

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 30742  
Name: Palomino Petroleum, Inc.  
Address: 4924 SE 84th St.  
City/State/Zip: Newton, Kansas 67114-8827  
Purchaser: NCRA  
Operator Contact Person: Klee R. Watchous  
Phone: (316) 799-1000  
Contractor: Name: Southwind Drilling, Inc.  
License: 33350  
Wellsite Geologist: Jon R. (Zeb) Stewart

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>6/6/07</u>                     | <u>6/16/07</u>  | <u>6/16/07</u>                          |
| Spud Date or<br>Recompletion Date | Date Reached TD | Completion Date or<br>Recompletion Date |

API No. 15 - 135-24605-0000  
County: Ness  
W/2 W/2 SE Sec. 12 Twp. 20 S. R. 22  East  West  
1390 feet from S N (circle one) Line of Section  
2280 feet from E W (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: Wittman Well #: 3  
Field Name: Schaben  
Producing Formation: Mississippian  
Elevation: Ground: 2223 Kelly Bushing: 2233  
Total Depth: 4470 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at 224 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set 1432 Feet  
If Alternate II completion, cement circulated from 1432  
feet depth to surface w/ 160 sx cmt.

Drilling Fluid Management Plan Alt II NH 7-17-08  
(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: September 25, 2007  
Subscribed and sworn to before me this 25th day of September,  
20 07.  
Notary Public: Carla R. Penwell NOTARY PUBLIC State of Kansas  
Carla R. Penwell CARLA R. PENWELL  
Date Commission Expires: October 6, 2009 Expires 10-6-09

**KCC Office Use ONLY**

N Letter of Confidentiality Received  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received **RECEIVED**  
KANSAS CORPORATION COMMISSION  
UIC Distribution

**SEP 26 2007**

Operator Name: Palomino Petroleum, Inc. Lease Name: Wittman Well #: 3  
 Sec. 12 Twp. 20 S. R. 22  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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Attach Additional Sheets)</i><br><br>Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><br>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><br>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Submit Copy)</i><br><br>List All E. Logs Run:<br><br><b>Radiation Guard, Sonic</b> | <input checked="" type="checkbox"/> Log    Formation (Top), Depth and Datum <input type="checkbox"/> Sample<br><br><table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhy.</td> <td>1448</td> <td>(+ 785)</td> </tr> <tr> <td>Base Anhy.</td> <td>1482</td> <td>(+ 751)</td> </tr> <tr> <td>Topeka</td> <td>3388</td> <td>(-1155)</td> </tr> <tr> <td>Heebner</td> <td>3730</td> <td>(-1497)</td> </tr> <tr> <td>LKC</td> <td>3774</td> <td>(-1541)</td> </tr> <tr> <td>BKC</td> <td>4086</td> <td>(-1853)</td> </tr> <tr> <td>Marmaton</td> <td>4130</td> <td>(-1897)</td> </tr> <tr> <td>Pawnee</td> <td>4200</td> <td>(-1967)</td> </tr> </table> | Name    | Top | Datum | Anhy. | 1448 | (+ 785) | Base Anhy. | 1482 | (+ 751) | Topeka | 3388 | (-1155) | Heebner | 3730 | (-1497) | LKC | 3774 | (-1541) | BKC | 4086 | (-1853) | Marmaton | 4130 | (-1897) | Pawnee | 4200 | (-1967) |
| Name  | Top  | Datum   |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |
| Anhy.   | 1448   | (+ 785) |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |
| Base Anhy.  | 1482   | (+ 751) |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |
| Topeka  | 3388   | (-1155) |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |
| Heebner   | 3730   | (-1497) |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |
| LKC   | 3774   | (-1541) |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |
| BKC   | 4086   | (-1853) |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |
| Marmaton  | 4130   | (-1897) |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |
| Pawnee  | 4200   | (-1967) |     |       |       |      |         |            |      |         |        |      |         |         |      |         |     |      |         |     |      |         |          |      |         |        |      |         |

| 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 | # Sacks Used | Type and Percent Additives |
| Surface   | 12 1/4"           | 8 5/8"                    | 20#               | 224'          | Common         | 160          | 2% gel, 3% c.c.            |
| Production  | 7 7/8"            | 5 1/2"                    | 14#               | 4464'         | SMD            | 80           | 500 gal. mud flush w/add., |
|   |                   |                           |                   |               | EA2            | 100          | 20 bbls. KCL water         |

