

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 30742
Name: Palomino Petroleum, Inc.
Address: 4924 SE 84th St. 75'
City/State/Zip: Newton, Kansas 67114-8827
Purchaser: None
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 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>2-21-05</u>	<u>3-1-05</u>	<u>3-1-05</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 185-23291-00-00
County: Stafford
W 0 of N/2, N/2, N/2 Sec. 20 Twp. 22 S. R. 13 East West
330 feet from S / (circle one) Line of Section
2565 feet from E / (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Grimes-Golden Belt Well #: 1
Field Name: None (Wildcat)
Producing Formation: Arbuckle
Elevation: Ground: 1904 Kelly Bushing: 1909
Total Depth: 3900 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 315 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 AH 1 NCR 7-18-08
(Data must be collected from the Reserve Pit) P+A 3-1-05
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: Bob's Oil Service, Inc.
Lease Name: Teichmann SWD License No.: 34208
Quarter NW Sec. 16 Twp. 22 S. R. 12 East West
County: Stafford Docket No.: D-23722

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: March 31, 2005

Subscribed and sworn to before me this 31st day of March,
2005.

Notary Public: Jenna D. Wait
Jenna D. Wait

Date Commission Expires: February 28, 2009

KCC Office Use ONLY

NO Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

NOTARY PUBLIC - State of Kansas
JENNA D. WAIT
My Appt. Expires 2-28-09

Operator Name: Palomino Petroleum, Inc. Lease Name: Grimes-Golden Belt Well #: 1
 Sec. 20 Twp. 22 S. R. 13 East West County: Stafford

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:

Microresistivity, Radiation Guard

Log Formation (Top), Depth and Datum Sample

Name	Top	Datum
Anhy.	773	(+1136)
Base Anhy.	797	(+1112)
Herington	1802	(+107)
Winfield	1860	(+49)
Towanda	1926	(-17)
Ft. Riley	1963	(-54)
Blue Springs	2066	(-151)
Neva	2316	(-407)

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"	23#	315'	Class A	275	2% gel, 3% c.c.

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
		RECEIVED APR 01 2005 KCC WICHITA	

TUBING RECORD		Size	Set At	Packer At	Liner Run
					<input type="checkbox"/> Yes <input 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 Vented Sold Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

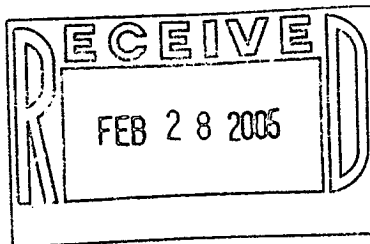
Production Interval _____

ORIGINAL

<u>Log</u>	<u>Top</u>	<u>Datum</u>
Red Eagle	2390	(-481)
Wabunsee	2565	(-656)
Root Shale	2655	(-746)
Stotler	2692	(-783)
Tarkio	2754	(-845)
Howard	2905	(-996)
Topeka	2989	(-1080)
Heebner	3291	(-1382)
Toronto	3310	(-1401)
Brown Lime	3418	(-1509)
LKC	3436	(-1527)
BKC	3666	(-1757)
Viola	3746	(-1837)
Simpson	3782	(-1873)
Arbuckle	3838	(-1929)
LTD	3890	(-1981)

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ALLIED CEMENTING CO., INC.
 P.O. BOX 31
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566
 FEDEF



ORIGINAL

 * I N V O I C E *

Invoice Number: 095994

Invoice Date: 02/24/05

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

Cust I.D.....: Palo
 P.O. Number...: Grimes Golden *Beet #1*
 P.O. Date.....: 02/24/05
 Due Date.: 03/26/05
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	275.00	SKS	8.3000	2282.50	T
Gel	5.00	SKS	13.0000	65.00	T
Chloride	10.00	SKS	36.0000	360.00	T
Handling	290.00	SKS	1.5000	435.00	E
Mileage (18) 290 sks @\$.05.5 per sk per mi	18.00	MILE	15.9500	287.10	E
Surface	1.00	JOB	625.0000	625.00	E
Extra Footage	20.00	PER	0.5500	11.00	E
Mileage pmp trk	18.00	MILE	4.5000	81.00	E
Cement Head	1.00	PER	75.0000	75.00	E
Wooden plug	1.00	EACH	55.0000	55.00	T

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All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$ *427.66*
 ONLY if paid within 30 days from Invoice Date

