

RECEIVED

NOV 16 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.

City/State/Zip: Newton, KS 67114-8827

Purchaser: NCRA

Operator Contact Person: Klee R. Watchous

Phone: (316) 799-1000

Contractor Name: A & A Production

License: 30076

Wellsite Geologist: Bob 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>8-15-01</u>	<u>8-28-01</u>	<u>9-17-01</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15-153-20821-0000

County: Rawlins

150' E-S/2-S/2-SW Sec. 31 Twp. 5 S. R. 36 East West

330 feet from N (circle one) Line of Section

1470 feet from E W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Tovrea Well #: 2

Field Name: Tovrea

Producing Formation: Miss.

Elevation: Ground: 3423' Kelly Bushing: 3428'

Total Depth: 5005' Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at 419 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 AWA / KJR 8/31/07
(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

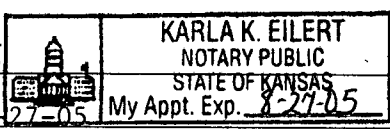
Title: President Date: 11-14-01

Subscribed and sworn to before me this 14th day of November

~~2001~~

Notary Public: Karla K. Eilert

Date Commission Expires: 8-27-05



KCC Office Use ONLY

Letter of Confidentiality Attached

If Denied, Yes Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

X

Operator Name: Palomino Petroleum, Inc. Lease Name: Tovrea Well #: 2
 Sec. 31 Twp. 5 S. R. 36 East West County: Rawlins

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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anhy.	3105	(+ 323) to 3138
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Tarkio	3918	(- 490)
List All E. Logs Run:		Topeka	4051	(- 623)
Compensated Density/Neutron Log		Heebner	4232	(- 804)
Dual Induction Log		Lansing	4294	(- 866)
Dual Receiver Cement Bond Log		BKC	4568	(-1140)
		Marmaton	4586	(-1158)
		Pawnee	4670	(-1242)
		Ft. Scott	4697	(-1269)
		Cherokee Sh.	4723	(-1295)

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
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 1/2"	8 5/8 "	20#	419'	60-40 pozmix	285	2% gel; 3% c.c.
Production		5 1/2"	14#	4995'	SMD 12#-75 SMD 12#-100	175	

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 checked="" type="checkbox"/> Plug Off Zone	4558-4562	Common	150	STD cement

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type		Acid, Fracture, Shot, Cement Squeeze Record	
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)	
4	4535'	4540'	1500 gal.	15% NE
4	4464'	4468'	500 gal.	15% MCA
4	4392'	4398'	1000 gal.	15% NE
			500 gal.	15% MCA

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 3/8"	5036'	4434'	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
9-21-01	<input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	4% 5		96%	115	

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

Palomino Petroleum, Inc.
Tovrea #2
Sec. 31-5S-36W
Rawlins Co.

RECEIVED

NOV 16 2001

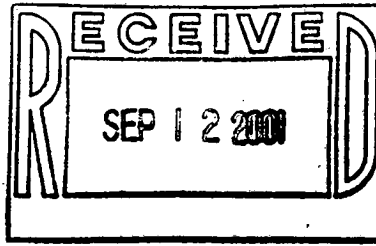
KCC WICHITA

Miss. Sper.	4938	(-1510)
Miss. War.	4960	(-1532)
LTD	5005	(-1577)

SWIFT SERVICES, INC.

PO BOX 466

NESS CITY, 67560-0466



ORIGINAL Invoice

DATE	INVOICE #
9/5/01	3826

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

RECEIVED
 NOV 16 2001
 KCC WICHITA

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Operator	Job Purpose
Net 30	2	Tourea	Rawlins		Oil	Development	Lenny	SQ perms

PRICE REFERE...	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
575D	Milage	130	2.50	325.00
578D	Pump Charge	1	1,200.00	1,200.00
325	Cement	100	6.75	675.00T
581D	Service Charge Cement	100	1.00	100.00
583D	Drayage	611	0.75	458.25
	Subtotal			2,758.25
	Sales Tax		4.90%	33.08

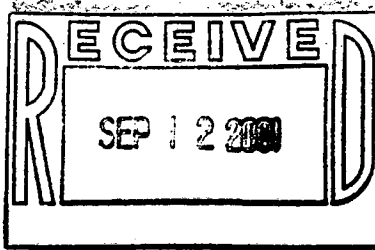
Thank you for your business.

