

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.  
City/State/Zip: Newton, Kansas 67114-8827  
Purchaser: None  
Operator Contact Person: Klee R. Watchous  
Phone: (316) 799-1000  
Contractor: Name: Pickrell Drilling Company, Inc.  
License: 5123  
Wellsite Geologist: Robert A. Schreiber

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. \_\_\_\_\_

|                                   |                 |   |
|-----------------------------------|-----------------|---|
| <u>6/20/05</u>                    | <u>6/30/05</u>  | <u>7/1/05</u>                           |
| Spud Date or<br>Recompletion Date | Date Reached TD | Completion Date or<br>Recompletion Date |

API No. 15 - 135-24362 - 00-00  
County: Ness

C S/2 SE Sec. 34 Twp. 18 S. R. 24  East  West  
640 feet from S / N (circle one) Line of Section  
1160 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Stout Well #: 1

Field Name: McDonald NE

Producing Formation: Mississippian

Elevation: Ground: 2329 Kelly Bushing: 2334

Total Depth: 4421 Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at 219 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 P+A AH 1 NCR  
(Data must be collected from the Reserve Pit)

8-18-08

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: August 31, 2005

Subscribed and sworn to before me this 31st day of August

20 05

Notary Public: Carla R. Penwell

Carla R. Penwell

Date Commission Expires: October 6, 2005

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

KCC Office Use ONLY

NO Letter of Confidentiality Received

If Denied, Yes  Date: \_\_\_\_\_

Wireline Log Received

Geologist Report Received

UIC Distribution



ORIGINAL

LOGS

|              |      |         |
|--------------|------|---------|
| Pawnee       | 4170 | (-1836) |
| Ft. Scott    | 4248 | (-1914) |
| Cherokee Sh. | 4272 | (-1938) |
| Cherokee Sd. | 4327 | (-1993) |
| Miss.        | 4346 | (-2012) |
| Miss. Dolo.  | 4351 | (-2017) |
| LTD          | 4421 | (-2087) |

RECEIVED  
SEP - 1 2005  
KCC WICHITA

Allied Cementing Co., Inc  
P.O. Box 31

Russell, KS 67665

ORIGINAL

\*\*\*\*\*  
\* I N V O I C E \*  
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Invoice Number: 097567

Invoice Date: 07/13/05

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

2005

RECEIVED  
SEP - 1 2005  
KCC WICHITA

Cust I.D.....: Palo  
P.O. Number...: Stout #1  
P.O. Date.....: 07/13/05

Due Date.: 08/12/05  
Terms.....: Net 30

| Item I.D./Desc. | Qty. Used | Unit | Price    | Net     | TX |
|-----------------|-----------|------|----------|---------|----|
| Common          | 147.00    | SKS  | 8.7000   | 1278.90 | T  |
| Pozmix          | 98.00     | SKS  | 4.7000   | 460.60  | T  |
| Gel             | 13.00     | SKS  | 14.0000  | 182.00  | T  |
| FloSeal         | 61.00     | LBS  | 1.7000   | 103.70  | T  |
| Handling        | 260.00    | SKS  | 1.6000   | 416.00  | T  |
| Mileage min.    | 1.00      | MILE | 180.0000 | 180.00  | T  |
| Rotary Plug     | 1.00      | JOB  | 655.0000 | 655.00  | T  |
| Mileage pmp trk | 3.00      | MILE | 5.0000   | 15.00   | T  |
| Dryhole Plug    | 1.00      | EACH | 35.0000  | 35.00   | T  |

|  |            |         |
|--|------------|---------|
| All Prices Are Net, Payable 30 Days Following        | Subtotal:  | 3326.20 |
| Date of Invoice. 1 1/2% Charged Thereafter.          | Tax.....:  | 176.29  |
| If Account CURRENT take Discount of \$ <u>332.62</u> | Payments:  | 0.00    |
| ONLY if paid within 30 days from Invoice Date        | Total....: | 3502.49 |

# ALLIED CEMENTING CO., INC.

11223

ORIGINAL  
SERVICE POINT:

