

ORIGINAL

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

KCC  
MAY 30 2008

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: Pickrell Drilling Company, Inc.  
 License: 5123  
 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. \_\_\_\_\_

4/28/08	5/9/08	5/9/08
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-24777-0000  
 County: Ness  
 NW  SE  SW  NE Sec. 5 Twp. 19 S. R. 25  East  West  
2440 feet from (S) N (circle one) Line of Section  
900 feet from (E) W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE (SE) NW SW  
 Lease Name: H1 Unit Well #: 1  
 Field Name: Laird SW Ext.  
 Producing Formation: Mississippian  
 Elevation: Ground: 2465 Kelly Bushing: 2470  
 Total Depth: 4540 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 1740 Feet  
 If Alternate II completion, cement circulated from 1740  
 feet depth to surface w/ 150 sx cmt.

APZ- Dia - 7/14/08

**Drilling Fluid Management Plan**  
 (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.: \_\_\_\_\_

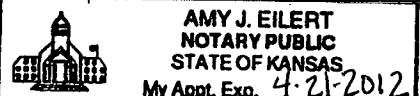
**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information 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: June 27, 2008

Subscribed and sworn to before me this 27th day of June  
20 08

Notary Public: Amy J. Eilert  
 Date Commission Expires: April 21, 2012



**KCC Office Use ONLY**

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

**RECEIVED**  
 KANSAS CORPORATION COMMISSION  
**JUN 30 2008**

CONSERVATION DIVISION  
 WICHITA, KS

Operator Name: Palomino Petroleum, Inc. Lease Name: H1 Unit Well #: 1  
 Sec. 5 Twp. 19 S. R. 25  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:

Micro, Sonic, Radiation Guard

<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample		
Name	Top	Datum
Anhy.	1753	(+ 717)
Base Anhy.	1790	(+ 680)
Topeka	3511	(-1041)
Heebner	3808	(-1338)
LKC	3853	(-1383)
BKC	4171	(-1701)
Marmaton	4203	(-1733)
Pawnee	4290	(-1820)

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#	219'	Common	160	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4534'	EA-2	100	500 gal. mud flush
					SMD	60	w/add., 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				
<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 Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth		
4	4462-4468				
<b>RECEIVED</b> KANSAS CORPORATION COMMISSION <b>JUN 30 2008</b> CONSERVATION DIVISION WICHITA, KS					
TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 7/8"	4503'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
05/29/08			<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
	100% 29		0%	0	

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

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled

Production Interval  Other (Specify) \_\_\_\_\_

**Name**

Ft. Scott	4364	(-1894)
Cherokee Sh.	4388	(-1918)
Miss. Dolo.	4458	(-1988)
LTD	4540	(-2070)

**RECEIVED**  
KANSAS CORPORATION COMMISSION

**JUN 30 2008**

CONSERVATION DIVISION  
WICHITA, KS



# ALLIED

CEMENTING CO., LLC  
Cementing & Acidizing Services

# INVOICE

24 S. Lincoln Street  
P.O. Box 31  
Russell, KS 67665-2906

RECEIVED

Invoice Number: 113786

Invoice Date: Apr 30, 2008

Page: 1

Voice: (785) 483-3887  
Fax: (785) 483-5566

MAY 07 2008

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

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Palo	H1 Unit #1	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS	Great Bend	Apr 30, 2008	5/30/08

Quantity	Item	Description	Unit Price	Amount
160.00	MAT	Class A Common	12.30	1,968.00
3.00	MAT	Gel	18.40	55.20
5.00	MAT	Chloride	51.50	257.50
168.00	SER	Handling	2.10	352.80
1.00	SER	Minimum Handling Mileage Charge	277.00	277.00
1.00	SER	Surface	900.00	900.00
12.00	SER	Mileage Pump Truck	7.00	84.00
1.00	SER	Head Rental	111.00	111.00
1.00	SER	Wooden Plug	67.00	67.00

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

\$ 407.25

ONLY IF PAID ON OR BEFORE

May 30, 2008

Subtotal	4,072.50
Sales Tax	124.43
Total Invoice Amount	4,196.93
Payment/Credit Applied	
<b>TOTAL</b>	<b>4,196.93</b>

