

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: 12-14-07 (Date)  
by: Richard Lacey (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: 15-101-22061-00-00  
Lease Name: Helen  
Well Number: 2  
Spot Location (QQQQ): 120°N - 160°W - C-SE - SW  
780 Feet from  North /  South Section Line  
1820 Feet from  East /  West Section Line  
Sec. 17 Twp. 19 S. R. 28  East  West  
County: Lane  
Date Well Completed: D & A  
Plugging Commenced: 12-15-07  
Plugging Completed: 12-15-07

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'	211'	8 5/8" new 20#	198.38'	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 275 sacks of 60/40 Poz, 4% gel, 1/4# floesal per sack.  
1st plug @ 2160' with 50 sacks. 2nd plug @ 1280' with 80 sacks. 3rd plug @ 600' with 50 sacks.  
4th plug @ 250' with 50 sacks. 5th plug @ 60' with 20 sacks to surface. Plug mouse hole with 10 sacks. Plug rat hole with 15 sacks.  
Job complete @ 4:00 am on 12-16-07 by Allied Cementing (tk #31846)

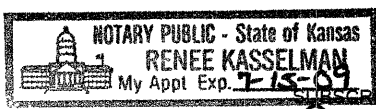
Name of Plugging Contractor: Southwind Drilling, Inc. License #: 33350  
Address: PO Box 276, Ellinwood, KS 67526

RECEIVED  
KANSAS CORPORATION COMMISSION

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.

DEC 20 2007  
CONSERVATION DIVISION  
WICHITA, KS

(Signature) \_\_\_\_\_  
(Address) PO Box 276, Ellinwood, KS 67526



SUBSCRIBED and SWORN TO before me this 18 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

*[Handwritten signature]*

**SOUTHWIND DRILLING, INC.  
PLUGGING ORDERS AND REPORTS**

Lease: #2 HELEN

Plugging received from KCC representative:

Name: Richard Lacey Date 12-14-07 Time 9:30 AM

1<sup>st</sup> plug @ 2160 ft. 50 sx. Stands: 35 1/2

2nd plug @ 1280 ft. 80 sx. Stands: 21

3rd plug @ 600 ft. 50 sx. Stands: 10

4th plug @ 250 ft. 50 sx. Stands: 4

5th plug @ 60 ft. 20 sx. Stands: 1

Mousehole 10 sx.

Rahole 15 sx.

Total Cement used: 275 sx.

Type of cement 60/40 poz 4% Gel 1/4 # FloSeal Per Sack

Plug down @ 4:00 AM 12-16-07 By Allied TK# 31846

Call KCC When Completed:

Name: Eric Date 12-17-07 Time 11:00 AM

RECEIVED  
KANSAS CORPORATION COMMISSION

**DEC 20 2007**

CONSERVATION DIVISION  
WICHITA, KS

# SOUTHWIND DRILLING, INC.

## RIG #1

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

### DRILLING REPORT

Helen #2

Location: 780' FSL & 1820' FWL  
API#: 15-101-22061-00-00

Section 17-19S-28W  
Lane County, Kansas

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

COMMENCED: 12-06-07  
COMPLETED: 12-16-07

TOTAL DEPTH: Driller: 4720'  
Logger: 4718'

Ground Elevation: 2788'  
KB Elevation: 2798'

### LOG:

0' - 2715' Shale  
2715' - 4720' Lime/Shale  
4720' RTD

### CASING RECORDS

#### Surface casing – 8 5/8"

Ran 5 joints of 20# new 8 5/8" surface cement. Tally @ 198.38'. Set @ 211'. Cement with 160 sacks of common, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 11:45 pm on 12-06-07 by Allied Cementing (tkr #31841)

#### Production casing – 5 1/2"

None – plugged the well

### DEVIATION SURVEYS

½ degree (s)	@	212'
1 degree (s)	@	4289'
1 degree (s)	@	4352'
0 degree (s)	@	4720'

RECEIVED  
KANSAS CORPORATION COMMISSION

DEC 20 2007

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 (mobile) 620-653-7691 (home)		WELL NAME Helen #2		LOCATION 780' FSL & 1820' FWL Sec. 17-19S-28W Lane County, KS	
Rig #1 Phone Numbers			Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> Newton, KS 67114 316-799-1000				
620-794-2075	Rig Cellular (Dog house)		ELEVATION				G.L. 2788'
620-794-2078	Geologist Trailer Cellular		K.B. 2798'				API# 15-101-22061-00-00
620-617-7324	Tool Pusher Cellular	Frank Rome					

