

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 St., Newton, Kansas 67114-8827 Phone: (316) 799-1000 Operator License #: 30742 Type of Well: D&A Oil KCC PRT Per CP 2/3 Docket #: (If SWD or ENHR) The plugging proposal was approved on: 11/14/07 by: Steve Durant (KCC District Agent's Name) Is ACO-1 filed? [X] 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: 15-135-24253-0000 Lease Name: Hopper Well Number: #1 100n + 110' wof w/z Spot Location (QQQQ): C - N2 - NW - 1220 Feet from [X] North / [ ] South Section Line 550 Feet from [ ] East / [X] West Section Line Sec. 11 Twp. 18 S. R. 24 [ ] East [X] West County: Ness Date Well Completed: 12/11/03 Plugging Commenced: 11/30/07 Plugging Completed: 11/30/07

KCC PRT Per CP 2/3

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

Table with columns: Oil, Gas or Water Records (Formation, Content) and Casing Record (Surface Conductor & Production) (From, To, Size, Put In, Pulled Out). Row 1: 0, 235', 8 5/8" new 24#, 235', 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.

Plugged well with 200 sacks of 60/40 Pozmix, 4% gel. Plugged bottom w/35 sx. cement mixed with 200 lbs. cotton seed hulls, pumped gel spacer at 2000', ran to surface, pumped 50 sx. cement down backside.

Swift Services, Inc

KCC PRT Per CP 2/3

Name of Plugging Contractor: North Fork Well Service, LLC License #: 32382 Address: 7 SW 26th Ave., Great Bend, KS 67530 RECEIVED KANSAS CORPORATION COMMISSION

Name of Party Responsible for Plugging Fees: Palomino Petroleum, Inc. State of Kansas County, Harvey, ss. Klee R. Watchous (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.

JAN 28 2008

CONSERVATION DIVISION WICHITA, KS

NOTARY PUBLIC - State of Kansas CARLA R. PENWELL My Appt. Expires 12-6-09

(Signature) Klee R. Watchous

(Address) 4924 SE 84th St., Newton, Kansas 67114-8827

SUBSCRIBED and SWORN TO before me this 25th day of January, 2008

Carla R. Penwell My Commission Expires: October 6, 2009 Notary Public Carla R. Penwell

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

PKA



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



# Invoice

DATE	INVOICE #
11/28/2007	13581

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED  
DEC 01 2007

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Hopper	Ness	NorthFork Well S...	Oil	Workover	PTA	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575W	Mileage - 1 Way				10	Miles	4.00	40.00T
576W-P	Pump Charge - PTA				1	Job	800.00	800.00T
275	Cotton Seed Hulls				3	Sack(s)	28.00	84.00T
328	Swift Light 60/40 Pozmix (4% Gel)				200	Sacks	9.80	1,960.00T
279	Bentonite Gel				10	Sack(s)	21.00	210.00T
581W	Service Charge Cement				254	Sacks	1.10	279.40T
583W	Drayage				108.33	Ton Miles	1.00	108.33T
	Subtotal							3,481.73
	Sales Tax Ness County						5.30%	184.53

RECEIVED  
KANSAS CORPORATION COMMISSION  
**JAN 28 2008**  
CONSERVATION DIVISION  
WICHITA, KS

Thank You For Your Business & Best Wishes For A Wonderful Holiday Season!!	<b>Total</b>	\$3,666.26
---	--------------	------------



CHARGE TO: **PALOMEDO Petroleum**  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

RECEIVED  
 KANSAS CORPORATION COMMISSION

JAN 28 2008

TICKET

No 13581

PAGE 1 OF 1

CONSERVATION DIVISION  
 WICHITA, KS

SERVICE LOCATIONS 1. <b>NESS City, KS</b>	WELL/PROJECT NO. # <b>1</b>	LEASE <b>HOPPER</b>	COUNTY/PARISH <b>NESS</b>	STATE <b>Ks</b>	CITY	DATE <b>11-28-07</b>	OWNER <b>SAME</b>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <b>NORTHFORK WELL SERVICE</b>	RIG NAME/NO.	SHIPPED VIA <b>CT</b>	DELIVERED TO <b>LOCATION</b>	ORDER NO.	
3.	WELL TYPE <b>OIL</b>	WELL CATEGORY <b>ABANDONED</b>	JOB PURPOSE <b>PTA</b>	WELL PERMIT NO.	WELL LOCATION <b>NESS CITY - 3N, 3W, 1/4S, E8</b>		
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
576P		1			PUMP SERVICE	1		JOB		800.00	800.00
275		1			COTTON SEED HULLS	3		SKS		28.00	84.00
328		1			SWIFT LIGHT 60/40 Permox (490GEL)	200		SKS		9.80	1960.00
279		1			BENTONITE GEL (SPACER)	10		SKS		21.00	210.00
581		1			SERVICE CHARGE CSMWT	254		SKS		1.10	279.40
583		1			DRYAGE	21665	108.33	UBS	M	1.00	108.33

**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  
 DATE SIGNED: **11-28-07** TIME SIGNED: **0930**  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?				3481	73
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				NESS TAX 5.3%	184.53
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	3666.26
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

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

SWIFT OPERATOR: **WAVE WILSON**

APPROVAL: Thank You!

**JOB LOG**

**SWIFT Services, Inc.**

DATE 11-28-07 PAGE NO. 1

CUSTOMER **PALOMAR PETROLEUM** WELL NO. **#1** LEASE **HOPPER** JOB TYPE **PTA** TICKET NO. **13581**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0930							ON LOCATION
								5 1/2" = 4419' 8 5/8" = 235' PERFS = 4359-65
	0945	6	9		✓		0	PUMP 35 SKS CEMENT W/3 SKS HULLS
		6	27		✓		2750	PUMP 10 SKS GEL PSEUP - CEMENT PUMP INTO
								RELEASE PSE - GET RIG + TUBING
	1015	2	6 1/2		✓		500	PUMP 25 SKS CEMENT DOWN BRASS HEAD - PSEUP - HEAD
								WASHUP - WAIT ON RIG + TUBING
	1625	3	35		✓		600	PUMP 130 SKS CMT TO SURFACE TUB = 1200'
								PULL TUBING OUT WELL
	1700		2 1/2					TOP OFF WELL 10 SKS CMT
								WASH TRUCK
	1730							JOB COMPLETE
								THANK YOU WAVE, BRETT, JEFF

RECEIVED  
KANSAS CORPORATION COMMISSION

JAN 28 2008

CONSERVATION DIVISION  
WICHITA, KS