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

Near City  
(07-01-05)

|                                |                |                 |                                      |                          |                            |                         |                          |
|--------------------------------|----------------|-----------------|--------------------------------------|--------------------------|----------------------------|-------------------------|--------------------------|
| DATE <u>6-30-05</u>            | SEC. <u>34</u> | TWP. <u>18</u>  | RANGE <u>24</u>                      | CALLED OUT <u>6:00pm</u> | ON LOCATION <u>11:45pm</u> | JOB START <u>4:45am</u> | JOB FINISH <u>6:45am</u> |
| LEASE <u>Stout</u>             |                | WELL # <u>1</u> | LOCATION <u>Near City 2w 1s 1/4w</u> |                          | COUNTY <u>Near</u>         | STATE <u>KS</u>         |                          |
| OLD OR <u>NEW</u> (Circle one) |                |                 | N.S.                                 |                          |                            |                         |                          |

CONTRACTOR Pickrell Dry #10  
 TYPE OF JOB Rotary Plug  
 HOLE SIZE 7 7/8 T.D. 4416  
 CASING SIZE 8 5/8 DEPTH 219  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_  
 CEMENT LEFT IN CSG. \_\_\_\_\_  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT \_\_\_\_\_

OWNER \_\_\_\_\_  
 CEMENT AMOUNT ORDERED  
245 6 3/4 6 9/16 1/4 # 70 seal  
 \_\_\_\_\_  
 COMMON 147 lb. @ 8.70 1278.90  
 POZMIX 98 lb. @ 4.70 460.60  
 GEL 13 lb. @ 14.00 182.00  
 CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_  
 ASC \_\_\_\_\_ @ \_\_\_\_\_  
70 SEAL 61 # @ 1.70 103.70  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 HANDLING 260 @ 1.60 416.00  
 MILEAGE 3.06 260 Min 180.00  
 TOTAL 2621.20

EQUIPMENT

PUMP TRUCK CEMENTER J. Weighaus  
 # 224 HELPER \_\_\_\_\_  
 BULK TRUCK \_\_\_\_\_  
 # 357 DRIVER Rick  
 BULK TRUCK \_\_\_\_\_  
 # \_\_\_\_\_ DRIVER O. Dugan

REMARKS:

|    |     |       |
|----|-----|-------|
| 50 | ste | 1600' |
| 80 |     | 800   |
| 40 |     | 400   |
| 50 |     | 250   |
| 10 |     | 40    |
| 15 |     | R.H.  |

SERVICE

DEPTH OF JOB 1600  
 PUMP TRUCK CHARGE \_\_\_\_\_ 655.00  
 EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_  
 MILEAGE 3 @ 5.00 15.00  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 TOTAL 670.00

CHARGE TO: Palomino Pet care  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PLUG & FLOAT EQUIPMENT

MANIFOLD \_\_\_\_\_ @ \_\_\_\_\_  
8 7/8 Dry Hole @ 35.00 35.00  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 TOTAL 35.00

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.

TAX \_\_\_\_\_  
 TOTAL CHARGE \_\_\_\_\_  
 DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE Mike Kern

Mike Kern  
 PRINTED NAME

ALLIED CEMENTING CO., INC.

P.O. BOX 31  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566

JUL 2 2005

ORIGINAL

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\*  
 \* INVOICE \*  
 \*

Invoice Number: 097445

Invoice Date: 06/30/05

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

Cust. I.D.....: Palo  
 P.O. Number...: Stout #1  
 P.O. Date.....: 06/30/05

Due Date.: 07/30/05

Terms.....: Net 30

| Item I.D./Desc. | Qty. Used | Unit | Price    | Net     | TX |
|-----------------|-----------|------|----------|---------|----|
| Common          | 165.00    | SKS  | 8.7000   | 1435.50 | T  |
| Gel             | 3.00      | SKS  | 14.0000  | 42.00   | T  |
| Chloride        | 5.00      | SKS  | 38.0000  | 190.00  | T  |
| Handling        | 173.00    | SKS  | 1.6000   | 276.80  | E  |
| Mileage min.    | 1.00      | MILE | 180.0000 | 180.00  | E  |
| Surface         | 1.00      | JOB  | 670.0000 | 670.00  | E  |
| Mileage         | 3.00      | MILE | 5.0000   | 15.00   | E  |
| TWP             | 1.00      | EACH | 55.0000  | 55.00   | T  |

