  
\_\_\_\_\_  
Depth to Top: \_\_\_\_\_ Bottom: \_\_\_\_\_ T.D. \_\_\_\_\_  
\_\_\_\_\_  
Depth to Top: \_\_\_\_\_ Bottom: \_\_\_\_\_ T.D. \_\_\_\_\_

API Number: 15 - 101-22062-00-00  
Lease Name: Thomas  
Well Number: 3  
Spot Location (QQQQ): 60'S - 160'E - N/2 - NE-SW  
2250 Feet from  North /  South Section Line  
2140 Feet from  East /  West Section Line  
Sec. 16 Twp. 19 S. R. 26  East  West  
County: Lane  
Date Well Completed: D & A  
Plugging Commenced: 12-06-07  
Plugging Completed: 12-06-07

KCC OKT  
per PBDMS

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

Oil, Gas or Water Records		Casing Record (Surface Conductor & Production)				
Formation	Content	From	To	Size	Put In	Pulled Out
*see attached drilling report		0'	225'	8 5/8" new 20#	213.37'	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. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Plug well with 255 sacks of 60/40 Poz, 4% gel, 1/4# floseal per sack.  
1st plug @ 2190' with 50 sacks. 2nd plug @ 1290' with 80 sacks. 3rd plug @ 660' with 40 sacks.  
4th plug @ 240' with 40 sacks. 5th plug @ 60' with 20 sacks to surface. Plug mouse hole with 10 sacks. Plug rat hole with 15 sacks.  
Job complete @ 2:00 am on 12-06-07 by Allied Cementing (tk #31839)

Name of Plugging Contractor: Southwind Drilling, Inc. License #: 33350  
Address: PO Box 276, Ellinwood, KS 67526

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WICHITA, KS

Name of Party Responsible for Plugging Fees: Palomino Petroleum, Inc.  
State of Kansas County, Barton, ss.

Todd E. Morgenstern, VP/OP of Southwind Drilling, Inc. (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) Todd E. Morgenstern  
(Address) PO Box 276, Ellinwood, KS 67526

SUBSCRIBED and SWORN TO before me this 10 day of December, 20 07  
Renee Kasselmann My Commission Expires: 7-15-09  
Notary Public

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

OKT

SOUTHWIND DRILLING, INC.  
PLUGGING ORDERS AND REPORTS

Lease: #3 Thomas

Plugging received from KCC representative:

Name: Eric MacLaren Date 12-03-07 Time 11:45 AM

1<sup>st</sup> plug @ 2190 ft. 50 sx. Stands: 36

2nd plug @ 1290 ft. 80 sx. Stands: 21

3rd plug @ 660 ft. 40 sx. Stands: 11

4th plug @ 240 ft. 40 sx. Stands: 4

5th plug @ 100 ft. 20 sx. Stands: 1

Mousehole 10 sx.

Rahole 15 sx.

Total Cement used: 255 sx.

Type of cement 60/40 P02 40/60 Gcl 1/4" Flo Seal Per Sack

Plug down @ 2:00 AM 12:06:07 By Allied

Call KCC When Completed:

Name: Eric MacLaren Date 12-06-07 Time 10:00 AM

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# ALLIED CEMENTING CO., INC.

31839

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

SERVICE POINT:

Oakley, KS

DATE <u>12-5-07</u>	SEC. <u>16</u>	TWP. <u>19<sup>s</sup></u>	RANGE <u>28<sup>w</sup></u>	CALLED OUT	ON LOCATION <u>11:00 AM</u>	JOB START <u>1:00 PM</u>	JOB FINISH <u>2:00 PM</u>
LEASE <u>Thomas</u>	WELL # <u>3</u>	LOCATION <u>Dighton 65-2E-16N-E</u>			COUNTY <u>Lane</u>	STATE <u>Kan</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Southwind Drilling #1

TYPE OF JOB PTA

HOLE SIZE 7 1/2 T.D. 4730'

CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE 4 1/2 x 4 DEPTH 2190'