Total \$2,791.33

SWIFT SERVICES, INC.

PO BOX 466

NESS CITY, 67560-0466



ORIGINAL Invoice

DATE	INVOICE #
9/7/01	3828

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

RECEIVED

NOV 16 2001

KCC WICHITA

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Operator	Job Purpose
Net 30	2	Tourea	Rawlins		Oil	Development	Lenny	Perf SQ

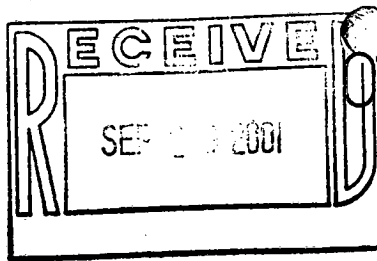
PRICE REFERE...	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
575D	Milage	130	2.50	325.00
578D	Pump Charge	1	1,200.00	1,200.00
325	Cement	150	6.75	1,012.50T
581D	Service Charge Cement	150	1.00	150.00
583D	Drayage	916.5	0.75	687.38
	Subtotal			3,374.88
	Sales Tax		4.90%	49.61

Thank you for your business.	Total	\$3,424.49
-------------------------------------	--------------	-------------------

SWIFT SERVICES, INC.

PO BOX 466

NESS CITY, 67560-0466



ORIGINAL Invoice

DATE	INVOICE #
9/12/01	3831

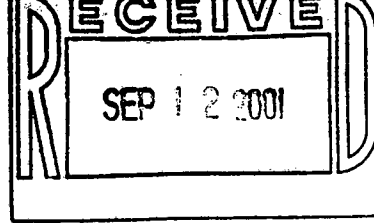
BILL TO	
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827	RECEIVED NOV 16 2001 KCC WICHITA

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Operator	Job Purpose
Net 30	2	Tourea	Rawlins		Oil	Development	Lenny	Acidize perms
PRICE REFERE...	DESCRIPTION				QTY	UNIT PRICE	AMOUNT	
500D	Milage 9-12-01				130	2.50	325.00	
501D	Acid Pump Charge				5	500.00	2,500.00	
300 - 15%	Regular Acid				3,500	0.80	2,800.00	
230	Surf-3				12	25.00	300.00	
249	STR-1				4	29.00	116.00	
235	INH. 1				4	36.00	144.00	
100	Crew Milage - 9-13, 9-14, 9-15, 9-17-01				520	1.00	520.00	
510	Delivery Charge - transport - 9-13-01				8	60.00	480.00	
238	Morflo				15	17.00	255.00	
	Subtotal						7,440.00	
	Sales Tax					4.90%	0.00	
Thank you for your business.						Total	\$7,440.00	

SWIFT SERVICES, INC.

PO BOX 466

NESS CITY, 67560-0466



ORIGINAL Invoice

DATE	INVOICE #
8/29/01	3766

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

RECEIVED
NOV 16 2001
KCC WICHITA

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Operator	Job Purpose
Net 30	2	Tourea	Rawlins	A&A Drilling	Oil	Development	Wayne	5 1/2" Longst...

PRICE REFERENCE...	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
575D	Milage	80	2.50	200.00
578D	Pump Service	1	1,200.00	1,200.00
281	Mud Flush	500	0.50	250.00T
407-5	5 1/2" Insert Float Shoe with Auto Fill	1	200.00	200.00T
406-5	5 1/2" Latch Down Plug & Baffle	1	200.00	200.00T
402-5	5 1/2" Centralizers	10	40.00	400.00T
403-5	5 1/2" Cement Basket	2	110.00	220.00T
330	Swift Multi-Density	175	9.50	1,662.50T
276	Flocele	44	0.90	39.60T
285	CFR-1	82	2.75	225.50T
290	D-Air	82	2.75	225.50T
581D	Service Charge Cement	175	1.00	175.00
583D	Drayage	701.92	0.75	526.44
	Subtotal			5,524.54
	Sales Tax		4.90%	167.73

Thank you for your business.