# ALLIED CEMENTING CO., INC.

30675

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

SERVICE POINT:  
Ness City, Ks

DATE <u>4-29-08</u>	SEC. <u>5</u>	TWP. <u>19</u>	RANGE <u>25</u>	CALLED OUT <u>10:00 PM</u>	ON LOCATION <u>1:30 AM</u>	JOB START <u>2:00 AM</u>	JOB FINISH <u>3:00 AM</u>
LEASE <u>H1 unit</u>	WELL# <u>1</u>	LOCATION <u>Laird 2w, 15, 2 1/2 W/Int</u>			COUNTY <u>Ness</u>	STATE <u>Ks</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR Pickcell #10  
 TYPE OF JOB Surface Job  
 HOLE SIZE 12 1/4" T.D. 226'  
 CASING SIZE 8 3/8" DEPTH 226'  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX 200 # MINIMUM 0  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT 15'  
 CEMENT LEFT IN CSG. 15'  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT 13 1/2 BBLs of freshwater

OWNER Palamino  
 CEMENT  
 AMOUNT ORDERED 160 sx Common 3%CC  
2% Gel

COMMON	<u>160</u>	@	<u>12.30</u>	<u>1968.00</u>
POZMIX		@		
GEL	<u>3</u>	@	<u>19.40</u>	<u>58.20</u>
CHLORIDE	<u>5</u>	@	<u>51.50</u>	<u>257.50</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>168</u>	@	<u>2.10</u>	<u>352.80</u>
MILEAGE	<u>168 x 12 x .09</u>	(Min)		<u>277.00</u>
TOTAL				<u>2910.50</u>

**EQUIPMENT**

PUMP TRUCK CEMENTER Rich H.  
 # 120 HELPER Wayne D.  
 BULK TRUCK  
 # 342 DRIVER Carl S.  
 BULK TRUCK  
 # \_\_\_\_\_ DRIVER \_\_\_\_\_

**REMARKS:**

pipe on bottom break Circulation mixed  
160 sx Common 3%CC, 2% Gel, shut down  
Released plug and displaced with 13 1/2 BBLs  
of fresh water and shut in. washed up  
and rigged down.  
Cement did Circulate!  
IN CELLAR!

**SERVICE**

DEPTH OF JOB	<u>226'</u>		
PUMP TRUCK CHARGE			<u>900.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>12</u>	@	<u>7.00</u>
MANIFOLD		@	
<u>Head Rent</u>		@	<u>111.00</u>
		@	
TOTAL <u>1095.00</u>			

CHARGE TO: Palamino  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**PLUG & FLOAT EQUIPMENT**

<u>1 wooden plug</u>		@	<u>67.00</u>	<u>67.00</u>
		@		
		@		
		@		
		@		
TOTAL <u>67.00</u>				

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 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 x Mike Kern

x Mike Kern  
 PRINTED NAME

# SWIFT



Services, Inc.

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



## Invoice

DATE	INVOICE #
5/15/2008	14240

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

RECEIVED

MAY 17 2008

- Acidizing
- Cement
- Tool Rental

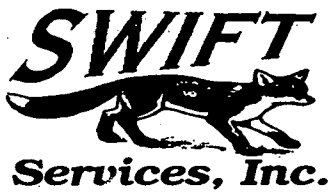
TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	Unit #1	H2	Ness	DS&W Well Servi...	Oil	Development	Cement Port Collar	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				15	Miles	6.00	90.00
578D-D	Pump Charge - Port Collar - 1740 Feet				1	Job	1,400.00	1,400.00
105	Port Collar Tool Rental With Man				1	Each	400.00	400.00
330	Swift Multi-Density Standard (MIDCON II)				150	Sacks	15.50	2,325.00
276	Flocele				50	Lb(s)	1.50	75.00
290	D-Air				2	Gallon(s)	35.00	70.00
581D	Service Charge Cement				200	Sacks	1.90	380.00
583D	Drayage				149.78	Ton Miles	1.75	262.12
	Subtotal							5,002.12
	Sales Tax Ness County						5.30%	152.11

