

RECEIVED

OCT 31 2001

KCC WICHITA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 30742
 Name: Palomino Petroleum, Inc.
 Address: 4924 SE 84th St. 100' N of NE-SW-SW Sec. 36 Twp. 24 S. R. 3 East West
 City/State/Zip: Newton, KS 67114-8827
 Purchaser: _____
 Operator Contact Person: Klee R. Watchous
 Phone: (316) 799-1010
 Contractor: Name: C & G Drilling, Inc.
 License: 32701
 Wellsite Geologist: Roger Martin
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)
 If Workover/Re-entry: Old Well Info as follows:
 Operator: _____
 Well Name: _____
 Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back _____ Plug Back Total Depth _____
 Commingled _____ Docket No. _____
 Dual Completion _____ Docket No. _____
 Other (SWD or Enhr.?) _____ Docket No. _____
5/8/01 5/18/01 5/18/01
 Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 015-23595-0000
 County: Butler
 _____ feet from S N (circle one) Line of Section
1090 1106
 _____ feet from E W (circle one) Line of Section
990 4314
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Potwin-Moore Well #: 1
 Field Name: Potwin
 Producing Formation: Mississippian
 Elevation: Ground: 1328' Kelly Bushing: 1335'
 Total Depth: 2805 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 205 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from _____
 feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan Alf #1 KGR 7/11/07
 (Data must be collected from the Reserve Pit)
 Chloride content _____ ppm Fluid volume _____ bbls
 Dewatering method used _____
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: _____ License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Klee R. Watchous
 Title: President Date: 10-30-01

Subscribed and sworn to before me this 30th day of October

~~XX~~ 2001
 Notary Public: Carla R. Penwell
 Date Commission Expires: 10-6-05

NOTARY PUBLIC - State of Kansas
 My Appt. Expires 10-6-05

KCC Office Use ONLY
 Letter of Confidentiality Attached
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

Operator Name: Palomino Petroleum, Inc. Lease Name: Potwin-Moore Unit Well #: 1

Sec. 36 Twp. 24 S. R. 3 East West County: Butler

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken Yes No
(Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
(Submit Copy)

List All E. Logs Run:

Compensated Neutron Density Log
Gamma Ray Correlation Cement Bond Log
Dual Induction Log

Log Formation (Top), Depth and Datum Sample

Name	Top	Datum
Lansing	1974	(- 639)
Kansas City	2250	(- 915)
Dennis	2302	(- 967)
Stark Sh.	2348	(-1013)
Swope	2354	(-1019)
Swope-Poro.	2357	(-1022)
Hush. Sh.	2381	(-1046)
Hertha	2387	(-1052)
BKC	2406	(-1071)
MARM.	2472	(-1137)
Altamont	2514	(-1179)

CASING RECORD New Used

Cont'd on next page.

Report all strings set-conductor, surface, intermediate, production, etc.

Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacs Used	Type and Percent Additives
Surface	12 1/4"	8 5/8"	23#	205'	Class A	125	3% c.c.
Production		5 1/2"	14#	2802'	Thick-set	100	

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	2754-2757		
4	2735-2737		
4	2706-2709	Acidized 500 gal. MOD 202 15% NE	2706-09
	Bridge Plug set at 2732'		

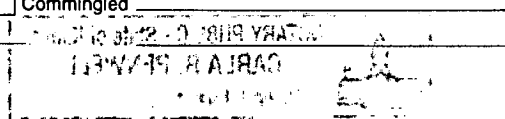
TUBING RECORD	Size 2 3/8"	Set At 2775	Packer At 2775	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumerd Production, SWD or Enhr. None	Producing Method <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
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Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
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Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
(If vented, Sumit ACO-18.) Other (Specify)



ORIGINAL

<u>NAME</u>	<u>TOP</u>	<u>DATUM</u>
Ft. Scott	2554	(-1219)
Burgess Zone	2656	(-1321)
Miss.	2692	(-1357)
Osage	2735	(-1400)
LTD	2805	(-1470)

RECEIVED

OCT 31 2001

KCC WICHITA

INVOICE NO. 3549

FIELD TICKET NO. 2292

UNITED CEMENTING & ACID CO., INC.

