

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: None
Operator Contact Person: Klee R. Watchous
Phone: (316) 799-1000
Contractor: Name: WW Drilling, LLC
License: 33575
Wellsite Geologist: Gary F. Gensch

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>12/18/07</u>	<u>1/5/08</u>	<u>1/5/08</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-24729-0000
County: Ness
W/2 - SW - SE Sec. 16 Twp. 19 S. R. 24 East West
720 feet from (S) N (circle one) Line of Section
2310 feet from (E) W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Davison Well #: 1-16
Field Name: Franklinville
Producing Formation: None
Elevation: Ground: 2304 Kelly Bushing: 2309
Total Depth: 4966 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 206 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 *ACT II WITH*
(Data must be collected from the Reserve Pit) *3-11-08*
Chloride content 5,200 ppm Fluid volume 600 bbls
Dewatering method used Air Dry - Backfill Pits
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: January 30, 2008
Subscribed and sworn to before me this 30th day of January,
2008.
Notary Public: Carla R. Penwell
Date Commission Expires: October 6, 2009 Expires 12-6-09

KCC Office Use ONLY

Letter of Confidentiality Received **RECEIVED**
KANSAS CORPORATION COMMISSION
If Denied, Yes Date: _____

Wireline Log Received **FEB 01 2008**

Geologist Report Received **CONSERVATION DIVISION**
WICHITA, KS

UIC Distribution

Operator Name: Palomino Petroleum, Inc. Lease Name: Davison Well #: 1-16
 Sec. 16 Twp. 19 S. R. 24 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 <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Radiation Guard, Sonic	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <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>1580</td> <td>(+ 729)</td> </tr> <tr> <td>Base of Anhy.</td> <td>1618</td> <td>(+ 691)</td> </tr> <tr> <td>Topeka</td> <td>3383</td> <td>(-1074)</td> </tr> <tr> <td>Heebner</td> <td>3693</td> <td>(-1384)</td> </tr> <tr> <td>Lansing</td> <td>3736</td> <td>(-1427)</td> </tr> <tr> <td>BKC</td> <td>4050</td> <td>(-1741)</td> </tr> <tr> <td>Marmaton</td> <td>4088</td> <td>(-1779)</td> </tr> <tr> <td>Ft. Scott</td> <td>4249</td> <td>(-1940)</td> </tr> </table>	Name	Top	Datum	Anhy.	1580	(+ 729)	Base of Anhy.	1618	(+ 691)	Topeka	3383	(-1074)	Heebner	3693	(-1384)	Lansing	3736	(-1427)	BKC	4050	(-1741)	Marmaton	4088	(-1779)	Ft. Scott	4249	(-1940)
Name	Top	Datum																										
Anhy.	1580	(+ 729)																										
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BKC	4050	(-1741)																										
Marmaton	4088	(-1779)																										
Ft. Scott	4249	(-1940)																										

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"	24#	206'	common	160	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	15.5#	4851'	SMD	175	500 gal. mud flush
							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 <i>(Amount and Kind of Material Used)</i>	Depth

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 CONSERVATION DIVISION
 WICHITA, KS

TUBING RECORD	Size 2 7/8"	Set At 4825' (est.)	Packer At 4825' (est.)	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method <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

Disposition of Gas **METHOD OF COMPLETION** Production Interval

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

LOGS

Cherokee Shale	4273	(-1964)
Miss. Dolomite	4342	(-2033)
Miss. Dol. Porosity	4350	(-2041)
Arbuckle	4778	(-2469)
LTD	4966	(-2657)

SWIFT



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



Invoice

DATE	INVOICE #
1/17/2008	13328

BILL TO

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

RECEIVED

JAN 22 2008

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1-16 S...	Davison	Ness	DS&W Well Servi...	Disposal	Development	Cement Port Collar	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				10	Miles	4.00	40.00
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)				145	Sacks	15.00	2,175.00T
276	Flocele				50	Lb(s)	1.25	62.50T
290	D-Air				2	Gallon(s)	32.00	64.00T
581D	Service Charge Cement				200	Sacks	1.25	250.00
582D	Minimum Drayage Charge				1	Each	100.00	100.00
	Subtotal							3,941.50
	Sales Tax Ness County						5.30%	143.18

RECEIVED
KANSAS CORPORATION COMMISSION

FEB 01 2008

CONSERVATION DIVISION
WICHITA, KS

Thank You For Your Business In 2007!
We Look Forward To Serving You In 2008!

