

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

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: C & G Drilling, Inc.
 License: 32701
 Wellsite Geologist: Robert A. 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>6/11/06</u>	<u>6/18/06</u>	<u>6/18/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

**RECEIVED
JUN 29 2006
KCC WICHITA**

API No. 15 - 173-20986-0000
 County: Sedgwick
 E/2 NE SE Sec. 2 Twp. 25 S. R. 2 East West
2010 feet from S / N (circle one) Line of Section
240 feet from E / W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: GEB Well #: 1
 Field Name: None (Wildcat)
 Producing Formation: None
 Elevation: Ground: 1357 Kelly Bushing: 1364
 Total Depth: 3418 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 220 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 ALT I WITH
 (Data must be collected from the Reserve Pit) 12-11-07
 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: June 27, 2006

Subscribed and sworn to before me this 27th day of June,
20 06.

Notary Public: Carla R. Penwell
 Carla R. Penwell

NOTARY PUBLIC - State of Kansas
 Date Commission Expires October 6, 2009
CARLA R. PENWELL
 My Appt. Expires 10-6-09

KCC Office Use ONLY

Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

LOGS

Miss. Lime	2829	(-1465)
Kinderhook	3136	(-1772)
Rew. Hunton	3214	(-1850)
Hunton	3219	(-1855)
Viola	3272	(-1908)
Simpson	3330	(-1966)
Arbuckle	3380	(-2016)
LTD	3418	(-2054)

RECEIVED
JUN 29 2006
KCC WICHITA

CONSOLIDATED
OIL WELL
SERVICES, INC.
AN INFINITY COMPANY

REMIT TO
 Consolidated Oil Well Services, Inc.
 Dept. 1228
 Denver, CO 80256

MAIN OFFICE
 P.O. Box 884
 Chanute, KS 66720
 620/431-9210 • 1-800/467-8676
 FAX 620/431-0012

INVOICE

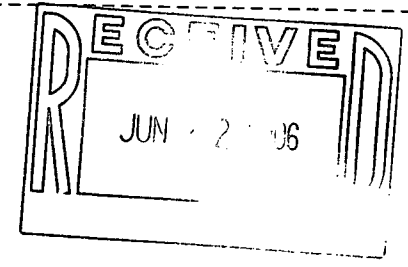
Invoice # 206219

Invoice Date: 06/19/2006 Terms:

Page 1

PALOMINO PETROLEUM, INC.
 4924 SE 84TH STREET
 NEWTON KS 67114-8827
 () -

GEB #1
 10168
 06-19-06



Part Number	Description	Qty	Unit Price	Total
1131	60/40 POZ MIX	125.00	9.3500	1168.75
1118A	S-5 GEL/ BENTONITE (50#)	450.00	.1400	63.00
	Description	Hours	Unit Price	Total
442	TON MILEAGE DELIVERY	315.00	1.05	330.75
463	P & A NEW WELL	1.00	800.00	800.00
463	EQUIPMENT MILEAGE (ONE WAY)	60.00	3.15	189.00

RECEIVED
 JUN 29 2006
 KCC WICHITA

Parts:	1231.75	Freight:	.00	Tax:	77.60	AR	2629.10
Labor:	.00	Misc:	.00	Total:	2629.10		
Sublt:	.00	Supplies:	.00	Change:	.00		

Signed _____ Date _____

BARTLESVILLE, OK
 P.O. Box 1453 74005
 918/338-0808

EUREKA, Ks
 820 E. 7th 67045
 620/583-7664

OTTAWA, Ks
 2631 So. Eisenhower Ave. 66067
 785/242-4044

GILLETTE, WY
 300 Enterprise Avenue 82716
 307/686-4914

THAYER, Ks
 8655 Dorn Road 66776
 620/839-5269

CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

TICKET NUMBER 10168
 LOCATION Eureka
 FOREMAN Steve Mead

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
6-19-06	6085	Geob #1				Sedawick
CUSTOMER Palomino Petroleum, Inc		CXC Drily. Rig 1	TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS 4924 S.E. 84th Street			463	Alan		
CITY Newton	STATE KS		442	Rick P		
ZIP CODE 67114						

JOB TYPE P.T.O. HOLE SIZE 7 7/8 HOLE DEPTH _____ CASING SIZE & WEIGHT _____
 CASING DEPTH _____ DRILL PIPE 4" TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING _____
 DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting. Rig up to 4" Drill pipe Set Cement plug as following