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

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br><i>(Amount and Kind of Material Used)</i> | Depth |
|----------------|---|--|-------|
| 4              | 4383-4388   |  |       |
|                |   |  |       |
|                |   |  |       |
|                |   |  |       |

|               |                |                 |           |  |
|---------------|----------------|-----------------|-----------|--|
| TUBING RECORD | Size<br>2 7/8" | Set At<br>4451' | Packer At | Liner Run<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|---------------|----------------|-----------------|-----------|--|

|   |   |         |                          |                          |
|---|---|---------|--------------------------|--------------------------|
| Date of First, Resumerd Production, SWD or Enhr.<br>7/19/07 | Producing Method<br><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.<br>15%    17  | Gas Mcf | Water Bbls.<br>85%    93 | Gas-Oil Ratio    Gravity |

Disposition of Gas    METHOD OF COMPLETION    Production Interval    **KANSAS CORPORATION COMMISSION**

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

**SEP 26 2007**

**LOGS**

|              |      |         |
|--------------|------|---------|
| Ft. Scott    | 4283 | (-2050) |
| Cherokee Sh. | 4303 | (-2070) |
| Miss. Chert  | 4356 | (-2133) |
| LTD          | 4470 | (-2237) |

RECEIVED  
KANSAS CORPORATION COMMISSION

SEP 26 2007

CONSERVATION DIVISION  
WICHITA, KS

# SWIFT



Services, Inc.

P. O. Box 466  
Ness City, KS 67560  
Off: 785-798-2300



## Invoice

|          |           |
|----------|-----------|
| DATE     | INVOICE # |
| 7/3/2007 | 12263     |

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

RECEIVED

JUL 10 2007

- Acidizing
- Cement
- Tool Rental

| TERMS      | Well No.                                 | Lease   | County | Contractor         | Well Type | Well Category | Job Purpose        | Operator  |
|------------|--|---------|--------|--------------------|-----------|---------------|--------------------|-----------|
| Net 30     | #3                                       | Wittman | Ness   | DS&W Well Servi... | Oil       | Development   | Cement Port Collar | Wayne     |
| PRICE REF. | DESCRIPTION                              |         |        |                    | QTY       | UM            | UNIT PRICE         | AMOUNT    |
| 575D       | Mileage - 1 Way                          |         |        |                    | 20        | Miles         | 4.00               | 80.00     |
| 577D       | Pump Charge - Port Collar                |         |        |                    | 1         | Job           | 850.00             | 850.00    |
| 105        | Port Collar Tool Rental With Man         |         |        |                    | 1         | Each          | 400.00             | 400.00T   |
| 330        | Swift Multi-Density Standard (MIDCON II) |         |        |                    | 155       | Sacks         | 14.50              | 2,247.50T |
| 276        | Flocele                                  |         |        |                    | 44        | Lb(s)         | 1.25               | 55.00T    |
| 290        | D-Air                                    |         |        |                    | 1         | Gallon(s)     | 32.00              | 32.00T    |
| 581D       | Service Charge Cement                    |         |        |                    | 175       | Sacks         | 1.10               | 192.50    |
| 583D       | Drayage                                  |         |        |                    | 173.84    | Ton Miles     | 1.00               | 173.84    |
|            | Subtotal                                 |         |        |                    |           |               |                    | 4,030.84  |
|            | Sales Tax Ness County                    |         |        |                    |           |               | 5.30%              | 144.93    |

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KANSAS CORPORATION COMMISSION  
SEP 26 2007  
CONSERVATION DIVISION  
WICHITA, KS