Total \$4,084.68



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

RECEIVED
KANSAS CORPORATION COMMISSION
FEB 01 2008
CONSERVATION DIVISION
WICHITA, KS

TICKET No: 13328
 PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>Ness City, Ks</u>	WELL/PROJECT NO. <u>1-16 SWD</u>	LEASE <u>DAVISON</u>	COUNTY/PARISH <u>NESS</u>	STATE <u>Ks</u>	CITY	DATE <u>1-17-08</u>	OWNER <u>same</u>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>DS-W</u>	RIG NAME/NO.	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>LOCATION</u>	ORDER NO.	
3.	WELL TYPE <u>DISPOSAL</u>	WELL CATEGORY <u>DEVELOPMENT</u>	JOB PURPOSE <u>COMBAT PORT COLLAR</u>	WELL PERMIT NO.	WELL LOCATION <u>NESS CO, KS - 4W, 4S, 1/2 E, N 20</u>		
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 #110	10		ME		4.00	40.00
577		1			PUMP SERVICE	1		JOB		850.00	850.00
105		1			PORT COLLAR OPENING TOOL	1		JOB		400.00	400.00
330		1			SWIFT MULTI-DRYSDY STAMPER	145		SKS		15.00	2175.00
276		1			FLOCCE	50		URS		1.25	62.50
290		1			D-ADR	2		GAL		32.00	64.00
581		1			SERVICE CHARGE COMWT	200		SKS		1.25	250.00
582		1			DAMAGE - MINIMUM	19970		URS	99.85	100.00	100.00

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 Rock Rhule
 DATE SIGNED 1-17-08 TIME SIGNED 1030 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	3941.50
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?				NESS TAX 5.3%	143.18
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	4084.68
<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 Wayne Wilson APPROVAL _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE **1-17-08** PAGE NO. **1**

CUSTOMER **PALOMINO PETROLEUM** WELL NO. **1-16 SWD** LEASE **DAVISON** JOB TYPE **CEMENT PORT COLLAR** TICKET NO. **13328**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1230							ON LOCATION
								2 3/8 x 5 1/2 PORT COLLAR = 1558'
	1205				✓		1000	PSE TEST CASING - HEAD
	1210	3	2	✓		400		OPSD PORT COLLAR - TWT RATE
	1215	4	80	✓		400		MAX CEMENT 145 SKS SMD
	1240	4	5	✓		600		DISPLACE CEMENT
	1250			✓		1000		CLOSE PORT COLLAR - PSE TEST - HEAD
								CALCULATED 10 SKS CEMENT TO PBT
	1305	4	20	✓		450		RUN 4 JTS - CALCULATE CLEAN
								WASH TRUCK
								PULL TOOL
	1400							JOB COMPLETE
								THANK YOU WAKE, BRETT, JEFF
								RECEIVED KANSAS CORPORATION COMMISSION
								FEB 01 2008
								CONSERVATION DIVISION



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



Invoice

DATE	INVOICE #
1/17/2008	13328

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

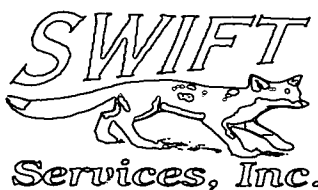
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 JAN 22 2008