RECEIVED

REMIT TO
BOX 712
EL DORADO, KANSAS 67042

DATE 5-18-2001

OCT 3 1 2001

(316) 321-4680

ORIGINAL

KCC WICHITA

Palomino Petroleum, Inc.
4924 SE 84th St.
Newton, KS 67114-8827

FULLY INSURED

P.O. #

DATE OF JOB	COUNTY	STATE	LEASE	WELL NO.
5-9-01	BD	KS	Potvin-Hoore Unit	6X 1
SIZE OF CASING	DEPTH OF WELL	DEPTH OF JOB	PLUG DEPTH	PRESSURE
8-5/8"				
Surface Casing				
		(1) Cement Unit		450.00
125 sax.	Class A Cement	@ 5.70 per sax.		712.50*
4 sax.	Calcium Chloride	@ 26.00 per sax.		104.00*
	Bulk Charge	@ 129 sax. x .89 per sax.		114.81*
	Drayage	@ MINIMUM CHARGE		85.00*
	Pump Truck Mielage Charge	@ 2.00 per mi x 15 mi (OneWay)		30.00
		SALES TAX	\$	59.96
		TOTAL	\$	1556.27

TERMS: NET 30 DAYS FROM INVOICE DATE
PLEASE PAY FROM THIS INVOICE

SERVICE TICKET

UNITED CEMENTING & ACID CO., INC.

2292

BOX 712

EL DORADO, KANSAS 67042

PHONE AC 316-321-4680

DATE 5-9-01 COUNTY BU ORIGINAL

CHG. TO: Womino ADDRESS _____

CITY _____ STATE _____ ZIP _____

LEASE & WELL NO. Petroleum SEC. _____ TWP. _____ RNG. _____

CONTRACTOR C-21 Drilling TIME ON LOCATION _____

KIND OF JOB Surface Capping

SERVICE CHARGE: 1200 450.00

QUANTITY	MATERIAL USED TYPE	
125 yd	Class A Cement @ 5.70 yd	712.50 ✓
4 yd	Calcium Chloride @ 26.00 yd	104.00 ✓
120 yd	BULK CHARGE @ 890 yd	114.81 ✓
15	BULK TRK. MILES 10.5 tons x 10 x 15 (Chr. Minchc)	85.00 ✓
15	PUMP TRK. MILES 2.00 mi. x 15 mi. (One-way)	30.00 ✓
	PLUGS <u>None</u>	
	SALES TAX	59.96 ✓
	TOTAL	1556.27 ✓
	RECEIVED	1556.27 ✓

T. D. OCT 31 2001

SIZE HOLE _____ KCC WICHITA

MAX. PRESS. _____

PLUG DEPTH None

PLUG USED _____

CSG. SET AT 200' VOLUME _____

TBG SET AT _____ VOLUME _____

SIZE PIPE 8 5/8"

PKER DEPTH _____

TIME FINISHED _____

REMARKS: 1200 @ Petroleum 200' 8 5/8"

EQUIPMENT USED

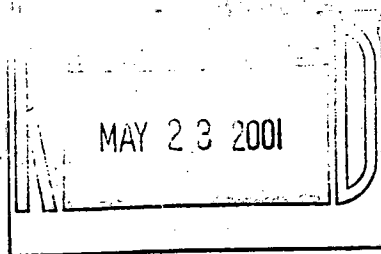
NAME	UNIT NO.	NAME	UNIT NO.
<u>Jim Thomas</u>			
<u>Chot Johnson</u>			
<u>Shawn Brown</u>			

CEMENTER OR TREATER

OWNER'S REP.