**We Appreciate Your Business!**

**Total**

\$4,175.77



CHARGE TO:  
**PALOMAZO PETROLEUM**  
 ADDRESS  
 CITY, STATE, ZIP CODE

RECEIVED  
 KANSAS CORPORATION COMMISSION

TICKET  
 No 12263

SEP 26 2007

CONSERVATION DIVISION

PAGE 1 OF 1

|  |  |                                     |  |                          |   |                       |                      |
|--|--|-------------------------------------|--|--------------------------|---|-----------------------|----------------------|
| SERVICE LOCATIONS<br>1. <b>NESS CITY, KS</b> | WELL/PROJECT NO.<br><b>#3</b>  | LEASE<br><b>WETTMAN</b>             | COUNTY/PARISH<br><b>NESS</b>             | STATE<br><b>Ks</b>       | CITY<br><b>WICHITA, KS</b>                          | DATE<br><b>9-3-07</b> | OWNER<br><b>SAME</b> |
| 2.   | TICKET TYPE<br><input checked="" type="checkbox"/> SERVICE<br><input type="checkbox"/> SALES | CONTRACTOR<br><b>DS-W</b>           | RIG NAME/NO.                             | SHIPPED VIA<br><b>CT</b> | DELIVERED TO<br><b>LOCATED</b>                      | ORDER NO.             |                      |
| 3.   | WELL TYPE<br><b>OIL</b>  | WELL CATEGORY<br><b>DEVELOPMENT</b> | JOB PURPOSE<br><b>CEMENT PORT COLLAR</b> | WELL PERMIT NO.          | WELL LOCATION<br><b>BAZDGE, KS - 9S, 1/2W, N210</b> |                       |                      |
| 4. REFERRAL LOCATION                         | INVOICE INSTRUCTIONS   |                                     |  |                          |   |                       |                      |

| PRICE REFERENCE | SECONDARY REFERENCE/<br>PART NUMBER | ACCOUNTING |      |    | DESCRIPTION                   | QTY.  |     | U/M    |    | UNIT PRICE | AMOUNT  |
|-----------------|-------------------------------------|------------|------|----|-------------------------------|-------|-----|--------|----|------------|---------|
|                 |                                     | LOC        | ACCT | DF |                               |       |     |        |    |            |         |
| 575             |                                     | 1          |      |    | MILEAGE # 104                 | 20    | ME  |        |    | 4.00       | 80.00   |
| 577             |                                     | 1          |      |    | PUMP SERVICE                  | 1     | NOB | 1432   | FT | 850.00     | 850.00  |
| 105             |                                     | 1          |      |    | PORT COLLAR OPENING TOOL      | 1     | NOB |        |    | 400.00     | 400.00  |
| 330             |                                     | 1          |      |    | SWIFT MULTI-DENSITY STANDARDS | 155   | SW  |        |    | 14.50      | 2247.50 |
| 276             |                                     | 1          |      |    | FLOCCLE                       | 44    | LBS |        |    | 1.25       | 55.00   |
| 290             |                                     | 1          |      |    | DAND                          | 1     | GAL |        |    | 32.00      | 32.00   |
| 581             |                                     | 1          |      |    | SIZE CHARGE CEMENT            | 175   | SW  |        |    | 1.10       | 192.50  |
| 583             |                                     | 1          |      |    | DRAINAGE                      | 17384 | LBS | 173.84 | TM | 1.00       | 173.84  |

**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x *[Signature]*

DATE SIGNED **9-3-07** TIME SIGNED **1300**  A.M.  P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

| SURVEY  | AGREE | UN-DECIDED | DIS-AGREE | PAGE TOTAL |         |
|---|-------|------------|-----------|------------|---------|
| OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?  |       |            |           |            | 4030.84 |
| WE UNDERSTOOD AND MET YOUR NEEDS?   |       |            |           |            |         |
| OUR SERVICE WAS PERFORMED WITHOUT DELAY?  |       |            |           |            |         |
| WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?                        |       |            |           |            |         |
| ARE YOU SATISFIED WITH OUR SERVICE?<br><input type="checkbox"/> YES <input type="checkbox"/> NO |       |            |           |            |         |
| <input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND                                       |       |            |           |            |         |
|   |       |            |           | TOTAL      | 4175.77 |

NESS TAX 5.3% 144.93

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR  
*WAVE WILSON*

APPROVAL  
 Thank You!