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1-16 S...	Davison	Ness	DS&W Well Servi...	Disposal	Development	Cement Port Collar	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				10	Miles	4.00	40.00
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)				145	Sacks	15.00	2,175.00T
276	Flocele				50	Lb(s)	1.25	62.50T
290	D-Air				2	Gallon(s)	32.00	64.00T
581D	Service Charge Cement				200	Sacks	1.25	250.00
582D	Minimum Drayage Charge				1	Each	100.00	100.00
	Subtotal							3,941.50
	Sales Tax Ness County						5.30%	143.18

RECEIVED
 KANSAS CORPORATION COMMISSION
 FEB 01 2008
 CONSERVATION DIVISION
 WICHITA, KS

Thank You For Your Business In 2007! We Look Forward To Serving You In 2008!	Total	\$4,084.68
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CHARGE TO: Palomero Petroleum
 ADDRESS:
 CITY, STATE, ZIP CODE:

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 CORPORATION COMMISSION
 FEB 01 2008
 CONSERVATION DIVISION
 WICHITA, KS

TICKET No: 13328
 PAGE 1 OF 1

SERVICE LOCATIONS: 1. Ness City, KS
 WELL/PROJECT NO.: 1-16 SWD LEASE: DAVESON COUNTY/PARISH: NESS STATE: Ks CITY: NESS DATE: 1-17-08 OWNER: SAME
 2. TICKET TYPE: SERVICE SALES CONTRACTOR: DS-W RIG NAME/NO.: LOCATION SHIPPED VIA: CT DELIVERED TO: LOCATION ORDER NO.:
 3. WELL TYPE: DISPOSAL WELL CATEGORY: DEVELOPMENT JOB PURPOSE: CEMENT PORT COLLAR WELL PERMIT NO.: WELL LOCATION: NESS CO, KS - 4W, 4S, 1/2 E, 1/2 NW
 4. REFERRAL LOCATION: INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #110	10		MI		4.00	40.00
577		1			PUMP SERVICE	1		JOB		850.00	850.00
105		1			PORT COLLAR OPENING TOOL	1		JOB		400.00	400.00
330		1			SWIFT MULTIFLEX STANDARD	145		SKS		15.00	2175.00
276		1			FLOCCLE	50		UBS		1.25	62.50
290		1			D-ADR	2		GAL		32.00	64.00
581		1			SERVICE CHARGE PERMIT	200		SKS		1.25	250.00
582		1			DAMAGE - MINIMUM	19970	99.85	UM		100.00	100.00

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 Rock Rhub
 DATE SIGNED: 1-17-08 TIME SIGNED: 1030 P.M.
 A.M. P.M.

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

SURVEY

OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?	AGREE	UN-DECIDED	DIS-AGREE
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			

PAGE TOTAL	3941.50
NESS TAX 5.3%	143.18
TOTAL	4084.68

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 **1-17-08** PAGE NO. **1**

CUSTOMER **Palomino Petroleum** WELL NO. **1-16 SWD** LEASE **DAVISON** JOB TYPE **CEMENT PORT COLLAR** TICKET NO. **13328**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBLS/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1030							ON LOCATION
								2 3/8 x 5 1/2 PORT COLLAR = 1558'
	1205				✓		1000	PSE TEST CASING - HEAD
	1210	3	2	✓		400		OPEN PORT COLLAR - ZWT RATE
	1215	4	80	✓		400		MAX CEMENT 145 SLS SWS
	1240	4	5	✓		600		DISPLACE CEMENT
	1250				✓		1000	CLOSE PORT COLLAR - PSE TEST - HEAD
								CIRCULATE 10 SLS CEMENT TO PSE
	1305	4	20	✓		450		RUN 4 JTS - CIRCULATE CLEAN
								WASH TRUCK
								PULL TOOL
	1400							JOB COMPLETE

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KANSAS CORPORATION COMMISSION

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CONSERVATION DIVISION
WICHITA, KS