**Driving Directions:** From Dighton (Hwy. 23 & Hwy. 96): 6 miles South on Hwy. 23, 1 ¼ miles East, North into.

Day 1 Date 12-06-07 Thursday Survey @ **212'** = ½ degree

Moved Rig #1 on location

Spud @ 5:30 pm

Ran 5.00 hours drilling (2.50 drill rat hole, 2.50 drill 12 ¼"). Down 19.00 hours (8.00 move/rig up, .75 connection, .25 CTCH, .25 trip, .25 survey, 2.25 run casing/cement, 7.25 wait on cement)

Mud properties: spud mud

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

Wt. on bit: all, 100 RPM, 350# pump pressure

12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'

1" fuel = 37.75 gals.

Fuel usage: 113.25 gals (64" used 3") Start @ 16" + 51" delivered = 67"

Ran 5 joints of 20# new 8 5/8" surface cement. Tally @ 198.38'. Set @ 211'. Cement with 160 sacks of common, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 11:45 pm on 12-06-07 by Allied Cementing (tk #31841)

Day 2 Date 12-07-07 Friday

7:00 am – Waiting on cement @ 212'

Ran 17.50 hours drilling. Down 6.50 hours (.75 wait on cement, .50 drill plug/cement, 1.25 rig repair, .75 jet, 2.75 connection, .50 rig check)

Mud properties: freshwater

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

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

12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'

7 7/8" bit #1 (in @ 212') = 17.50 hrs. - 1498'

Fuel usage: 453.00 gals (52" used 12")

Day 3 Date 12-08-07 Saturday

7:00 am – Drilling @ 1710'

Ran 17.00 hours drilling. Down 7.00 hours (.75 rig check, 2.75 connection, 1.00 jet, 2.50 rig repair).

Mud properties: freshwater

Daily Mud Cost = \$637.39. Mud Cost to Date = \$637.39.

Wt. on bit: 35,000, 80 RPM, 850# pump pressure

12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'

7 7/8" bit #1 (in @ 212') = 34.50 hrs. - 2503'

Fuel usage: 566.25 gals (37" used 15")

RECEIVED  
KANSAS CORPORATION COMMISSION

DEC 20 2007

CONSERVATION DIVISION  
WICHITA, KS

<b>MORNING DRILLING REPORT</b>			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		Helen #2
Rig #1 Phone Numbers				LOCATION		780' FSL & 1820' FWL Sec. 17-19S-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. 2788'	K.B. 2798'
				API# 15-101-22061-00-00		

**Driving Directions:** From Dighton (Hwy. 23 & Hwy. 96): 6 miles South on Hwy. 23, 1 ¼ miles East, North into.

Day 4 Date 12-09-07 Sunday

7:00 am – Drilling @ 2715'  
Ran 20.75 hours drilling. Down 3.25 hours (.75 rig check, .75 jet, 1.50 connection, .25 rig repair)  
Mud properties: wt. 9.3, vis. 32  
Daily Mud Cost = \$2,059.37. Mud Cost to Date = \$2,696.76  
Wt. on bit: 30,000, 80 RPM, 850# pump pressure  
12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'  
7 7/8" bit #1 (in @ 212') = 55.25 hrs. - 3108'

Fuel usage: 377.50 gals (71" used 10") 37" + 45" delivered = 82"

Day 5 Date 12-10-07 Monday

7:00 am – Drilling @ 3320'  
Ran 20.50 hours drilling. Down 3.50 hours (.75 rig check, .50 jet, 1.25 connection, .50 rig repair, .50 displace @ 3565')  
Mud properties: wt. 8.9, vis. 48  
Daily Mud Cost = \$2,310.54. Mud Cost to Date = \$5,007.30  
Wt. on bit: 35,000, 80 RPM, 850# pump pressure  
12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'  
7 7/8" bit #1 (in @ 212') = 75.75 hrs. - 3648'

Fuel usage: 453.00 gals (59" used 12")