**JOB LOG**

**SWIFT Services, Inc.**

DATE 7-3-07 PAGE NO. 1

CUSTOMER PALOMAZO PETROLEUM WELL NO. #3 LEASE WETTMAN JOB TYPE CSMWT PORT COLLAR TICKET NO. 12263

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL) GAL | PUMPS |   | PRESSURE (PSI) |        | DESCRIPTION OF OPERATION AND MATERIALS |
|-----------|------|------------|------------------|-------|---|----------------|--------|--|
|           |      |            |                  | T     | C | TUBING         | CASING |  |
|           | 1300 |            |                  |       |   |                |        | ON LOCATED                             |
|           |      |            |                  |       |   |                |        | TRDNG - 2 3/8                          |
|           |      |            |                  |       |   |                |        | CASNG - 5 1/2                          |
|           |      |            |                  |       |   |                |        | PORT COLLAR - 1432'                    |
|           | 1405 |            |                  |       | ✓ |                | 1000   | PSI TEST CASNG - HEAD                  |
|           | 1410 | 3          | 2                | ✓     |   | 400            |        | OPSD PORT COLLAR - 2JT RATE            |
|           | 1415 | 4          | 86               | ✓     |   | 400            |        | MAX CSMWT 155 SMD 1/4" / FLOCCLE       |
|           | 1455 | 4          | 5                | ✓     |   | 500            |        | DISPARE CSMWT                          |
|           | 1500 |            |                  |       | ✓ | 1000           |        | CLOSE PORT COLLAR - PSI TEST - HEAD    |
|           |      |            |                  |       |   |                |        | CORRUATED 10 SIS CSMWT TO PET          |
|           | 1510 | 3 1/2      | 20               |       | ✓ | 400            |        | RUN 4 JTS - CORRUATE CLEAN             |
|           |      |            |                  |       |   |                |        | WASH TRUCK                             |
|           |      |            |                  |       |   |                |        | ALL TOOL                               |
|           | 1600 |            |                  |       |   |                |        | JOB COMPLETE                           |

THANK YOU  
WAGG, BRETT, AKA

RECEIVED  
KANSAS CORPORATION COMMISSION  
SEP 26 2007  
CONSERVATION DIVISION  
WICHITA KS



P. O. Box 466  
Ness City, KS 67560  
Off: 785-798-2300



# Invoice

|           |           |
|-----------|-----------|
| DATE      | INVOICE # |
| 6/16/2007 | 11542     |

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

RECEIVED

JUN 20 2007

- Acidizing
- Cement
- Tool Rental

| TERMS      | Well No.                                 | Lease   | County | Contractor           | Well Type | Well Category | Job Purpose | Operator  |
|------------|--|---------|--------|----------------------|-----------|---------------|-------------|-----------|
| Net 30     | #3                                       | Wittman | Ness   | SouthWind Drillin... | Oil       | Development   | LongString  | Dave      |
| PRICE REF. | DESCRIPTION                              |         |        |                      | QTY       | UM            | UNIT PRICE  | AMOUNT    |
| 575D       | Mileage - 1 Way                          |         |        |                      | 30        | Miles         | 4.00        | 120.00    |
| 578D-L     | Pump Charge - Long String                |         |        |                      | 1         | Job           | 1,250.00    | 1,250.00  |
| 221        | Liquid KCL (Clayfix)                     |         |        |                      | 2         | Gallon(s)     | 26.00       | 52.00T    |
| 281        | Mud Flush                                |         |        |                      | 500       | Gallon(s)     | 0.75        | 375.00T   |
| 290        | D-Air                                    |         |        |                      | 2         | Gallon(s)     | 32.00       | 64.00T    |
| 402-5      | 5 1/2" Centralizer                       |         |        |                      | 10        | Each          | 95.00       | 950.00T   |
| 403-5      | 5 1/2" Cement Basket                     |         |        |                      | 3         | Each          | 290.00      | 870.00T   |
| 404-5      | 5 1/2" Port Collar                       |         |        |                      | 1         | Each          | 2,300.00    | 2,300.00T |
| 406-5      | 5 1/2" Latch Down Plug & Baffle          |         |        |                      | 1         | Each          | 235.00      | 235.00T   |
| 407-5      | 5 1/2" Insert Float Shoe With Auto Fill  |         |        |                      | 1         | Each          | 310.00      | 310.00T   |
| 419-5      | 5 1/2" Rotating Head Rental              |         |        |                      | 1         | Each          | 250.00      | 250.00T   |
| 325        | Standard Cement                          |         |        |                      | 100       | Sacks         | 12.00       | 1,200.00T |
| 330        | Swift Multi-Density Standard (MIDCON II) |         |        |                      | 100       | Sacks         | 14.50       | 1,450.00T |
| 276        | Flocele                                  |         |        |                      | 50        | Lb(s)         | 1.25        | 62.50T    |
| 283        | Salt                                     |         |        |                      | 500       | Lb(s)         | 0.20        | 100.00T   |
| 284        | Calseal                                  |         |        |                      | 5         | Sack(s)       | 30.00       | 150.00T   |
| 285        | CFR-1                                    |         |        |                      | 50        | Lb(s)         | 4.00        | 200.00T   |
| 581D       | Service Charge Cement                    |         |        |                      | 200       | Sacks         | 1.10        | 220.00    |
| 583D       | Drayage                                  |         |        |                      | 204.6     | Ton Miles     | 1.00        | 204.60    |
|            | Subtotal                                 |         |        |                      |           |               |             | 10,363.10 |
|            | Sales Tax Ness County                    |         |        |                      |           |               | 5.30%       | 454.13    |

