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NOV 06 2001

KCC WICHITA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL

Operator: License # 30742

Name: Palomino Petroleum, Inc.

Address: 4924 SE 84th St.

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

Purchaser: _____

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 SIOW 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>9/4/01</u>	<u>9/14/01</u>	<u>9/14/01</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-24153-0000

County: Ness

 - NW. NW. SE Sec. 12 Twp. 20 S. R. 21 East West

2310 feet from (S) (circle one) Line of Section

2310 feet from (E) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE (SE) NW SW

Lease Name: Roger Hinnergardt Well #: 1

Field Name: Ben

Producing Formation: Miss.

Elevation: Ground: 2231' Kelly Bushing: 2236'

Total Depth: 4383' Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at 630 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 RJA KGR 9/5/07
(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.

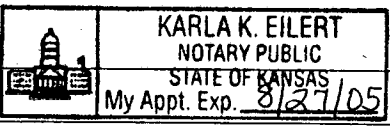
All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Klee R. Watchous

Title: President Date: 11/5/01

Subscribed and sworn to before me this 5th day of November

Notary Public: Karla K. Eilert
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: Roger Hinnergardt Well # 100-1001

Sec. 12 Twp. 20 S. R. 21 East West County: Ness

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: Radiation Guard Log

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Anhy.	1434	(+802) to 1458
Heebner	3756	(-1520)
Lansing	3804	(-1568)
Kansas City	3874	(-1638)
BKC	4136	(-1900)
Pawnee	4210	(-1974)
Ft. Scott	4292	(-2056)
Cherokee Sh.	4312	(-2076)
Miss.	4361	(-2125)
LTD	4383	(-2147)

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#	630'	60-40 pozmix	275	2% gel; 3% c.c.

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		Acid, Fracture, Shot, Cement Squeeze Record	
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)	
				Depth

TUBING RECORD		Size	Set At	Packer At	Liner Run
None					<input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method			
None		<input type="checkbox"/> Flowing <input 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
	None				

Disposition of Gas Vented Sold Used on Lease (If vented, Sumit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

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KCC WICHITA

ORIGINAL

ALLIED CEMENTING CO., INC.

P.O. BOX 31
RUSSELL, KS 67665
PH: (785) 483-3887
FAX (785) 483-5566
FEDERAL TAX ID#

INVOICE

Invoice Number: 085308

Invoice Date: 09/12/01

Sold Palomino Petroleum, Inc.

To: 4924 SE 84th St.
Newton, KS
67114-8827

Cust. I.D. Palo
P.O. Number ... R. Hinnergardt 1
P.O. Date ... 09/12/01

Due Date: 10/12/01
Terms: Net 30

Item I.D./Desc	Qty. Used	Unit	Price	Net	TX
Common	165.00	SKS	6.6500	1097.25	E
Pozmix	110.00	SKS	3.5500	390.50	E
Gel	5.00	SKS	10.0000	50.00	E
Chloride	8.00	SKS	30.0000	240.00	E
Handling	288.00	SKS	1.1000	316.80	E
Mileage (25)	25.00	MILE	11.5200	288.00	E
288 sks @\$.04 per sk per mi					
Surface	1.00	JOB	520.0000	520.00	E
Extra Footage	340.00	PER	0.5000	170.00	E
Mileage pmp trk	25.00	MILE	3.0000	75.00	E
Rubber plug	1.00	EACH	100.0000	100.00	E

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 324.76
ONLY if paid within 30 days from Invoice Date

Subtotal: 3247.55
Tax: 0.00
Payments: 0.00
Total: 3247.55

ALLIED CEMENTING CO., INC. 5871

Federal Tax I.D.# ~~XXXXXXXXXX~~

ORIGINAL

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

SERVICE POINT: New City

DATE <u>9-5-01</u>	SEC. <u>12</u>	TWP. <u>20</u>	RANGE <u>21</u>	CALLED OUT <u>8:00AM</u>	ON LOCATION <u>10:30AM</u>	JOB START <u>4:00PM</u>	JOB FINISH <u>4:45PM</u>
LEASE <u>Hilltop</u> WELL # <u>1</u>			LOCATION <u>Bayne 4E, 8 1/2 S, 1 1/2 E, 1/2 S into</u>		COUNTY <u>New</u>	STATE <u>Ka</u>	
OLD OR <u>(NEW)</u> (Circle one)							