Day 6 Date 12-11-07 Tuesday

7:00 am – Drilling @ 3860'  
Ran 18.75 hours drilling. Down 5.25 hours (.50 rig check, 1.00 connection, 2.75 rig repair, .75 CFS @ 4136', .25 jet)  
Mud properties: wt. 9.2, vis. 48, water loss 12.0  
Daily Mud Cost = \$1,453.63. Mud Cost to Date = \$6,460.93  
Wt. on bit: 35,000, 70 RPM, 950# pump pressure  
12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'  
7 7/8" bit #1 (in @ 212') = 94.50 hrs. - 4048'

Fuel usage: 528.50 gals (45" used 14")

RECEIVED  
KANSAS CORPORATION COMMISSION

DEC 20 2007

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 (mobile) 620-653-7691 (home)		WELL NAME Helen #2		LOCATION 780' FSL & 1820' FWL Sec. 17-19S-28W Lane County, KS	
Rig #1 Phone Numbers			Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> Newton, KS 67114 316-799-1000				
620-794-2075	Rig Cellular (Dog house)		ELEVATION				
620-794-2078	Geologist Trailer Cellular		G.L. 2788'	K.B. 2798'	API# 15-101-22061-00-00		
620-617-7324	Tool Pusher Cellular	Frank Rome					

**Driving Directions:** From Dighton (Hwy. 23 & Hwy. 96): 6 miles South on Hwy. 23, 1 ¼ miles East, North into.

Day	7	Date	12-12-07	Wednesday	DST #1 (4197'-4289')
					<u>?? formation</u>
					<u>Recovered 1700' muddy water</u>
					<u>Survey @ 4289' = 1 degree</u>

7:00 am – Drilling @ 4260'

Ran 1.25 hours drilling. Down 22.75 hours (.25 rig check, 1.50 CFS @ 4289', 15.00 trip, 1.00 CTCH, .25 survey, 3.00 rig repair, 1.75 DST #1)

Mud properties: wt. 9.2, vis. 47, water loss 9.2

Daily Mud Cost = \$236.02. Mud Cost to Date = \$6,696.95

Wt. on bit: 35,000, 70 RPM, 950# pump pressure

12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'

7 7/8" bit #1 (in @ 212') = 95.75 hrs. - 4077'

Fuel usage: 302.00 gals (37" used 8")

Day	8	Date	12-13-07	Thursday	DST #2 (4304'-4352')
					<u>?? formation</u>
					<u>Recovered 144' mud &amp; 310' water</u>
					<u>Survey @ 4352' = 1 degree</u>

7:00 am – Tripping in with bit @ 4289'

Ran 5.50 hours drilling. Down 18.50 hours (1.75 mix mud, 1.00 CFS @ 4343', 1.50 CFS @ 4352', 10.50 trip, 2.00 DST #2, 1.75 CTCH)

Mud properties: wt. 9.2, vis. 49, water loss 8.8

Daily Mud Cost = \$203.07. Mud Cost to Date = \$6,900.02

Wt. on bit: 35,000, 70 RPM, 950# pump pressure

12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'

7 7/8" bit #1 (in @ 212') = 101.25 hrs. - 4163'

Fuel usage: 339.75 gals (58" used 9") 37" + 30" delivered = 67"

Day	9	Date	12-14-07	Friday
-----	---	------	----------	--------

7:00 am – Drilling @ 4375'

Ran 22.00 hours drilling. Down 2.00 hours (.50 rig check, .25 rig repair, .25 jet, 1.00 connection)

Mud properties: wt. 9.2, vis. 53, water loss 8.8

Daily Mud Cost = \$379.02. Mud Cost to Date = \$7,279.04

Wt. on bit: 35,000, 70 RPM, 950# pump pressure

12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'

7 7/8" bit #1 (in @ 212') = 123.25 hrs. - 4448'

Fuel usage: 566.25 gals (43" used 15")

RECEIVED  
KANSAS CORPORATION COMMISSION

DEC 20 2007

CONSERVATION DIVISION  
WICHITA, KS

<b>MORNING DRILLING REPORT</b>			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		Helen #2
					LOCATION		780' FSL & 1820' FWL Sec. 17-19S-28W Lane County, KS
Rig #1 Phone Numbers			Palomino Petroleum, Inc. 4924 SE 84 <sup>th</sup> 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	Frank Rome	ELEVATION	G.L. 2788'	K.B. 2798'	API# 15-101-22061-00-00	

**Driving Directions:** From Dighton (Hwy. 23 & Hwy. 96): 6 miles South on Hwy. 23, 1 ¼ miles East, North into.

Day	10	Date	12-15-07	Saturday
-----	----	------	----------	----------

**RTD = 4720'**  
**LTD = 4718'**

7:00 am – Drilling @ 4660'

Ran 3.25 hours drilling. Down 20.75 hours (1.00 CFS @ 4720', 4.50 trip, .25 survey, 3.00 log, 6.00 lay down pipe, 1.75 nipple down, 1.00 plug, 3.00 tear down, .25 rig check)

Mud properties: wt. 9.2, vis. 53, water loss 8.8.