Thank You For Your Business!

Total

\$10,817.23

RECEIVED  
KANSAS CORPORATION COMMISSION

SEP 26 2007

CONSERVATION DIVISION  
WICHITA, KS



CHARGE TO: Palomino Petroleum  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

TICKET  
 No 11542

PAGE 1 OF 2  
 RECEIVED  
 SEP 26 2007  
 KANSAS CORPORATION COMMISSION  
 CONCENTRATION: 25%  
 PHITA: 1.9

|                                     |  |                                 |  |  |  |                         |       |
|-------------------------------------|--|---------------------------------|--|--|--|-------------------------|-------|
| SERVICE LOCATIONS<br>1. <u>HAYS</u> | WELL/PROJECT NO.<br><u>#3</u>  | LEASE<br><u>WITTMAN</u>         | COUNTY/PARISH<br><u>NESS</u>               | STATE<br><u>KS</u>                     | CITY   | DATE<br><u>06-16-07</u> | OWNER |
| 2. <u>NESS</u>                      | TICKET TYPE<br><input checked="" type="checkbox"/> SERVICE<br><input type="checkbox"/> SALES | CONTRACTOR                      | RIG NAME/NO.<br><u>SOUTH WIND DRILL #1</u> | SHIPPED VIA<br><u>CT</u>               | DELIVERED TO<br><u>RS. VAD, NINTO BAZINCKA</u> | ORDER NO.               |       |
| 3.                                  | WELL TYPE<br><u>OIL</u>  | WELL CATEGORY<br><u>DEVELOP</u> | JOB PURPOSE<br><u>LONG STRING</u>          | WELL PERMIT NO.<br><u>15-135-24605</u> | WELL LOCATION<br><u>SLD, T20, R22</u>          |                         |       |
| 4. REFERRAL LOCATION                | INVOICE INSTRUCTIONS   |                                 |  |  |  |                         |       |

| PRICE REFERENCE | SECONDARY REFERENCE/<br>PART NUMBER | ACCOUNTING |      |    | DESCRIPTION                             | QTY. |     | UNIT PRICE |    | AMOUNT  |
|-----------------|-------------------------------------|------------|------|----|---|------|-----|------------|----|---------|
|                 |                                     | LOC        | ACCT | DF |   | QTY. | UM  | QTY.       | UM |         |
| 575             |                                     | 1          |      |    | MILEAGE #105                            | 30   | mi  | 4          | 00 | 120 00  |
| 578             |                                     | 1          |      |    | PUMP SERVICE                            | 1    | EA  | 1250       | 00 | 1250 00 |
| 221             |                                     | 1          |      |    | LIQUID WCL                              | 2    | GAL | 26         | 00 | 52 00   |
| 231             |                                     | 1          |      |    | MUD FLUSH                               | 500  | GAL | 75         |    | 375 00  |
| 290             |                                     | 1          |      |    | D-AIR                                   | 2    | GAL | 32         | 00 | 64 00   |
| 402             |                                     | 1          |      |    | CENTRALIZER                             | 10   | EA  | 95         | 00 | 950 00  |
| 403             |                                     | 1          |      |    | CMT BASINET                             | 3    | EA  | 290        | 00 | 870 00  |
| 404             |                                     | 1          |      |    | PORT COLLAR #060915Y 1433 <sup>mm</sup> | 1    | EA  | 2300       | 00 | 2300 00 |
| 406             |                                     | 1          |      |    | LATCH DOWN PLUG BASINET                 | 1    | EA  | 235        | 00 | 235 00  |
| 407             |                                     | 1          |      |    | INSERT FRONT SIDE 1/2 AUTO FILL         | 1    | EA  | 310        | 00 | 310 00  |
| 419             |                                     | 1          |      |    | ROTATING HEAD RENTAL                    | 1    | EA  | 250        | 00 | 250 00  |