CONTRACTOR AA Haly
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4" T.D. 641'
 CASING SIZE 8 7/8" new 20' DEPTH 640'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. 20'
 PERFS. _____
 DISPLACEMENT 40 1/4 bbls

OWNER Same
 CEMENT
 AMOUNT ORDERED 275 lbs 60/40 3% cc
28 sel,

COMMON	<u>165</u>	@ <u>6.65</u>	<u>1097.25</u>
POZMIX	<u>110</u>	@ <u>3.55</u>	<u>390.50</u>
GEL	<u>5</u>	@ <u>10.00</u>	<u>50.00</u>
CHLORIDE	<u>8</u>	@ <u>30.00</u>	<u>240.00</u>
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>288</u>	@ <u>1.10</u>	<u>316.80</u>
MILEAGE	<u>25</u>		<u>288.00</u>

EQUIPMENT

PUMP TRUCK CEMENTER Tom D
 # 224 HELPER Tom W
 BULK TRUCK
 # 357 DRIVER Tray B
 BULK TRUCK
 # _____ DRIVER _____

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TOTAL \$ 2382.55

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SERVICE

KCC WICHITA

REMARKS:

Run 640' of 8 7/8" cas. Broken circulation.
Mixed 275 lbs 60/40 3% cc, 28 sel.
Released Plug. Replaced with fresh H₂O.

DEPTH OF JOB	<u>640'</u>		
PUMP TRUCK CHARGE	<u>0-300'</u>		<u>520.00</u>
EXTRA FOOTAGE	<u>340'</u>	@ <u>1.50</u>	<u>170.00</u>
MILEAGE	<u>25</u>	@ <u>3.00</u>	<u>75.00</u>
PLUG	<u>1-8 7/8 Rubber</u>	@ <u>100.00</u>	<u>100.00</u>
		@	
		@	

Cement did circulate.

Thomha

TOTAL \$ 865.00

CHARGE TO: Palomino Petroleum, Inc.
 STREET 4924 SE 84th st
 CITY Newton STATE Ka ZIP 67114

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 — 0 —
 TOTAL CHARGE \$ ~~3247.55~~
 DISCOUNT \$ ~~3247.70~~ IF PAID IN 30 DAYS

SIGNATURE [Signature]

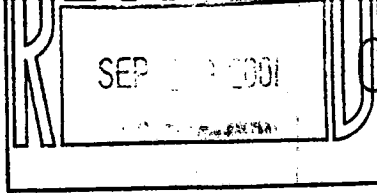
PRINTED NAME

Net \$ ~~2922.79~~

SWIFT SERVICES, INC.

PO BOX 466

NESS CITY, 67560-0466



ORIGINAL Invoice

DATE	INVOICE #
9/14/01	3977

BILL TO	RECEIVED NOV 06 2001 KCC WICHITA
Palomino Petroleum Inc.	
4924 S E 84th Street	
Newton, KS 67114-8827	

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Operator	Job Purpose
Net 30	# 1	R. Hinnergardt	Ness	A & A Drilling	Oil	Development	Roger	PTA
PRICE REFERE...	DESCRIPTION				QTY	UNIT PRICE	AMOUNT	
575D	Milage				30	2.50	75.00	
576D-P	Pump Charge - PTA				1	500.00	500.00	
410-8	Top Plug				1	56.00	56.00T	
581D	Service Charge Cement				125	1.00	125.00	
583D	Drayage				161.07	0.75	120.80	
328	Swift Light 60/40 Pozmix (6% gel)				125	5.65	706.25T	
276	Flocele				50	0.90	45.00T	
	Subtotal						1,628.05	
	Sales Tax					4.90%	39.56	

Thank you for your business.

Total

\$1,667.61