Blue Star Acid Service, Inc.

PO Box 103
Eureka, KS 67045
(620) 583-7664
(620) 583-4664 - Mobile



Statement

DATE 05/21/2001
ORIGINAL

BILL TO

Palomino Petroleum Inc.
4924 SW 84th St.
Newton, KS 67114-8827

RECEIVED

OCT 31 2001

KCC WICHITA

TERMS

5% NET 10

DATE	INVOICE #	LEASE #	AMOUNT	BALANCE
05/20/2001	Balance forward			0.00
05/21/2001	INV #2622	Potwin-Moore Unit 1	2,633.47	2,633.47

THANK YOU FOR YOUR BUSINESS!!

AMOUNT DUE

\$2,633.47

*Received
MAY* 5% Discount
For Payment in 10 Days

BLUE STAR
ACID SERVICE, INC.

PO Box 103
Eureka, Kansas 67045

Cementing Ticket
and Invoice Number

ORIGINAL

Date <u>5-17-01</u>	Customer Order No.	Sect. <u>36</u>	Twp. <u>24S</u>	Range <u>3E</u>	Truck Called Out <u>7:00 PM</u>	On Location <u>5-17</u>	Job Began <u>10:00 AM</u>	Job Completed <u>2:20 PM</u>
Owner <u>Palomino Petroleum, Inc.</u>	Contractor <u>C & G Drilling Co.</u>			Charge To <u>Palomino Petroleum, Inc.</u>		State <u>KS</u>		
Mailing Address <u>4924 SE 84th St.</u>			City <u>Newton</u>			State <u>KS</u>		
Well No. & Form <u>Potwin-Mark Unit #1</u>		Place <u>Butler</u>			County <u>Butler</u>		State <u>KS</u>	
Depth of Well <u>2805'</u>	Depth of Job <u>2807'</u>	Casing (New) (Used)	Size <u>5 1/2</u>	Weight <u>14.00</u>	Size of Hole Amt. and Kind of Cement <u>7 8</u> <u>100 SKS</u>	Cement Left in casing by	Request Necessity <u>13'</u>	
Kind of Job <u>Longstring</u>				Drillpipe	Tubing	(Rotary) Cable	Truck No. <u>Unit #12</u>	

Remarks Rig up to 5 1/2 Casing. Break Circulation w/ 20 Bbls fresh water. Mixed 100 SKS Thick Set Cement. Shut down. Wash out pump & lines. Release Plug. Displace w/ 67.5 Bbls fresh water. Final Pumping Pressure 400 PSI. Bump Plug to 900 PSI. Check float. float held. Shut casing in @ 0 PSI. Good circulation at all times while cementing. Job Complete. Rig down.

Price Reference No. <u>#1</u>
Price of Job <u>665.00</u>
Second Stage
Mileage <u>157</u> <u>33.75</u>
Other Charges
Total Charges <u>698.75</u>

Cementer Kevin McCoy
Helper Mike R. Guy W.

District EUREKA

The above job was done under supervision of the owner, operator, or his agent whose signature appears below.

Thank You

State Ks
[Signature]
Agent of contractor or operator

Sales Ticket for Materials Only

Quantity Sacks	BRAND AND TYPE	PRICE	TOTAL
<u>100 SKS</u>	<u>Thick Set Cement</u>	<u>10.75</u>	<u>1075.00</u>
<u>6</u>	<u>5 1/2 Centralizers</u>	<u>28.00</u>	<u>168.00</u>
<u>2</u>	<u>5 1/2 Cement BASKETS</u>	<u>106.00</u>	<u>212.00</u>
<u>1</u>	<u>5 1/2 AFU insert Valve</u>	<u>92.00</u>	<u>92.00</u>
<u>1</u>	<u>5 1/2 Guide shoe</u>	<u>85.00</u>	<u>85.00</u>
<u>1</u>	<u>5 1/2 Top Rubber Plug</u>	<u>40.00</u>	<u>40.00</u>
	<u>100 SKS Handling & Dumping</u>	<u>.50</u>	<u>50.00</u>
	<u>5.5 TONS Mileage 15</u>	<u>.80</u>	<u>66.00</u>
Sub Total			<u>2486.75</u>
Discount			
Delivered by Truck No. <u>Unit #4</u>			
Delivered from <u>EUREKA</u>			
Sales Tax <u>5.9%</u>			<u>146.72</u>
Signature of operator <u>Kevin McCoy</u>			<u>2633.47</u>

