

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

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL

Operator: License # 30742
 Name: Palomino Petroleum, Inc.
 Address: 4924 SE 84th St.
 City/State/Zip: Newton, Kansas 67114-8827
 Purchaser: NCRA
 Operator Contact Person: Klee R. Watchous
 Phone: (316) 799-1000
 Contractor: Name: WW Drilling, L.L.C.
 License: 33575
 Wellsite Geologist: Robert A. Schreiber

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>11/25/06</u>	<u>12/2/06</u>	<u>12/2/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-24575-0000
 County: Ness
 _____ E/2 E/2 SE Sec. 23 Twp. 16 S. R. 24 East West
1390 feet from N (circle one) Line of Section
110 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Mishler-Shellenberger Well #: 1
 Field Name: Ransom Townsite
 Producing Formation: Cherokee Sand
 Elevation: Ground: 2518 Kelly Bushing: 2523
 Total Depth: 5059 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 248 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set 1833 Feet
 If Alternate II completion, cement circulated from 1833
 feet depth to surface w/ 145 sx cmt.

Drilling Fluid Management Plan AH II NH 6-23-08
 (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: February 26, 2007

Subscribed and sworn to before me this 26th day of February, 2007.

Notary Public Carla R. Penwell
 CARLA R. PENWELL
 State of Kansas
 My App. Expires: October 6, 2009
 10-6-09

KCC Office Use ONLY

N Letter of Confidentiality Received
 If Denied, Yes Date: _____

Wireline Log Received
 Geologist Report Received
 UIC Distribution

RECEIVED

FEB 28 2007

KCC WICHITA

Operator Name: Palomino Petroleum, Inc. Lease Name: Mishler-Shellenberger Well #: 1
 Sec. 23 Twp. 16 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 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:

Dual Induction, Micro, Dual Compensated
 Porosity, Borehole Compensated Sonic

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Anhy.	1849	(+ 674)
Base Anhy.	1884	(+ 639)
Topeka	3617	(-1094)
Heebner	3887	(-1364)
LKC	3929	(-1406)
BKC	4222	(-1699)
Marmaton	4260	(-1737)
Pawnee	4342	(-1819)

CASING RECORD New 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 7/8"	23#	248'	Common	175	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4981'	SMD	185	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 (Amount and Kind of Material Used)	Depth
	Cast Iron Bridge Plug set at 4540'		
4	4550' to 4554'		
4	4509' to 4513'	400 gals. 10% MCA	
4	4506' to 4509'		

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 7/8"	5036'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
2/19/07	<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
	98.8% 20		2% 4		

Disposition of Gas

METHOD OF COMPLETION

Production Interval

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

Open Hole Perf. Dually Comp. Commingled
 Other (Specify)

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LOGS

Pawnee	4342	(-1819)
Ft. Scott	4428	(-1905)
Cherokee Sh.	4452	(-1929)
Cher. Sd.-Upr.	4506	(-1983)
Cher. Sd.-Lwr.	4550	(-2027)
Miss.	4576	(-2053)
LTD	5059	(-2536)

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KCC WICHITA

SWIFT



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



Invoice

DATE	INVOICE #
1/9/2007	11354

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

RECEIVED
JAN 13 2007

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Mishler Sche...	Ness	DS&W Well Servi...	Oil	Development	Acidize Perfs	Nick
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				15	Miles	4.00	60.00
501D	Acid Pump Charge				1	Job	550.00	550.00
303 - 15%	MCA Acid - 10%				400	Gallons	1.60	640.00
249	STR-1 (Pen 88)				1	Gallon(s)	40.00	40.00
235	INH.1 ESA-28				0.5	Gallon(s)	42.00	21.00
	Subtotal							1,311.00
	Sales Tax Ness County						5.30%	0.00

Thank You For Your Business In 2006!
We Look Forward To Serving You In 2007!