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. \_\_\_\_\_

PERFS. \_\_\_\_\_

DISPLACEMENT \_\_\_\_\_

OWNER Same

CEMENT

AMOUNT ORDERED 255 SKS 6940 P20  
4% Gel, 1/4# Flo-Seal

COMMON	<u>SKS</u>	@	<u>12.60</u>
POZMIX	<u>SKS</u>	@	<u>6.40</u>
GEL	<u>SKS</u>	@	<u>16.65</u>
CHLORIDE		@	
ASC		@	
<u>Flo-Seal</u>	<u>#</u>	@	<u>2.00</u>
		@	
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>SKS</u>	@	<u>1.90</u>
MILEAGE	<u>94 P20 SK/mile</u>		
			TOTAL _____

**EQUIPMENT**

PUMP TRUCK CEMENTER Walt

# 423-281 HELPER Andrew

BULK TRUCK

# 399-306 DRIVER Alvin

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

**REMARKS:**

50 SKS @ 2190'

80 SKS @ 1290'

40 SKS @ 660'

**SERVICE**

DEPTH OF JOB \_\_\_\_\_

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# SOUTHWIND DRILLING, INC.

## RIG #1

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

### DRILLING REPORT

Thomas #3

Location: 2250' FSL & 2140' FWL  
API#: 15-101-22062-00-00

Section 16-19S-28W  
Lane County, Kansas

OWNER: \_\_\_\_\_ : Palomino Petroleum, Inc.  
CONTRACTOR: Southwind Drilling, Inc. Rig #1

COMMENCED: 11-26-07  
COMPLETED: 12-06-07

TOTAL DEPTH: Driller: 4730'  
Logger: 4730'

Ground Elevation: 2765'  
KB Elevation: 2775'

### LOG:

0' - 2127' Shale  
2127' - 2155' Anhydrite  
2155' - 2830' Shale  
2830' - 4730' Lime/Shale  
4730' RTD

### CASING RECORDS

#### Surface casing – 8 5/8"

Ran 5 joints of 20# new 8 5/8" surface cement. Tally @ 213.37'. Set @ 225'. Cement with 160 sacks of common, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 1:15 am on 11-27-07 by Allied Cementing (tk #31831)

#### Production casing – 5 1/2"

None – plugged the well

### DEVIATION SURVEYS

1/2 degree (s) @ 226'  
1 degree (s) @ 4312'  
1 degree (s) @ 4730'

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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 (mobile) 620-653-7691 (home)		WELL NAME		Thomas #3	
Rig #1 Phone Numbers				LOCATION		2250' FSL & 2140' FWL Sec. 16-19S-28W Lane County, KS	
620-794-2075		Rig Cellular (Dog house)		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> Newton, KS 67114 316-799-1000			
620-794-2078		Geologist Trailer Cellular		ELEVATION			
620-617-7324		Tool Pusher Cellular		G.L. 2765'		K.B. 2775'	API# 15-101-22062-00-00
		Frank Rome					

**Driving Directions:** From Dighton (Hwy. 23 & Hwy. 96): 6 miles South on Hwy. 23, 2 ¼ miles East, North into.

Day 1 Date 11-26-07 Monday Survey @ 226' = ½ degree

Moved Rig #1 on location

Spud @ 7:30 pm

Ran 3.00 hours drilling (0.50 drill rat hole, 2.50 drill 12 ¼"). Down 21.00 hours (12.00 move/rig up, 1.00 connection, .25 CTCH, .25 survey, .25 trip, 1.50 run casing cement, 5.75 wait on cement)

Mud properties: spud mud

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

Wt. on bit: all, 100 RPM, 400# pump pressure

12 ¼" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'

1" fuel = 37.75 gals.

Fuel usage: 75.50 gals (33" used 2") Start @ 35"

Ran 5 joints of 20# new 8 5/8" surface cement. Tally @ 213.37'. Set @ 225'. Cement with 160 sacks of common, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 1:15 am on 11-27-07 by Allied Cementing (tkr #31831)

Day 2 Date 11-27-07 Tuesday

7:00 am – Waiting on cement @ 226'

Ran 13.00 hours drilling. Down 11.00 hours (3.25 wait on cement, .25 drill plug, 2.50 connection, .25 rig check, .50 jet, 4.25 rig repair)

Mud properties: freshwater

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

Wt. on bit: 25,000, 70 RPM, 750# pump pressure

12 ¼" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'

7 7/8" bit #1 (in @ 226') = 13.00 hrs. - 1292'

Fuel usage: 490.75 gals (20" used 13")

Day 3 Date 11-28-07 Wednesday Anhydrite (2127'-2155')

7:00 am – Drilling @ 1518'