RECEIVED  
KANSAS CORPORATION COMMISSION  
JUN 30 2008  
CONSERVATION DIVISION  
WICHITA, KS

**We Appreciate Your Business!**

**Total**

\$5,154.23



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

RECEIVED RECREATION COMMISSION  
 KANSAS CORPORATION COMMISSION  
 JUN 30 2008  
 CONSERVATION DIVISION  
 WICHITA, KS

TICKET

No 14240

PAGE 1 OF 1

1. SERVICE LOCATIONS <b>Ness City, Ks</b>	WELL/PROJECT NO. <b>UNIT #1</b>	LEASE <b>H2</b>	COUNTY/PARISH <b>Ness</b>	STATE <b>Ks</b>	CITY	DATE <b>5-15-08</b>	OWNER <b>SAME</b>
2. TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <b>DS-W</b>	RIG NAME/NO.	SHIPPED VIA <b>CT</b>	DELIVERED TO <b>LOCATION</b>	ORDER NO.		
3. WELL TYPE <b>OIL</b>	WELL CATEGORY <b>DEVELOPMENT</b>	JOB PURPOSE <b>CEMENT PORT COLLAR</b>	WELL PERMIT NO.	WELL LOCATION <b>Land, Ks - 1/2 W, 1/2 S, 2 1/2 W 210</b>			
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	UM	QTY.	UM	
575		1			MILEAGE #104	15	ME		6.00	90.00
578		1			PUMP SERVICE	1	JOB	1740	1400.00	1400.00
105		1			PORT COLLAR OPENING TOOL	1	JOB		400.00	400.00
330		1			SWIFT MULTI- DENSITY STAINLESS	150	SBS		15.50	2325.00
276		1			FLOCE	50	lbs		1.50	75.00
290		1			D-ADD	2	GAZ		35.00	70.00
581		1			SERVICE CHARGE CEMENT	200	SBS		1.90	380.00
583		1			DRAYAGE	19970	lbs	149.78	TM	262.12

**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

*[Signature]*

DATE SIGNED: **5-15-08** TIME SIGNED: **0930**  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?					5002.12
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?	<input type="checkbox"/> YES <input type="checkbox"/> NO				
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	5154.23

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

SWIFT OPERATOR: *Wayne Wilson* APPROVAL:

Thank You!

**JOB LOG**

**SWIFT Services, Inc.**

DATE 5-15-08 PAGE NO. 1

CUSTOMER PALOMINO PETROLEUM WELL NO. UNIT #1 LEASE H1 JOB TYPE CEMENT PORT COLLAR TICKET NO. 14240

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0930							ON LOCATION
								TUBING - 2 3/8 CASING - 5 1/2 PORT COLLAR = 1740'
	1030				✓		1000	PSE TEST CASING - HELD
	1035	3	2	✓		400		OPEN PORT COLLAR - INIT RATE
	1040	4	83	✓		400		MIX CEMENT 150 SLS STD 1/4" FLEXCEL = 11.2 PAG
	1100	3 1/2	6	✓		550		DISPLACE CEMENT
	1110			✓		1000		CLOSE PORT COLLAR - PSE TEST - HELD
								CIRCULATE 10 SLS CEMENT TO POT
	1125	3 1/2	20	✓		400		RUN 40TS - CIRCULATE CLEAN
								WASH TRUCK
								PULL TOOL
	1200							JOB COMPLETE

THANK YOU  
WAYNE BRETT, ROB

RECEIVED  
KANSAS CORPORATION COMMISSION  
JUN 30 2008  
CONSERVATION DIVISION  
WICHITA, KS



# SWIFT



Services, Inc.

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

RECEIVED

MAY 21 2008

## Invoice

DATE	INVOICE #
5/19/2008	14451

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

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	Unit #1	H1	Ness	DS&W Well Servi...	Oil	Development	Acid Dump	Dusty
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
502	Delivery Charge (4 Hour Minimum)				4	Hours	75.00	300.00
303 - 15%	MCA Acid				250	Gallons	1.85	462.50
235	INH.1 ESA-28				0.5	Gallon(s)	42.00	21.00
249	STR-1 (Pen 88)				1	Gallon(s)	42.00	42.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	26.00	52.00
	Subtotal							877.50
	Sales Tax Ness County						5.30%	0.00