Total \$1,311.00

RECEIVED

FEB 28 2007

KCC WICHITA



CHARGE TO: *Palomina Petroleum*
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET

Nº 11354

PAGE 1 OF 1

RECEIVED
 FEB 28 2007
 KCC WICHITA

SERVICE LOCATIONS 1. <i>Hays, KS</i>	WELL/PROJECT NO. <i>#1</i>	LEASE <i>Mishler-Schellenberger</i>	COUNTY/PARISH <i>Ness</i>	STATE <i>Ks</i>	CITY	DATE <i>1-9-07</i>	OWNER <i>Su...</i>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <i>DS & W</i>	RIG NAME/NO.	SHIPPED VIA <i>et</i>	DELIVERED TO <i>Location</i>	ORDER NO.	
3.	WELL TYPE <i>oil</i>	WELL CATEGORY <i>Development</i>	JOB PURPOSE <i>Acidize Perfs</i>	WELL PERMIT NO.	WELL LOCATION		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
500		1			MILEAGE #109		15	mi		4.00	60.00
501		1			Acid Pump Charge		1	ea		550.00	550.00
303		1			MCA Acid		400	gal	16%	1.60	640.00
249		1			STR-1		1	gal		40.00	40.00
235		1			INH-1		1/2	gal		42.00	21.00

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 *Rick Shreber*
 DATE SIGNED *1-9-07* TIME SIGNED *1130* 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?					
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	1311.00

Ness TAX 5.3%

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

SWIFT OPERATOR *Nick Karbe* APPROVAL

Thank You!

SWIFT



Services, Inc.

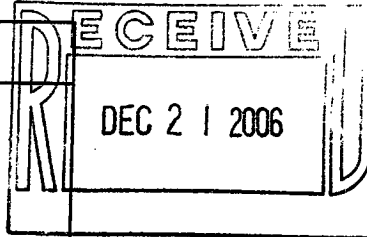
P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



Invoice

DATE	INVOICE #
12/12/2006	11332

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	Mishler Sche...	Ness	DS&W Well Servi...	Oil	Development	Cement Port Collar	Nick

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	15	Miles	4.00	60.00
578D-D	Pump Charge - Port Collar	1	Job	1,250.00	1,250.00
330	Swift Multi-Density Standard (MIDCON II)	145	Sacks	13.50	1,957.50T
276	Flocele	44	Lb(s)	1.25	55.00T
581D	Service Charge Cement	175	Sacks	1.10	192.50
583D	Drayage	128.64	Ton Miles	1.00	128.64
	Subtotal				3,643.64
	Sales Tax Ness County			5.30%	106.66

Thank You For Your Business & Best Wishes For A Wonderful Holiday Season!!

Total \$3,750.30

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CHARGE TO: *Palomina Pet*
 ADDRESS:
 CITY, STATE, ZIP CODE:

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 FEB 28 2007
 KCC WICHITA

TICKET
 No 11332

PAGE 1 OF 1

SERVICE LOCATIONS 1. <i>Hays, Ks.</i>	WELL/PROJECT NO. <i>#1</i>	LEASE <i>Mushler-Schellenberger</i>	COUNTY/PARISH <i>Ness</i>	STATE <i>Ks</i>	CITY	DATE <i>12-12-06</i>	OWNER <i>Same</i>
2. <i>Ness City, Ks.</i>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <i>D.S & W</i>	RIG NAME/NO.	SHIPPED VIA <i>ET</i>	DELIVERED TO <i>Location</i>	ORDER NO.	
3.	WELL TYPE <i>oil</i>	WELL CATEGORY <i>Development</i>	JOB PURPOSE <i>Cement Port Collar</i>	WELL PERMIT NO.	WELL LOCATION		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
<i>575</i>		<i>1</i>			<i>MILEAGE #103</i>	<i>15</i>	<i>mi</i>			<i>4.00</i>	<i>60.00</i>
<i>578</i>		<i>1</i>			<i>Pump Charge (Port Collar)</i>	<i>1</i>	<i>ea</i>			<i>1250.00</i>	<i>1250.00</i>
<i>330</i>		<i>2</i>			<i>SMD Cement</i>	<i>145</i>	<i>sk</i>			<i>13.50</i>	<i>1957.50</i>
<i>276</i>		<i>2</i>			<i>Floccle</i>	<i>44</i>	<i>#</i>			<i>1.25</i>	<i>55.00</i>
<i>581</i>		<i>2</i>			<i>Cement Service Charge</i>	<i>175</i>	<i>sk</i>			<i>1.10</i>	<i>192.50</i>
<i>583</i>		<i>2</i>			<i>Drayage</i>	<i>128.64</i>	<i>TM</i>			<i>1.00</i>	<i>128.64</i>