Ran 19.50 hours drilling. Down 4.50 hours (2.25 connection, .75 jet, .75 rig check, .75 rig repair)

Mud properties: freshwater

Daily Mud Cost = \$1,595.15. Mud Cost to Date = \$1,595.15

Wt. on bit: 30,000, 70 RPM, 850# pump pressure

12 ¼" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'

7 7/8" bit #1 (in @ 226') = 32.50 hrs. - 2604'

Fuel usage: 566.25 gals (68" used 15") 20" + 63" delivered = 83"

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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 (mobile) 620-653-7691 (home)		WELL NAME		Thomas #3	
Rig #1 Phone Numbers				LOCATION		2250' FSL & 2140' FWL Sec. 16-19S-28W Lane County, KS	
620-794-2075		Rig Cellular (Dog house)		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup>			
620-794-2078		Geologist Trailer Cellular		Newton, KS 67114 316-799-1000			
620-617-7324		Tool Pusher Cellular		Frank Rome		ELEVATION	
						G.L. 2765' K.B. 2775' API# 15-101-22062-00-00	

**Driving Directions:** From Dighton (Hwy. 23 & Hwy. 96): 6 miles South on Hwy. 23, 2 ¼ miles East, North into.

Day	4	Date	11-29-07	Thursday
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7:00 am – Drilling @ 2830'

Ran 20.25 hours drilling. Down 3.75 hours (.75 rig check, .75 jet, 1.75 connection, .50 rig repair)

Mud properties: freshwater

Daily Mud Cost = \$1,587.92. Mud Cost to Date = \$3,183.07

Wt. on bit: 30,000, 70 RPM, 850# pump pressure

12 ¼" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'

7 7/8" bit #1 (in @ 226') = 52.75 hrs. - 3244'

Fuel usage: 566.25 gals (53" used 15")

Day	5	Date	11-30-07	Friday
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7:00 am – Drilling @ 3470'

Ran 19.75 hours drilling. Down 4.25 hours (1.00 rig check, 1.50 connection, .25 rig repair, 1.50 displace @ 3594')

Mud properties: wt. 9.1, vis. 47, water loss 8.8

Daily Mud Cost = \$2,073.04. Mud Cost to Date = \$5,256.11

Wt. on bit: 35,000, 70 RPM, 850# pump pressure

12 ¼" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'

7 7/8" bit #1 (in @ 226') = 72.50 hrs. - 3766'

Fuel usage: 604.00 gals (37" used 16")

Day	6	Date	12-01-07	Saturday
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7:00 am – Drilling @ 3992'

Ran 17.00 hours drilling. Down 7.00 hours (1.00 rig check, .50 connection, .25 jet, .50 rig repair, 1.00 CFS @ 4040', 1.75 CFS @ 4275', 1.50 CFS @ 4312', .50 short trip).

Mud properties: wt. 9.3, vis. 49, water loss 8.8

Daily Mud Cost = \$851.37. Mud Cost to Date = \$6,107.48.

Wt. on bit: 35,000, 70 RPM, 900# pump pressure

12 ¼" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'

7 7/8" bit #1 (in @ 226') = 89.50 hrs. - 4086'

Fuel usage: 490.75 gals (24" used 13")

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Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800		Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)		WELL NAME		Thomas #3	
Rig #1 Phone Numbers				LOCATION		2250' FSL & 2140' FWL Sec. 16-19S-28W Lane County, KS	
620-794-2075		Rig Cellular (Dog house)		Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> Newton, KS 67114 316-799-1000			
620-794-2078		Geologist Trailer Cellular					
620-617-7324		Tool Pusher Cellular		Frank Rome			
				ELEVATION		G.L. 2765'    K.B. 2775'    API# 15-101-22062-00-00	

**Driving Directions:** From Dighton (Hwy. 23 & Hwy. 96): 6 miles South on Hwy. 23, 2 1/4 miles East, North into.

Day 7      Date 12-02-07      Sunday      Survey @ 4312' = 1 degree

DST #1 (4235'-4312')  
LKC formation  
Recovered 120' oil cut mud and  
420' muddy cut water

