

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: 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: 1/22/08 (Date)

by: Steve Durrant (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: 15-101-20735-00-00

Lease Name: Thomas

Well Number: #2

Spot Location (QQQQ): NE-SW-SW

990 Feet from North / South Section Line

990 Feet from East / West Section Line

Sec. 16 Twp. 19 S. R. 28 East West

County: _____ Lane _____

Date Well Completed: 12/22/82

Plugging Commenced: 1/24/08

Plugging Completed: 1/24/08

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
		0	328'	8 5/8" new 23#	328'	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 bottom w/35 sacks cement mixed with 200 lbs. cotton seed hulls, put in gel spacer to 2000', ran cement from 2000' to surface, pumped 50 sacks on backside. Cement dropped 600'. Topped off well with 50 sacks.

KCC PRT 2/15/08 Per CP-2/3

swift services inc

Name of Plugging Contractor: D. S. & W. Servicing, Inc.

32382 RECEIVED
License #: 6901 KANSAS CORPORATION COMMISSION

Address: P. O. Box 231, Claflin, KS 67525

FEB 08 2008

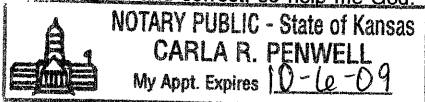
Name of Party Responsible for Plugging Fees: Palomino Petroleum, Inc.

CONSERVATION DIVISION
WICHITA, KS

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.



(Signature) Klee R. Watchous

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

SUBSCRIBED and SWORN TO before me this 7th day of February, 20 08

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

PRT

SWIFT



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



Invoice

DATE	INVOICE #
1/24/2008	13338

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

RECEIVED

JAN 27 7 00 AM

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#2	Thomas	Lane		Oil	Workover	PTA	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575W	Mileage - 1 Way				40	Miles	4.00	160.00T
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)				235	Sacks	10.00	2,350.00T
279	Bentonite Gel				16	Sack(s)	24.00	384.00T
290	D-Air				2	Gallon(s)	32.00	64.00T
581W	Service Charge Cement				251	Sacks	1.25	313.75T
583W	Drayage				427.3	Ton Miles	1.00	427.30T
	Subtotal							4,583.05
	Sales Tax Lane County						5.30%	242.90
							<p>RECEIVED KANSAS CORPORATION COMMISSION</p> <p>FEB 08 2008</p> <p>CONSERVATION DIVISION WICHITA, KS</p>	
Thank You For Your Business In 2007! We Look Forward To Serving You In 2008!							Total	\$4,825.95

PR



CHARGE TO: **PALOMINO PETROLEUM**
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET No 13338

PAGE 1 OF 1

SERVICE LOCATIONS
 1. **NESS CITY, KS**
 WELL/PROJECT NO. **#2** LEASE **THOMAS** COUNTY/PARISH **LANE** STATE **Ks** CITY DATE **1-24-08** OWNER **SAME**
 2. TICKET TYPE SERVICE SALES CONTRACTOR **NONE** RIG NAME/NO. SHIPPED VIA **CT** DELIVERED TO **LOCATED** ORDER NO.
 3. WELL TYPE **OIL** WELL CATEGORY **ABANDONED** JOB PURPOSE **PTA** WELL PERMIT NO. WELL LOCATION **DITCHMAN, KS - 6S, 2E, N210**
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	UM	QTY.	UM	
575		1			MILEAGE # 110	40	MI	4	00	160.00
576P		1			PUMP SERVICE - PTA	1	JOB	800	00	800.00
275		1			COTTON SEED HULLS	3	SXS	28	00	84.00
328		1			SWIFT LIGHT 60/40 P02MAX (490GEL)	235	SXS	10	00	2350.00
279		1			BENTONITE GEL - SPACER	16	SXS	24	00	384.00
290		1			D-ADD	2	GAL	32	00	64.00
581		1			SERVICE CHARGE CSMGT	251	SXS	1	25	313.75
583		1			DRAVAGE	21365	LBS	427.3	00	427.30

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 KANSAS CORPORATION COMMISSION
 FEB 08 2008
 CONSERVATION DIVISION
 WICHITA, KS

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 **1-24-08** TIME SIGNED **1300** 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?				4583.05
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Lane TAX 5.37% 242.90
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL 4825.95
<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 **Wayne Wilson** APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 1-24-08 PAGE NO. 7

CUSTOMER **PALOMAZO PETROLEUM** WELL NO. **#2** LEASE **THOMAS** JOB TYPE **PTA** TICKET NO. **13338**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1300							ON LOCATION
								5 1/2" = 4680'
								8 5/8" = 328'
								DV = N/A 400 SKS PUMPS DOWN BRASS HEAD 1998
								PORTS = 4383-89
	1440	6	10		✓		0	MAX 35 SKS 60/40 490 GEL w/ 300" HILLS 5 1/2"
		6	48		✓		500	MAX 16 SKS GEL - SPACER
		4 1/2	46		✓		800	MAX 175 SKS 60/40 490 GEL
								SHOT DOWN - SLIGHT VAC LET CMT SET
	1505		1/8		✓		600	PSE BRASS HEAD 0 SKS CMT
	1530		6				0	TOP OFF WELL w/ 25 SKS 60/40 490 GEL
								SHOT DOWN - SLIGHT VAC - 4 SECONDS - FALLING
								WASH UP
	1600							JOB COMPLETE
								THANK YOU
								WAYNE, BRETT, ROB

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ANSAS CORPORATION COMMISSION
FEB 08 2008
CONSERVATION DIVISION
WICHITA, KS

Handwritten signature