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: *12-12-06* TIME SIGNED: *1700*
 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	<i>3643.64</i>
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?				<i>Ness TAX 5.3%</i>	<i>106.66</i>
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		TOTAL	<i>3750.30</i>
<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: *Nick Korbe* APPROVAL:

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 12-12-16 PAGE NO. 1

CUSTOMER Salamina WELL NO. #1 LEASE Mishler Schollenberg or JOB TYPE Cement Port Collar TICKET NO. 11332

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1500							onloc set up Trks
								2 7/8" x 5 1/2" x 1833' P.C.
								locate P.C.
	1607						1000	Test Csg Open P.C.
	1610	3.5	4				150	Take inj. rate
	1616	4	0				250	start cement 145sks SMD
	1633	4	68				400	circulate cement/raise weight
	1634	4	72/0				400	End Cement/start Displacement
	1636	4	6.5					Cement Displaced
								Close P.C.
	1640						900	Test Csg Run 3 jts
	1650	3	0					Reverse out
	1655		15					Hole Clean

Thank you
Nick, Josh & Sean

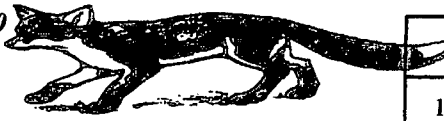
RECEIVED
FEB 28 2007

KCC WICHITA

SWIFT

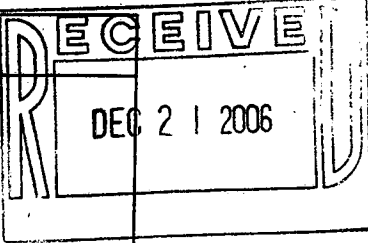


P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



Invoice

DATE	INVOICE #
12/12/2006	11333

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	Mishler Sche...	Ness	DS&W Well Servi...	Oil	Development	Tools	Nick

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
100	Mileage - Tool Man	15	Miles	1.50	22.50
105	Port Collar Tool Rental With Man	1	Each	400.00	400.00T
	Subtotal				422.50
	Sales Tax Ness County			5.30%	21.20

Thank You For Your Business & Best Wishes For A Wonderful Holiday Season!!	Total \$443.70
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 KCC WICHITA



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

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 FEB 28 2007
 KCC WICHITA

TICKET No 11333
 PAGE 1 OF 1

SERVICE LOCATIONS 1. <i>Ness City, Ks.</i>	WELL/PROJECT NO. <i>#1</i>	LEASE <i>Mistler Schellenberger</i>	COUNTY/PARISH <i>Ness</i>	STATE <i>Ks</i>	CITY	DATE <i>12-12-06</i>	OWNER <i>Same</i>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <i>DS&W</i>	RIG NAME/NO.	SHIPPED VIA <i>EIT</i>	DELIVERED TO <i>Location</i>	ORDER NO.	
3.	WELL TYPE <i>oil</i>	WELL CATEGORY <i>Development</i>	JOB PURPOSE <i>Tools Port Collar</i>	WELL PERMIT NO.	WELL LOCATION		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF								
<i>100</i>		<i>1</i>			MILEAGE <i>Pickup #908</i>	<i>15</i>	<i>m</i>			<i>1.50</i>	<i>22</i>	<i>50</i>
<i>105</i>		<i>1</i>			<i>Part Collar Tool Rental w/man</i>	<i>1</i>	<i>ea</i>			<i>400.00</i>	<i>400</i>	<i>00</i>

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

Paul Schuler
 DATE SIGNED *12-12-06* TIME SIGNED *1700* 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	<i>422</i>	<i>50</i>
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?				<i>Ness TAX 5.3%</i>	<i>21</i>	<i>20</i>
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	<i>443</i>	<i>70</i>
<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: *Nick Korbe* APPROVAL:

Thank You!

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
12/2/2006	10789

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

• Acidiz
• Cemen
• Tool Rental

RECEIVED
FEB 7 2006

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Mishler-Shell...	Ness	WW Drilling #2	Oil	Development	5-1/2" LongString	Dave
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
221	Liquid KCL (Clayfix)				2	Gallon(s)	26.00	52.00T
281	Mud Flush				500	Gallon(s)	0.75	375.00T
290	D-Air				1	Gallon(s)	32.00	32.00T
402-5	5 1/2" Centralizer				12	Each	80.00	960.00T
403-5	5 1/2" Cement Basket				4	Each	280.00	1,120.00T
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
330	Swift Multi-Density Standard (MIDCON II)				200	Sacks	13.50	2,700.00T
276	Flocele				50	Lb(s)	1.25	62.50T
581D	Service Charge Cement				200	Sacks	1.10	220.00
583D	Drayage				149.78	Ton Miles	1.00	149.78
	Subtotal							10,076.28
	Sales Tax Ness County						5.30%	445.01

Thank You For Your Business & Best Wishes For A Wonderful Holiday Season!!