RECEIVED  
KANSAS CORPORATION COMMISSION  
JUN 30 2008  
CONSERVATION DIVISION  
WICHITA, KS

**We Appreciate Your Business!**

**Total**

**\$877.50**



CHARGE TO: PALOMENO PETROLEUM INC.  
 ADDRESS \_\_\_\_\_  
 CITY, STATE, ZIP CODE \_\_\_\_\_

TICKET

No 14451

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>NESS CITY KS.</u>	WELL/PROJECT NO. <u>#1</u>	LEASE <u>H1 UNIT</u>	COUNTY/PARISH <u>NESS CO. 1</u>	STATE <u>KS.</u>	CITY <u>NESS CITY KS.</u>	DATE <u>05/19/08</u>	OWNER
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>DSW</u>	RIG NAME/NO. <u>JIM</u>	SHIPPED VIA	DELIVERED TO <u>LOCATION</u>	ORDER NO.	
3.	WELL TYPE <u>DEWELL</u>	WELL CATEGORY <u>DEVELOPMENT</u>	JOB PURPOSE <u>ACIDIZE WELL</u>	WELL PERMIT NO.	WELL LOCATION <u>8W, 1/2S, W, S.W FUTO</u>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	U/M	QTY.	U/M	
502		1			MILEAGE DELIVERY CHARGE MIN	1	@	4	75.00	300.00
303		1			MCA ACID	250	gal	15.70	1.85	462.50
235		1			INHIB-1	1	gal		42.00	21.00
249		1			STR-1	1	gal		42.00	42.00
221		1			LIQUID KCL	2	gal		26.00	52.00
					Dump Job					

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 JUN 3 2008  
 8007 0 8 AM  
 RECEIVED BY  
 CONSERVATION DEPARTMENT  
 STATE OF KANSAS

**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

DATE SIGNED 05/19/08 TIME SIGNED 11:45  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	877.50
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					
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?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO			
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	877.50

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

SWIFT OPERATOR DUSTY D. TALK

APPROVAL

Thank You!

# SWIFT



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



## Invoice

DATE	INVOICE #
5/9/2008	14231

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

RECEIVED

MAY 10 2008

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	Unit #1	H1	Lane	Pickrell Drilling #10	Oil	Development	5-1/2" LongString	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				15	Miles	6.00	90.00
578D-L	Pump Charge - Long String - 4534 Feet				1	Job	1,400.00	1,400.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	26.00	52.00T
281	Mud Flush				500	Gallon(s)	1.00	500.00T
402-5	5 1/2" Centralizer				10	Each	100.00	1,000.00T
403-5	5 1/2" Cement Basket				4	Each	300.00	1,200.00T
404-5	5 1/2" Port Collar - Top Joint #68 - 1740 Feet				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	12.75	1,275.00T
330	Swift Multi-Density Standard (MIDCON II)				75	Sacks	15.50	1,162.50T
276	Flocele				44	Lb(s)	1.50	66.00T
283	Salt				500	Lb(s)	0.20	100.00T
284	Calseal				5	Sack(s)	30.00	150.00T
285	CFR-1				50	Lb(s)	4.50	225.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
581D	Service Charge Cement				175	Sacks	1.90	332.50
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							10,968.00
	Sales Tax Lane County						5.30%	471.46

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WICHITA, KS

**We Appreciate Your Business!**

**Total**

**\$11,439.46**



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

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 WICHITA, KS

TICKET No. **14231**

PAGE 1 OF 2

1. SERVICE LOCATIONS <b>Ness City KS</b>	WELL/PROJECT NO. <b>UNET #1</b>	LEASE <b>H1</b>	COUNTY/PARISH <b>LANE</b>	STATE <b>Ks</b>	CITY	DATE <b>5-9-08</b>	OWNER <b>SAME</b>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <b>PECKELL DRILL #10</b>	RIG NAME/NO.	SHIPPED VIA <b>CT</b>	DELIVERED TO <b>LOCATION</b>	ORDER NO.	
3.	WELL TYPE <b>OIL</b>	WELL CATEGORY <b>DEVELOPMENT</b>	JOB PURPOSE <b>5 1/2" LONGSTRING</b>	WELL PERMIT NO.	WELL LOCATION <b>LANE, KS - 1/2 W, 1/2 S, 1/2 W &amp; S</b>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #104	15		ME		6.00	90.00
578		1			PUMP SERVICE	1		JOB	4534 FT	1400.00	1400.00
221		1			LIGAND KCL	2		Gal		26.00	52.00
281		1			MUD FLUSH	500		Gal		1.00	500.00
402		1			CENTRALIZERS	10		EA	5 1/2"	100.00	1000.00
403		1			CEMENT BASKETS	4		EA		300.00	1200.00
404		1			PORT COLLAR TOP JT #68	1		EA	1740 FT	2300.00	2300.00
406		1			LATCH DOWN PLUG - BAFFLE	1		EA		235.00	235.00
407		1			INSERT FLOAT SHOE w/AUTO FILL	1		EA		310.00	310.00
419		1			ROTATING HEAD RENTAL	1		JOB		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