THANK YOU
WADE, BRETT, JEFF



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

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JAN 09 2008

Invoice

DATE	INVOICE #
1/5/2008	13152

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	#1-16	Davison	Ness	WW Drilling Rig #2	Disposal	Development	Cement 5-1/2" C...	Roger
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				15	Miles	4.00	60.00
578D-L	Pump Charge - Long String				1	Job	1,250.00	1,250.00
405-5	5 1/2" Formation Packer Shoe				1	Each	1,400.00	1,400.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	235.00	235.00T
402-5	5 1/2" Centralizer				12	Each	100.00	1,200.00T
403-5	5 1/2" Cement Basket				4	Each	300.00	1,200.00T
404-5	5 1/2" Port Collar				1	Each	2,300.00	2,300.00T
281	Mud Flush				500	Gallon(s)	0.75	375.00T
221	Liquid KCL (Clayfix)				2	Gallon(s)	26.00	52.00T
330	Swift Multi-Density Standard (MIDCON II)				175	Sacks	15.00	2,625.00T
276	Flocele				45	Lb(s)	1.25	56.25T
581D	Service Charge Cement				175	Sacks	1.25	218.75
583D	Drayage				130.62	Ton Miles	1.00	130.62
	Subtotal							11,102.62
	Sales Tax Ness County						5.30%	500.49

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KANSAS CORPORATION COMMISSION
FEB 01 2008
CONSERVATION DIVISION
WICHITA, KS

<p>Thank You For Your Business In 2007! We Look Forward To Serving You In 2008!</p>	<p>Total \$11,603.11</p>
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JOB LOG

SWIFT Services, Inc.

DATE **7-5-08** PAGE NO. **1**

CUSTOMER **Palomino Pet** WELL NO. **1-16** LEASE **Dawson** JOB TYPE **Long String** TICKET NO. **13152**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBQ) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0240							on loc.
								T.O. = 4968'
								Csg. = 4851' 5 1/2" 15.5#
	0100							Start 5 1/2 csg. in hole
								Packer Shoe, Latch down Baffle
								Cent. #1, #2, #4, #6, #9, #12, #17, #22, #26, #29, #33, #77
								Basket #2, #3, #13, #78
								Port Collar #78 1558.95'
	0310							Drop Ball
								CIRCULATE
	0326						1000	Set Packer Shoe 1,000 psi
	0330							Plug Rat hole
	0335		12					Pump 500 gal mud Flush
			20					20 th 2 1/2 KCL Flush
	0345	5.5	41					MIX 75SR3 SMOC 11.2 #/gal
			19					MIX 50SR3 SMOC 12.5 #/gal
								MIX 50SR3 SMOC 14 #/gal
			74					Finish mixing
								wash out pump + line
	0405	7						Displ Latch down Plug
	0425						900/1600	Plug down 1600 psi holding
								Release Press. Dried up
								wash and rack up tank
	0500							Jobs Complete

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KANSAS CORPORATION COMMISSION
FEB 01 2008
CONSERVATION DIVISION
WICHITA, KS

Thank you

Rogers, Brett, Ryan



ALLIED

CEMENTING CO., LLC
Cementing & Acidizing Services

INVOICE

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

Invoice Number: 111715
Invoice Date: Dec 20, 2007
Page: 1

Bill To:
Gateway Resources, LLC 224 S. Crestway Wichita, KS 67218

Federal Tax I.D.#

Customer ID	Well Name # or Customer P.O.	Payment Terms	
Gate	Davison #1-16	Net 30 Days	
Sales Rep ID	Camp Location	Service Date	Due Date
	Great Bend	Dec 20, 2007	1/19/08

Quantity	Item	Description	Unit Price	Amount
160.00	MAT	Common Class A	11.10	1,776.00
3.00	MAT	Gel	16.65	49.95
5.00	MAT	Chloride	46.60	233.00
168.00	SER	Handling	1.90	319.20
1.00	SER	Minimum Handling Mileage Charge	250.00	250.00
1.00	SER	Surface	815.00	815.00
9.00	SER	Mileage Pump Truck	6.00	54.00
1.00	SER	Head Rental	100.00	100.00
1.00	EQP	Wooden Plug	60.00	60.00
			-	
			-	
			-	
			-	

RECEIVED
KANSAS CORPORATION COMMISSION
FEB 01 2008
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

\$ 3657.15

ONLY IF PAID ON OR BEFORE

Jan 19 2008

Subtotal	3,657.15
Sales Tax	112.30
Total Invoice Amount	3,769.45
Payment/Credit Applied	
TOTAL	3,769.45

ALLIED CEMENTING CO., INC.