Total \$10,521.29

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FEB 28 2007
KCC WICHITA



CHARGE TO: Polonium Petroleum
 ADDRESS: _____
 CITY, STATE, ZIP CODE: _____

RECEIVED
 FEB 28 2007
 KCC WICHITA
 TICKET No. 10789
 PAGE 1 OF 2

SERVICE LOCATIONS 1. MISS <u>MISS</u>	WELL/PROJECT NO. <u>#1</u>	LEASE <u>Mishler-Shollenbeger</u>	COUNTY/PARISH <u>Miss</u>	STATE <u>KS</u>	CITY	DATE <u>12-02-06</u>	OWNER
2. MISS	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO. <u>W.W. #2</u>	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>1220 Pensacola</u>	ORDER NO.	
3.	WELL TYPE <u>Oil</u>	WELL CATEGORY <u>Develop</u>	JOB PURPOSE <u>5 1/2 Conduits</u>	WELL PERMIT NO. <u>15-13524575</u>	WELL LOCATION <u>S23,716, P24</u>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			U/M			
575					MILEAGE <u>4104</u>	15	mi		4.00	60.00
578					Pump Service	1	cc		1250.00	1250.00
221					Liquid NCC	2	gal		26.00	52.00
281					Mud Flush	500	gal		.75	375.00
290					D-Air	1	cc		32.00	32.00
402					Centralizer	12	cc	5 1/2 in	80.00	960.00
403					Curt Backhoe	4	cc	5 1/2 in	280.00	1120.00
404					Port Collar <u>1833^{PT}</u>	1	cc	5 1/2 in	2300.00	2300.00
406					Latch Down Plug - Bottle	1	cc	5 1/2 in	235.00	235.00
407					Insert Foot Shoe	1	cc	5 1/2 in	310.00	310.00
415					Rotating Head Barrel	1	cc	5 1/2 in	250.00	250.00
										6944

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: 12-02-06 TIME SIGNED: 15:30
 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	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				P-1	
WE UNDERSTOOD AND MET YOUR NEEDS?				P-2	3132.28
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				sub	10,076.28
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Tot	9236
ARE YOU SATISFIED WITH OUR SERVICE?				MISS TAX 5.3%	445.01
<input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	10,521.29

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

SWIFT OPERATOR: [Signature] APPROVAL: _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 12/02/06 PAGE NO. 1

CUSTOMER Palomino Pet. WELL NO. 1 LEASE Mishler - Shellenberg JOB TYPE 5 1/2 Long string TICKET NO. 10785

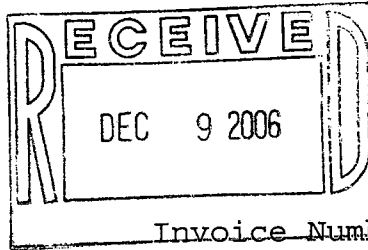
CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (Est)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								200 SKS S.M.D 1/4" Fl. 100 SKS @ 12.5 # 5 1/2 4 1/4 100 SKS @ 140 #
								TD, SDSS, Scl @ 4986, ST. 17.0", Insert 4969 Cont. 1, 2, 4, 7, 10, 13, 15, 20, 25, 30, 35, 74 Baskets, 2, 3, 11, 25, Part Wall Cont. 75 @ 1833
	1300							Break W.C. re
	1355	60	372					Plug RH - MH
		60	0				400	St. Mud Flush
			12					" HCL
			32					end Flush
		60	0				400	St. CM7 @ 12.5
			38					St CM7 @ 140
			66					end CM7
								Whish PL - Drop Plug
	1425	65	0		✓		350	ST.D. 7
			86		-		500	
			98		-		600	
			100		-		700	
			105		-		800	
			110		-		850	
			115		-		925	
	1445		121.0		-		1700	Cond Plug
								Whishup Packup Teller
	1505							Job Complete