35 sks AT 3376'
50 sks AT 320'
25 sks AT 60'
15 sks Rathole
125 sks Total

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5405n	1	PUMP CHARGE	800.00	800.00
5406	60 60	MILEAGE	3.15	189.00
1131	125 sks	60/40 Poz-mix Cement	9.35	1168.75
118A	450 #	Gel 4%	.14	63.00
5407A	5.25 Tons	Ton mileage Bulk Truck	61.05 61.05	330.75
			Sub Total	2551.50
			SALES TAX 6.3%	77.60
			ESTIMATED TOTAL	2629.10

RECEIVED
 JUN 29 2006
 KCC WICHITA

206219

AUTHORIZATION Called by Jerry Gulick TITLE Zoolpusher DATE _____

CONSOLIDATED
OIL WELL
SERVICES, INC.
AN INFINITY COMPANY

REMIT TO
 Consolidated Oil Well Services, Inc.
 Dept. 1228
 Denver, CO 80256

MAIN OFFICE
 P.O. Box 884
 Chanute, KS 66720
 620/431-9210 • 1-800/467-8676
 FAX 620/431-0012

INVOICE

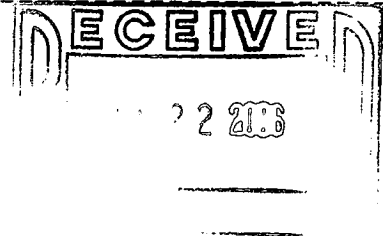
Invoice # 206217

Invoice Date: 06/19/2006 Terms:

Page 1

PALOMINO PETROLEUM, INC.
 4924 SE 84TH STREET
 NEWTON KS 67114-8827
 () -

GEB #1
 10156
 06-11-06



Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	145.00	11.2500	1631.25
1102	CALCIUM CHLORIDE (50#)	405.00	.6400	259.20
1118A	S-5 GEL/ BENTONITE (50#)	270.00	.1400	37.80
1107	FLO-SEAL (25#)	73.00	1.8000	131.40

Description	Hours	Unit Price	Total
463 CEMENT PUMP (SURFACE)	1.00	620.00	620.00
463 EQUIPMENT MILEAGE (ONE WAY)	60.00	3.15	189.00
479 TON MILEAGE DELIVERY	408.90	1.05	429.35

RECEIVED
 JUN 29 2006
 KCC WICHITA

Parts:	2059.65	Freight:	.00	Tax:	129.76	AR	3427.76
Labor:	.00	Misc:	.00	Total:	3427.76		
Sublt:	.00	Supplies:	.00	Change:	.00		

Signed _____ Date _____

BARTLESVILLE, OK
 P.O. Box 1453 74005
 918/338-0808

EUREKA, KS
 820 E. 7th 67045
 620/583-7664

OTTAWA, KS
 2631 So. Eisenhower Ave. 66067
 785/242-4044

GILLETTE, WY
 300 Enterprise Avenue 82716
 307/686-4914

THAYER, KS
 8655 Dorn Road 66776
 620/839-5269

CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

TICKET NUMBER 10156
 LOCATION Eureka
 FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
6-11-06	6285	Geob #1				SeDwick
CUSTOMER Palomino Petroleum Inc.						
MAILING ADDRESS 4924 S.E. 84 th st						
CITY Newton		STATE Ks	ZIP CODE 67114			
		TRUCK #	DRIVER	TRUCK #	DRIVER	
		463	Russ			
		479	Ed.			

JOB TYPE Surface HOLE SIZE 12 3/4" HOLE DEPTH 223 CASING SIZE & WEIGHT 8 5/8"
 CASING DEPTH 223' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 14.8[#] SLURRY VOL _____ WATER gal/sk 6.5[#] CEMENT LEFT in CASING 20'
 DISPLACEMENT 12 3/4 Bbl DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Mastix: Rig up to 8 5/8" Casing Break Circulation.
Mixed 120sk Class A Cement @ 14.8[#] Ppt/gal / Cement had 32 Cactz,
22 Gel + 1/2[#] Floccz. Displaced w/ 12 3/4 Bbl water. Shut casing in.
Cement Fell Back. wait 1hrs Top hole off w/ 25sk Cement.

Job Complete.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401S	1	PUMP CHARGE	620.00	620.00
5406	60 miles	MILEAGE	3.15	189.00
1104S	145sk	Class 'A' Cement	11.25	1631.25
1102	405 [#]	Cactz 33	.64 [#]	259.20
1118A	270 [#]	Gel 22	.14 [#]	37.80
1107	73 [#]	Floccz 1/2 [#] Ppt/gal	1.80 [#]	131.40
5407A	6.8 Ton	Ton-mileage Bulk Truck	1.05	429.35
Thank You!				
			Sub Total	3298.00
			SALES TAX	129.76
			ESTIMATED TOTAL	3427.76

AUTHORIZATION called by Terry Gulick

TITLE _____

DATE _____

206211