All Prices Are Net, Payable 30 Days Following  
 Date of Invoice. 1 1/2% Charged Thereafter.  
 If Account CURRENT take Discount of \$ 286.43  
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2864.30  
 Tax.....: 91.29  
 Payments: 0.00  
 Total....: 2955.59

# ALLIED CEMENTING CO., INC. 11221

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

ORIGINAL ✓  
SERVICE POINT  
Near city

|                                |                |                |   |                           |                            |                       |                        |
|--------------------------------|----------------|----------------|---|---------------------------|----------------------------|-----------------------|------------------------|
| DATE <u>6-21-05</u>            | SEC. <u>34</u> | TWP. <u>18</u> | RANGE <u>24</u>                         | CALLED OUT <u>10:00pm</u> | ON LOCATION <u>12:15am</u> | JOB START <u>5:10</u> | JOB FINISH <u>5:30</u> |
| LEASE <u>Stout</u>             |                | WELL# <u>1</u> | LOCATION <u>Near city 2w 1s 1/4w N5</u> |                           | COUNTY <u>Near</u>         | STATE <u>KS</u>       |                        |
| OLD OR <u>NEW</u> (Circle one) |                |                |   |                           |                            |                       |                        |

CONTRACTOR Pickrell Only # 10

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 224

CASING SIZE 8 5/8 DEPTH 223 219

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

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

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

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

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

CEMENT LEFT IN CSG. 15'

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

DISPLACEMENT 13 1/4"

**EQUIPMENT**

OWNER \_\_\_\_\_

CEMENT AMOUNT ORDERED 165 Com 3%cc 2%Ad

|                                   |   |             |                |
|-----------------------------------|---|-------------|----------------|
| COMMON <u>165 cu ft.</u>          | @ | <u>8670</u> | <u>145530</u>  |
| POZMIX _____                      | @ |             |                |
| GEL <u>3 cu ft.</u>               | @ | <u>1400</u> | <u>4200</u>    |
| CHLORIDE <u>Salt</u>              | @ | <u>3800</u> | <u>190.00</u>  |
| ASC _____                         | @ |             |                |
| _____                             | @ |             |                |
| _____                             | @ |             |                |
| _____                             | @ |             |                |
| _____                             | @ |             |                |
| _____                             | @ |             |                |
| _____                             | @ |             |                |
| _____                             | @ |             |                |
| HANDLING <u>173 cu ft.</u>        | @ | <u>1.60</u> | <u>27680</u>   |
| MILEAGE <u>173 cu ft. 06 3 mi</u> | @ |             | <u>180.00</u>  |
| <b>TOTAL</b>                      |   |             | <u>2124.30</u> |

PUMP TRUCK # 224 CEMENTER J. Weighaus HELPER \_\_\_\_\_

BULK TRUCK # 260 DRIVER D. Dugan

BULK TRUCK # \_\_\_\_\_ DRIVER Terry

**REMARKS:**

New 20"  
circ 8 5/8 cas w/ aug pump  
mix cement deep plug w 13 1/4" PL  
cement also circ

Thanks

CHARGE TO: Palomares Pet.

STREET \_\_\_\_\_

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

**SERVICE**

|                         |   |                 |
|-------------------------|---|-----------------|
| DEPTH OF JOB <u>219</u> |   |                 |
| PUMP TRUCK CHARGE       |   | <u>670.00</u>   |
| EXTRA FOOTAGE _____     | @ |                 |
| MILEAGE <u>3</u>        | @ | <u>500 1500</u> |
| _____                   | @ |                 |
| _____                   | @ |                 |
| <b>TOTAL</b>            |   |                 |
| <u>685.00</u>           |   |                 |

**PLUG & FLOAT EQUIPMENT**

|                         |   |                  |
|-------------------------|---|------------------|
| MANIFOLD _____          | @ |                  |
| <u>1-8 5/8 Top Wood</u> | @ | <u>5500 5500</u> |
| _____                   | @ |                  |
| _____                   | @ |                  |
| _____                   | @ |                  |
| <b>TOTAL</b>            |   |                  |
| <u>55.00</u>            |   |                  |

To Allied Cementing Co., Inc.  
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TAX \_\_\_\_\_

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

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

SIGNATURE Mike Kern

Mike Kern  
PRINTED NAME