7:00 am – CTCH @ 4312'  
Ran 6.25 hours drilling. Down 17.75 hours (.25 rig check, .25 survey, .50 rig repair, 2.00 CTCH, .75 CFS @ 4380', 1.25 CFS @ 4391', 2.00 DST #1, 10.75 trip)  
Mud properties: wt. 9.2, vis. 50  
Daily Mud Cost = \$436.81. Mud Cost to Date = \$6,544.29  
Wt. on bit: 35,000, 90 RPM, 900# pump pressure  
12 1/4" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'  
7 7/8" bit #1 (in @ 226') = 95.75 hrs. - 4165'

Fuel usage: 377.50 gals (14" used 10")

Day 8      Date 12-03-07      Monday      DST #2 (4323'-4391')

LKC formation  
Recovered 50' clean oil, 60' muddy  
cut oil & 60' muddy water

7:00 am – Tripping out with bit for DST #2 @ 4391'  
Ran 2.50 hours drilling. Down 21.50 hours (14.50 trip, 3.00 DST #2, 1.00 wait on orders, 2.00 DST #3, 1.00 CTCH)  
Mud properties: wt. 9.4, vis. 50, water loss 10.4  
Daily Mud Cost = \$0.00. Mud Cost to Date = \$6,544.29  
Wt. on bit: 30,000, 70 RPM, 900# pump pressure  
12 1/4" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'  
7 7/8" bit #1 (in @ 226') = 98.25 hrs. - 4199'

Fuel usage: 264.25 gals (34" used 7") 14" + 27" delivered = 41"

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Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800		Wellsite Geologist: Bob Schreiber 620-786-0991 (mobile) 620-653-7691 (home)	WELL NAME		Thomas #3	
Rig #1 Phone Numbers			LOCATION		2250' FSL & 2140' FWL Sec. 16-19S-28W Lane County, KS	
620-794-2075		Rig Cellular (Dog house)	Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup>		Newton, KS 67114 316-799-1000	
620-794-2078		Geologist Trailer Cellular	ELEVATION		G.L. 2765'    K.B. 2775'    API# 15-101-22062-00-00	
620-617-7324		Tool Pusher Cellular	Frank Rome			

**Driving Directions:** From Dighton (Hwy. 23 & Hwy. 96): 6 miles South on Hwy. 23, 2 ¼ miles East, North into.

Day	9	Date	12-04-07	Tuesday
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7:00 am – Drilling @ 4425'  
 Ran 20.50 hours drilling. Down 3.50 hours (.75 rig check, .25 jet, 1.00 connection, 1.50 CFS @ 4668')  
 Mud properties: wt. 9.3, vis. 60, water loss 8.0  
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$6,544.29  
 Wt. on bit: 35,000, 70 RPM, 900# pump pressure  
 12 ¼" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'  
 7 7/8" bit #1 (in @ 226') = 118.75 hrs. - 4459'

Fuel usage: 453.00 gals (22" used 12")

Day	10	Date	12-05-07	Wednesday
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**RTD = 4730'**  
**LTD = 4730'**

7:00 am – Drilling @ 4685'  
 Ran 2.25 hours drilling. Down 21.75 hours (.25 rig repair, 3.00 trip, .25 rig check, .25 survey, 4.50 log, 1.25 CFS @ 4730', 1.00 nipple down, 5.25 lay down pipe, 1.00 plug, 5.00 tear down)  
 Mud properties: wt. 9.3, vis. 60, water loss 8.0  
 Daily Mud Cost = \$1,491.83. **Total Mud Cost = \$8,036.12**  
 Wt. on bit: 35,000, 65 RPM, 850# pump pressure  
 12 ¼" bit #1 (in @ 0' out @ 226') = 2.50 hrs. - 226'  
 7 7/8" bit #1 (in @ 226' out @ 4730') = 121.00 hrs. - 4504'

Fuel usage: 226.50 gals (16" used 6")

Plug well with 255 sacks of 60/40 Poz, 4% gel, ¼# floseal per sack.  
 1<sup>st</sup> plug @ 2190' with 50 sacks. 2<sup>nd</sup> plug @ 1290' with 80 sacks. 3<sup>rd</sup> plug @ 660' with 40 sacks.  
 4<sup>th</sup> plug @ 240' with 40 sacks. 5<sup>th</sup> plug @ 60' with 20 sacks to surface. Plug rat hole with 15 sacks.  
 Plug mouse hole with 10 sacks.  
 Job complete @ 2:00 am on 12-06-07 by Allied Cementing (tkr #31839)

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