Daily Mud Cost = \$1,258.38. **Total Mud Cost = \$8,158.40.**

Wt. on bit: 35,000, 70 RPM, 950# pump pressure

**12 ¼" bit #1 (in @ 0' out @ 212') = 2.50 hrs. - 212'**

**7 7/8" bit #1 (in @ 212' out @ 4720') = 126.50 hrs. - 4508'**

Fuel usage: 339.75 gals (34" used 9")

Plug well with 275 sacks of 60/40 Poz, 4% gel, ¼# floseal per sack.

1<sup>st</sup> plug @ 2160' with 50 sacks, 2<sup>nd</sup> plug @ 1280' with 80 sacks, 3<sup>rd</sup> plug @ 600' with 50 sacks, 4<sup>th</sup> plug @ 250' with 50 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 @ 4:00 a.m. on 12-16-07 by Allied Cementing (tk #31846).

RECEIVED  
KANSAS CORPORATION COMMISSION

DEC 20 2007

CONSERVATION DIVISION  
WICHITA, KS

# ALLIED CEMENTING CO., INC.

31845

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

SERVICE POINT:

Osage Co. Mo

DATE <u>12-20-07</u>	SEC. <u>17</u>	TWP. <u>19<sup>s</sup></u>	RANGE <u>28<sup>w</sup></u>	CALLED OUT	ON LOCATION <u>11:30 PM</u>	JOB START <u>3:00 AM</u>	JOB FINISH <u>4:00 AM</u>
LEASE <u>Helen</u>	WELL # <u>2</u>	LOCATION <u>Dighton E5-1 1/2 S-14 W</u>			COUNTY <u>Lane</u>	STATE <u>Kan</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Southwind Dty Co OWNER Same

TYPE OF JOB PTA

HOLE SIZE 7 1/8 T.D. 4720'

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

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

DRILL PIPE 4 1/2 x 4 DEPTH 2160'

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

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

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

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

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

DISPLACEMENT \_\_\_\_\_

**EQUIPMENT**

PUMP TRUCK CEMENTER Walt

# 423-281 HELPER Andrew

BULK TRUCK

# 399-306 DRIVER Lacore

BULK TRUCK

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

**REMARKS:**

- 50 SKS @ 2160'
  - 30 SKS @ 1280'
  - 50 SKS @ 600'
  - 50 SKS @ 250'
  - 20 SKS @ 60'
  - 15 SKS @ 10' Pull
  - 10 - SKS @ 10' Pull
- Thank You

CHARGE TO: Petroleum Petroleum

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

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 Frank J. Rome

CEMENT

AMOUNT ORDERED 275 SKS @ 4.40 per SK

4% Gel, 1/2" # - Flo-Seal

COMMON	<u>165-SKS</u>	@	<u>12.00</u>	<u>2,070.00</u>
POZMIX	<u>110 SKS</u>	@	<u>6.40</u>	<u>704.00</u>
GEL	<u>10-SKS</u>	@	<u>16.62</u>	<u>166.50</u>
CHLORIDE		@		
ASC		@		
	<u>Flo-Seal 69 #</u>	@	<u>2.00</u>	<u>138.00</u>
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>288-SKS</u>	@	<u>1.90</u>	<u>547.20</u>
MILEAGE	<u>9.4 per SK/mile</u>			<u>4,062.72</u>
				<u>TOTAL 4,697.42</u>

**SERVICE**

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

PUMP TRUCK CHARGE 955.00

EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE 41 miles @ 6.00 246.00

MANIFOLD \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

TOTAL 1,201.00

**PLUG & FLOAT EQUIPMENT**

8 5/8

1-DH Plug @ 35.00

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

RECEIVED \_\_\_\_\_ @ \_\_\_\_\_

KANSAS CORPORATION COMMISSION \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

DEC 20 2007

CONSERVATION DIVISION WICHITA, KS

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

PRINTED NAME Frank J. Rome