**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X  
 DATE SIGNED 06-16-07 TIME SIGNED 0500  A.M.  P.M.

REMIT PAYMENT TO:  
 SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

| SURVEY  | AGREE | UN-DECIDED | DIS-AGREE |                 |           |
|---|-------|------------|-----------|-----------------|-----------|
| OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?  |       |            |           | P6-1 PAGE TOTAL | 6776 00   |
| WE UNDERSTOOD AND MET YOUR NEEDS?   |       |            |           | P6-2            | 3,587 10  |
| OUR SERVICE WAS PERFORMED WITHOUT DELAY?  |       |            |           | SUB TOTAL       | 10,363 10 |
| WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?                        |       |            |           | 17 CSS TAX 5.3% | 454 13    |
| ARE YOU SATISFIED WITH OUR SERVICE?<br><input type="checkbox"/> YES <input type="checkbox"/> NO |       |            |           | TOTAL           | 10,817 23 |
| <input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND                                       |       |            |           |                 |           |

**CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES** The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR DAVE ASH

APPROVAL [Signature]

Thank You!





**JOB LOG**

**SWIFT Services, Inc.**

DATE 06-16-07 PAGE NO. 1

CUSTOMER PALOMINO PETROLEUM WELL NO. #3 LEASE WITTMAN JOB TYPE LONGSTRING TICKET NO. 11542

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL) (GAL) | PUMPS |   | PRESSURE (PSI) |        | DESCRIPTION OF OPERATION AND MATERIALS  |
|-----------|------|------------|--------------------|-------|---|----------------|--------|---|
|           |      |            |                    | T     | C | TUBING         | CASING |   |
|           | 0530 |            |                    |       |   |                |        | ONLOCATION, DISCUSS JOB, LAYING DOWN D.P. CHANGE OVER<br>CMT: 100 SMD, 100 EA-2<br>PTD 4470, SET PIPE @ 4464, SJ 18.72, INSERT 4448<br>5 1/2" 14 1/4" PORT COLLAR ON TOP # 72, 1432 FT<br>CENT 1, 2, 4, 5, 7, 10, 13, 17, 25, 71 BASKETS 3, 6, 72 |
|           | 0900 |            |                    |       |   |                |        | TRUCKS ON LOCATION  |
|           | 0850 |            |                    |       |   |                |        | START FLAT FOU. @ CSG   |
|           | 1030 |            |                    |       |   |                |        | TAC BOTTEM - DROP BALL<br>HOOKUP  |
|           | 1043 |            |                    |       |   |                |        | BREAK CIRC - ROTATE PIPE  |
|           | 1200 |            | 41B                |       |   |                |        | PLUG RH, MA   |
|           | 1205 | 60         | 0                  |       | ✓ |                | 200    | ST. MUD FLUSH   |
|           |      |            | 12                 |       | ✓ |                |        | ST. WCL FLUSH   |
|           |      |            | 32                 |       | ✓ |                |        | END FLUSHES   |
|           | 1210 | 50         | 0                  |       | ✓ |                | 200    | ST. SMO CMT 85 SH @ 12.5"   |
|           |      |            | 32                 |       | ✓ |                |        | ST. EA-2 CMT 100 SH @ 13.5"   |
|           |      |            | 58                 |       | ✓ |                |        | END CMT   |
|           |      |            |                    |       |   |                |        | WASH OUT PL, DROP LATCH DOWN PLUG   |
|           | 1225 | 60         | 0                  |       | ✓ |                | 100    | ST. DISP 1/4 H2O  |
|           |      | 60         | 50                 |       | ✓ |                | 200    | CMT ON BOTTEM   |
|           |      |            | 80                 |       |   |                | 300    |   |
|           |      |            | 85                 |       |   |                | 400    |   |
|           |      |            | 90                 |       |   |                | 500    |   |
|           |      |            | 95                 |       |   |                | 650    |   |
|           |      |            | 100                |       |   |                | 700    |   |
|           |      |            | 105.0              |       |   |                | 800    |   |
|           | 1245 | 40         | 108.5              |       | ✓ |                | 1500   | LAND PLUG   |
|           | 1250 |            |                    |       |   |                |        | RELEASE PSI - DRY   |
|           |      |            |                    |       |   |                |        | WASHUP  |
|           |      |            |                    |       |   |                |        | RACHUP  |
|           |      |            |                    |       |   |                |        | TICKETS   |
|           |      |            |                    |       |   |                |        | RECEIVED<br>KANSAS CORPORATION COMMISSION<br>SEP 26 2007<br>CONSERVATION DIVISION<br>WICHITA, KS  |
|           | 1330 |            |                    |       |   |                |        | JOB COMPLETE:<br>THANKYOU!<br>DAVE, BLAINE, ROB   |