Thank You!
DNE, Duesky, Jell
RECEIVED

FEB 28 2007

KCC WICHITA

Allied Cementing Co., Inc
P.O. Box 31
Russell, KS 67665



* I N V O I C E *

Invoice Number: 105720

Invoice Date: 11/30/06

Sold Palomino Petroleum, Inc.
To: 4924 SE 84th St.
Newton, KS
67114-8827

Cust I.D.....: Palo
P.O. Number...: Mishler/Shellenberger #
P.O. Date.....: 11/30/06

Due Date.: 12/30/06
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	175.00	SKS	10.6500	1863.75	T
Gel	3.00	SKS	16.6500	49.95	T
Chloride	5.00	SKS	46.6000	233.00	T
Handling	183.00	SKS	1.9000	347.70	E
Mileage	16.00	MILE	16.4700	263.52	E
183 sks @.09 per sk per mi					
Surface	1.00	JOB	815.0000	815.00	E
Mileage pmp trk	16.00	MILE	6.0000	96.00	E
Head Rental	1.00	PER	100.0000	100.00	E
Wood Plug	1.00	EACH	60.0000	60.00	T

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of 382.89
ONLY if paid within 30 days from Invoice Date

Subtotal:	3828.92
Tax.....:	116.96
Payments:	0.00
Total....:	3945.88

RECEIVED
FEB 28 2007
KCC WICHITA

ALLIED CEMENTING CO., INC.

22696

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

SERVICE POINT:

Great Bend

DATE <i>11-25-06</i>	SEC. <i>23</i>	TWP. <i>16</i>	RANGE <i>24</i>	CALLED OUT <i>9:30 AM</i>	ON LOCATION <i>12:00 Noon</i>	JOB START <i>12:30</i>	JOB FINISH <i>1:00 PM</i>
LEASE <i>Shellenbarger</i>	WELL # <i>1</i>	LOCATION <i>Ransom west side 1/2 N</i>			COUNTY <i>Ness</i>	STATE <i>Kansas</i>	
OLD OR <u>NEW</u> (Circle one)			<i>west into</i>				

CONTRACTOR *W W Drilling*
 TYPE OF JOB *Surface*
 HOLE SIZE *12 1/8* T.D. *251'*
 CASING SIZE *8 5/8* DEPTH *248'*
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. *15'*
 PERFS. _____
 DISPLACEMENT *14.8 BBLs*

OWNER *Palomino*
 CEMENT
 AMOUNT ORDERED *175 cu Common*
3% cc 2% gel

COMMON	<i>175 cu</i>	@	<i>10.65</i>	<i>1863.75</i>
POZMIX		@		
GEL	<i>3 cu</i>	@	<i>16.65</i>	<i>49.95</i>
CHLORIDE	<i>5 cu</i>	@	<i>46.60</i>	<i>233.00</i>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<i>183 cu</i>	@	<i>1.90</i>	<i>347.70</i>
MILEAGE	<i>183 cu</i>	@	<i>1.6</i>	<i>263.52</i>
TOTAL				<i>2751.92</i>

EQUIPMENT

U.B.
 PUMP TRUCK CEMENTER *J.D. Drilling*
 # *181* HELPER *Kevin Davis*
 BULK TRUCK
 # *344* DRIVER *Jim Dickson*
 BULK TRUCK
 # _____ DRIVER _____

REMARKS:

Ran 8 5/8 casing, circulate, hook to pump top & mixed cement, shut down, release 8 5/8 TWP, change valves over & displace with 14.9 BBLs fresh h² cement did circulate. Shut in manifold.

SERVICE

DEPTH OF JOB	<i>248'</i>		
PUMP TRUCK CHARGE			<i>815.00</i>
EXTRA FOOTAGE		@	
MILEAGE	<i>16</i>	@	<i>6.00</i>
MANIFOLD		@	
<i>HEADSET</i>		@	<i>100.00</i>
		@	

TOTAL *1011.00*

CHARGE TO: *Palomino Petroleum Inc*
 STREET *4924 SE 84th Street*
 CITY *Newton* STATE *Kansas* ZIP *67114-8827*

PLUG & FLOAT EQUIPMENT

<i>1 TOP 8 5/8" Wood</i>	@	<i>60.00</i>	<i>60.00</i>
	@		
	@		
	@		
	@		
TOTAL <i>60.00</i>			

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE *[Signature]* PRINTED NAME *Mary M. [Signature]*

Thank you!