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

<b>SURVEY</b>	AGREE	UN-DECIDED	DIS-AGREE	<b>PAGE TOTAL</b>	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				#1	7337.00
WE UNDERSTOOD AND MET YOUR NEEDS?				#2	3631.00
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Subtotal	10,968.00
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX	471.46
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			Lane 5.3%	
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				<b>TOTAL</b>	<b>11,439.46</b>

X

DATE SIGNED: **5-9-08** TIME SIGNED: **0400**  A.M.  P.M.

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

SWIFT OPERATOR: **Wayne Wilson** APPROVAL: *[Signature]*

**Thank You!**



PO Box 466  
Ness City, KS 67560  
Off: 785-798-2300

TICKET CONTINUATION

TICKET No. 14231

CUSTOMER PALOMIZO PENOLEUM WELL H1 UNOT #1 DATE 5-9-08 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY		UNIT PRICE		AMOUNT	
		LOC	ACCT	DF			QTY	UM	QTY	UM		
325		1				STANDARD CEMENT EA-2	100	SKS		12.75	1275.00	
330		1				SWIFT MULTI-DENSITY STANDARD	75	SKS		15.50	1162.50	
276		1				FLOCELE	44	UBS		1.50	66.00	
283		1				SALT	500	UBS		.20	100.00	
284		1				CALSEAL	5	SKS	500	UBS	30.00	150.00
385		1				CFR-1	50	UBS		4.50	225.00	
290		1				D-AD	2	GAL		35.00	70.00	
581		1				SERVICE CHARGE						
582		1				MILEAGE CHARGE						
						TOTAL WEIGHT						
						LOADED MILES						
						CUBIC FEET						
						TON MILES						

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CONTINUATION TOTAL 3631.00

JOB LOG

SWIFT Services, Inc.

DATE 5-9-08 PAGE NO.

CUSTOMER PALOMERO PETROLEUM WELL NO. UNDT # 1 LEASE H 1 JOB TYPE 5 1/2" LOGS TRING TICKET NO. 14231

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0400							ON LOCATION
	0545							START 5 1/2" CASING IN WELL
								TD- 4540 SETC 4534
								TP- 4534 5 1/2" #/R 14
								ST- 19.53'
								CENTRALIZERS - 1, 2, 4, 5, 10, 12, 15, 18, 22, 67
								CMT BSRS - 3, 6, 11, 68
								PORT COLLAR e 1740 TOP JT # 68
	0745							DROP BALL - CIRCULATE ROTATE
	0847	6	12				500	PUMP 500 GAL MUDFLUSH "
	0849	6	20				500	PUMP 20 BBLS KCL-FLUSH "
	0855		4					PLUG RH
	0858	5 1/2	31				350	MAX COMPT UD- 75 SMD e 12.2 PPG "
		5	24				200	TL- 100 EA-2 e 15.5 PPG "
	0908							WASH OUT PUMP - LEVES
	0909							RELEASE LATCH DOWN PLUG
	0910	7	0					DISPLACE PLUG "
		7	100				800	SHUT OFF ROTATING
	0925	6 1/2	110.1				1500	PLUG DOWN - PSE UP LATCH IN PLUG
	0927						OK	RELEASE PSE - HELM
								WASH TRUCK
	1030							JOB COMPLETE THANK YOU

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JUN 30 2008

CONSERVATION DIVISION WICHITA, KS

WAYNE, BRETT, ROB