# ALLIED


**CEMENTING CO., LLC**  
Cementing & Acidizing Services

24 S. Lincoln Street  
P.O. Box 31  
Russell, KS 67665-2906  
Voice: (785) 483-3887  
Fax: (785) 483-5566

# INVOICE

Invoice Number: 108680  
Invoice Date: Jun 13, 2007  
Page: 1

RECEIVED  
JUN 15 2007

Federal Tax I.D.#: 

|   |
|---|
| <b>Bill To:</b>   |
| Palomino Petroleum, Inc.<br>4924 SE 84th St.<br>Newton, KS 67114-8827 |

|                     |                                    |                      |                 |
|---------------------|------------------------------------|----------------------|-----------------|
| <b>Customer ID</b>  | <b>Well Name# or Customer P.O.</b> | <b>Payment Terms</b> |                 |
| Palo                | Whittman #3                        | Net 30 Days          |                 |
| <b>Sales Rep ID</b> | <b>Camp Location</b>               | <b>Service Date</b>  | <b>Due Date</b> |
|                     | Great Bend                         | Jun 13, 2007         | 7/13/07         |

| Quantity | Item | Description                        | Unit Price | Amount   |
|----------|------|------------------------------------|------------|----------|
| 160.00   | MAT  | Common                             | 11.10      | 1,776.00 |
| 3.00     | MAT  | Gel                                | 16.65      | 49.95    |
| 5.00     | MAT  | Chlordie                           | 46.60      | 233.00   |
| 168.00   | SER  | Handling                           | 1.90       | 319.20   |
| 25.00    | SER  | Mileage 168 sx @ .09 per sx per mi | 15.12      | 378.00   |
| 1.00     | SER  | Pump Truck Charge                  | 815.00     | 815.00   |
| 25.00    | SER  | Mileage                            | 6.00       | 150.00   |
| 1.00     | SER  | Head Rental                        | 100.00     | 100.00   |
| 1.00     | EQP  | Wooden Plug                        | 60.00      | 60.00    |

RECEIVED  
KANSAS CORPORATION COMMISSION  
SEP 26 2007  
CONSERVATION DIVISION  
WICHITA, KS

ALL PRICES ARE NET, PAYABLE  
30 DAYS FOLLOWING DATE OF  
INVOICE. 1 1/2% CHARGED  
THEREAFTER. IF ACCOUNT IS  
CURRENT, TAKE DISCOUNT OF

\$ 388.11

ONLY IF PAID ON OR BEFORE

JUL 13 2007

|                        |                 |
|------------------------|-----------------|
| Subtotal               | 3,881.15        |
| Sales Tax              | 112.30          |
| Total Invoice Amount   | 3,993.45        |
| Payment/Credit Applied |                 |
| <b>TOTAL</b>           | <b>3,993.45</b> |



RECEIVED  
KANSAS CORPORATION COMMISSION

SEP 26 2007

CONSERVATION DIVISION  
WICHITA, KS

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