Total

\$5,692.27

ALLIED CEMENTING CO., INC.

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

ORIGINAL
INVOICE

RECEIVED

NOV 16 2001

KCC WICHITA

Invoice Number: 085093

Invoice Date: 08/23/01

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

Cust I.D. : Palo
P.O. Number : Tovrea #2
P.O. Date : 08/23/01

Due Date: 09/22/01
Terms: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	171.00	SKS	7.8500	1342.35	E
Pozmix	114.00	SKS	3.5500	404.70	E
Gel	5.00	SKS	10.0000	50.00	E
Chloride	10.00	SKS	30.0000	300.00	E
Handling	300.00	SKS	1.1000	330.00	E
Mileage (53)	53.00	MILE	12.0000	636.00	E
300 sks @ \$0.04 per sk per mi					
Surface	1.00	JOB	520.0000	520.00	E
Mileage pmp trk	53.00	MILE	3.0000	159.00	E
Surface plug	1.00	EACH	45.0000	45.00	E

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 318.01
ONLY if paid within 30 days from Invoice Date

Subtotal:	3787.05
Tax.....:	0.00
Payments:	0.00
Total...:	3787.05

ALLIED CEMENTING CO., INC. 7058

ORIGINAL

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

SERVICE POINT:
Oakley

DATE <u>8-16-01</u>	SEC. <u>31</u>	TWP. <u>5 S</u>	RANGE <u>W 36</u>	CALLED OUT	ON LOCATION <u>12:30 AM</u>	JOB START	JOB FINISH <u>7:30 AM</u>
LEASE <u>Toxtec</u> WELL # <u>2</u>				LOCATION <u>Brewster 14N-24-14S</u>		COUNTY <u>Rawlins</u>	STATE <u>Kan</u>
OLD OR NEW (Circle one)							

CONTRACTOR A+A Drls Co # OWNER Same

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 429'

CASING SIZE 8 5/8 DEPTH 420'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 26.3 BBL

CEMENT AMOUNT ORDERED 285 SKS 60/40 PDR
3% CC - 2% BBL

COMMON	<u>171 SKS</u>	@	<u>7⁸⁵</u>	<u>1,342³⁵</u>
POZMIX	<u>114 SKS</u>	@	<u>3⁵⁵</u>	<u>404⁷⁰</u>
GEL	<u>5 SKS</u>	@	<u>10⁰⁰</u>	<u>50⁰⁰</u>
CHLORIDE	<u>10 SKS</u>	@	<u>30⁰⁰</u>	<u>300⁰⁰</u>
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>300 SKS</u>	@	<u>1¹⁰</u>	<u>330⁰⁰</u>
MILEAGE	<u>44 per SK/mile</u>			<u>636⁰⁰</u>

EQUIPMENT

PUMP TRUCK CEMENTER Walt

191 HELPER Terry

BULK TRUCK

361 DRIVER Duane

BULK TRUCK

DRIVER

RECEIVED

NOV 16 2001

KCC WICHITA SERVICE

TOTAL 3,063⁰⁵

REMARKS:

Cement Did Circ

Approx 5 BBL in Pit

[Signature]

DEPTH OF JOB

PUMP TRUCK CHARGE 520⁰⁰

EXTRA FOOTAGE @

MILEAGE 53 miles @ 3⁰⁰ 159⁰⁰

PLUG 8 5/8 Surface @ 45⁰⁰

TOTAL 724⁰⁰

CHARGE TO: Palomino Petroleum

STREET _____

CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

	@	
	@	
	@	
	@	
	@	

TOTAL _____

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 [Signature]

PRINTED NAME