31004

Federal Tax I.I.

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

SERVICE POINT:
Ness City

DATE <u>12-18-07</u>	SEC. <u>16</u>	TWP <u>9</u>	RANGE <u>24</u>	CALLED OUT <u>1:30pm</u>	ON LOCATION <u>4:30pm</u>	JOB START <u>10:30am</u>	JOB FINISH <u>11:00am</u>
LEASE <u>Davidson</u>		WELL # <u>1-16</u>	LOCATION <u>Ness City 4W on 96 Hwy</u>		COUNTY <u>Ness</u>	STATE <u>K.S.</u>	
OLD OR <u>NEW</u> (Circle one)			<u>45 1/2 E N15</u>				

CONTRACTOR <u>W-W Rig 2</u>	OWNER _____
TYPE OF JOB <u>Surface</u>	CEMENT _____
HOLE SIZE <u>12 1/2" I.D. 208 ft</u>	AMOUNT ORDERED <u>160A Common</u>
CASING SIZE <u>8 5/8" DEPTH 208 ft</u>	<u>32cc 22 gal</u>
TUBING SIZE _____	DEPTH _____
DRILL PIPE _____	DEPTH _____
TOOL _____	DEPTH _____
PRES. MAX <u>100'</u>	MINIMUM _____
MEAS. LINE _____	SHOE JOINT _____
CEMENT LEFT IN CSG. <u>13 ft</u>	COMMON <u>160A</u> @ <u>11.10</u> <u>1776.00</u>
PERFS. _____	POZMIX _____ @ _____
DISPLACEMENT <u>12.7 bbl</u>	GEL <u>3.44</u> @ <u>16.65</u> <u>49.95</u>
	CHLORIDE <u>5.44</u> @ <u>46.60</u> <u>233.00</u>
	ASC _____ @ _____

EQUIPMENT

PUMP TRUCK	CEMENTER <u>Mike M.</u>
# <u>227</u>	HELPER <u>David G.</u>
BULK TRUCK	
# <u>260</u>	DRIVER <u>Maiken</u>
BULK TRUCK	
# _____	DRIVER _____

HANDLING <u>160A</u> @ <u>1.90</u> <u>319.20</u>
MILEAGE <u>160A @ 9.11</u> <u>250.00</u>
TOTAL <u>2628.15</u>

REMARKS:
Rig was still drilling when
got on Rig
came out of hole with collars
8 5/8" on casing 5 ft - 5 ft 208 ft
circulate hole with rig mud pump
or mix cement + then push the
plug Displace plug down
with water
Cement did circulate to surface

CHARGE TO: Stateway Resources
 STREET _____
 CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB <u>208 ft</u>	
PUMP TRUCK CHARGE _____	<u>815.00</u>
EXTRA FOOTAGE _____ @ _____	
MILEAGE <u>9</u> @ <u>6.00</u> <u>54.00</u>	
MANIFOLD <u>A</u> @ _____	
<u>HEAD LIFTAL</u> @ <u>100.00</u> <u>100.00</u>	
TOTAL <u>969.00</u>	

PLUG & FLOAT EQUIPMENT

<u>1-bp 8 5/8" Wood</u> @ <u>60.00</u> <u>60.00</u>
_____ @ _____
_____ @ _____
_____ @ _____
TOTAL <u>60.00</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 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.

SIGNATURE [Signature]

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS
 PRINTED NAME Lorrie Lang

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 KANSAS CORPORATION COMMISSION
 FEB 01 2008

CONSERVATION DIVISION
 WICHITA, KS