INVOICE NO. 3549

UNITED CEMENTING & ACID CO., INC.

REMIT TO

FIELD TICKET NO. 2292

RECEIVED

BOX 712

EL DORADO, KANSAS 67042

DATE 5-18-2001

OCT 31 2001

(316) 321-4680

KCC WICHITA

ORIGINAL

Palominc Petroleum, Inc.
 4924 SE 34th St.
 Newton, KS 67114-8827

FULLY INSURED

P.O. #

DATE OF JOB	COUNTY	STATE	LEASE	WELL NO.
5-18-01	ED	KS	Potwin-Hoore Unit	#1
SIZE OF CASING	DEPTH OF WELL	DEPTH OF JOB	PLUG DEPTH	PRESSURE
8-5/8"				
Surface Casing				
		(1) Cement Unit		450.00
125 sax.	Class A Cement	@ 5.70 per sax.		712.50*
4 sax.	Calcium Chloride	@ 26.00 per sax.		104.00*
	Bulk Charge	@ 129 sax. x .89 per sax.		114.81*
	Drayage	@ MINIMUM CHARGE		85.00*
	Pump Truck Mialage Charge	@ 2.00 per mi x 15 mi (OneWay)		30.00
SALES TAX				\$ 59.96
TOTAL				\$ 1556.27

TERMS: NET 30 DAYS FROM INVOICE DATE
 PLEASE PAY FROM THIS INVOICE

SERVICE TICKET

UNITED CEMENTING & ACID CO., INC.

2292

BOX 712 EL DORADO, KANSAS 67042 PHONE 316-321-4680

DATE 5-9-01 COUNTY Bu ORIGINAL
 CHG. TO: Admiral ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 LEASE & WELL NO. Polwin wood lot #21 SEC. _____ TWP. _____ RNG. _____
 CONTRACTOR C. J. Dillens TIME ON LOCATION _____
 KIND OF JOB Surface Coating
 SERVICE CHARGE: 1200 450.00

QUANTITY	MATERIAL USED	TYPE	
125 cu	Class A Cement @ 5.70	cu	712.50 IV
4 cu	Calcium Chloride @ 26.00	cu	104.00 X
120 cu	BULK CHARGE @ 899	cu	114.81 X
15	BULK TRK. MILES 6.5 tons x 10 x 15 (Chr. Minche)		85.00 X
15	PUMP TRK. MILES 2.00 mi. x 15 mi. (One-way)		30.00 X
	PLUGS <u>None</u>	RECEIVED	
	SALES TAX	OCT 31 2001	59.96; 101.73
	TOTAL	KCC WICHITA	1556.27 1558.04

T. D. _____ CSG. SET AT 200' VOLUME _____
 SIZE HOLE _____ TBG SET AT _____ VOLUME _____
 MAX. PRESS. _____ SIZE PIPE 8 5/8"
 PLUG DEPTH None PKER DEPTH _____
 PLUG USED _____ TIME FINISHED _____

REMARKS: Wood @ Polwin 200' 8 5/8"

EQUIPMENT USED

NAME	UNIT NO.	NAME	UNIT NO.
<u>Jim Thomas</u>			
<u>Chot Johnson</u>			
<u>Ken Brown</u>			

CEMENTER OR TREATER OWNER'S REP.