Subtotal: 4276.60
 Tax.....: 174.04
 Payments: 0.00
 Total....: 4450.64

ALLIED CEMENTING CO., INC. 18371

ORIGINAL

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

SERVICE POINT: Medford

Grimes Golden Belt

DATE <u>2-21-05</u>	SEC. <u>20</u>	TWP. <u>22n</u>	RANGE <u>13w</u>	CALLED OUT <u>3:15pm</u>	ON LOCATION <u>6:00pm</u>	JOB START <u>8:20</u>	JOB FINISH <u>8:45</u>
LEASE Grimes Golden Belt WELL # <u>1</u>			LOCATION <u>281+K-19 2S</u>		COUNTY <u>Stafford</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>NEW</u>			<u>1 1/2 w split</u>				

CONTRACTOR Pickrell Drilling

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 320

CASING SIZE 8 5/8 DEPTH 320

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 200 MINIMUM 100

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15 ft

PERFS. _____

DISPLACEMENT 19 1/2 bbls water

OWNER Palomino Petro

CEMENT AMOUNT ORDERED 275 of A 3+2

EQUIPMENT

PUMP TRUCK # 372 CEMENTER Mar HELPER Jason

BULK TRUCK # 381 DRIVER Jerry C

BULK TRUCK # _____ DRIVER _____

COMMON	<u>275 A</u>	@	<u>8.30</u>	<u>2282.50</u>
POZMIX		@		
GEL	<u>5</u>	@	<u>13.00</u>	<u>65.00</u>
CHLORIDE	<u>10</u>	@	<u>36.00</u>	<u>360.00</u>
ASC		@		
RECEIVED				
APR 01 2005				
KCC WICHITA				
HANDLING	<u>290</u>	@	<u>1.50</u>	<u>435.00</u>
MILEAGE	<u>18 x 290 x .055</u>			<u>287.10</u>
				TOTAL <u>3429.60</u>

REMARKS:
Pipe on bottom broke circulation
pump 275 of A 3+2
shut down pump, release
plug + start displacement
pump 19 1/2 bbls + shut
in + cement did circulate

SERVICE

DEPTH OF JOB	<u>320'</u>		
PUMP TRUCK CHARGE	<u>0-300'</u>		<u>625.00</u>
EXTRA FOOTAGE	<u>20'</u>	@	<u>.55</u> <u>11.00</u>
MILEAGE	<u>18</u>	@	<u>4.50</u> <u>81.00</u>
	<u>Cement Head</u>	@	<u>75.00</u> <u>75.00</u>
TOTAL <u>792.00</u>			

CHARGE TO: Palomino Petroleum

STREET _____

CITY _____ STATE _____ ZIP _____

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.

ANY APPLICABLE TAX
WILL BE CHARGED
UPON INVOICING

SIGNATURE Mike Kern

PLUG & FLOAT EQUIPMENT

MANIFOLD	@	
<u>8 5/8 wooden plug</u>	@	<u>55.00</u> <u>55.00</u>
	@	
	@	
TOTAL <u>55.00</u>		

TAX _____

TOTAL CHARGE ~~3429.60~~

DISCOUNT ~~3429.60~~ IF PAID IN 30 DAYS

x Mike Kern
PRINTED NAME

ALLIED CEMENTING CO., INC.
 P.O. BOX 31
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566
 FEDERAL TAX IC

ORIGINAL

 * INVOICE *

Invoice Number: 096113

Invoice Date: 03/09/05

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

Cust I.D.....: Palo
 P.O. Number...: Grimes Golden Belt #1
 P.O. Date.....: 03/09/05
 Due Date.: 04/08/05
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	99.00	SKS	8.3000	821.70	T
Pozmix	66.00	SKS	4.5000	297.00	T
Gel	10.00	SKS	13.0000	130.00	T
FloSeal	41.00	LBS	1.6000	65.60	T
Handling	177.00	SKS	1.5000	265.50	T
Mileage (18)	18.00	MILE	9.7400	175.32	T
177 sks @\$.05.5 per sk per KCC WICHITA					
Plug	1.00	JOB	750.0000	750.00	T
Mileage pmp trk	18.00	MILE	4.5000	81.00	T
Dry Hole Plug	1.00	EACH	35.0000	35.00	T

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$262.11
 ONLY if paid within 30 days from Invoice Date

Subtotal:	2621.12
Tax.....:	165.13
Payments:	0.00
Total....:	2786.25

ALLIED CEMENTING CO., INC. 17181

ORIGINAL ✓

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

SERVICE POINT:
Great Bend

DATE <u>3-1-05</u>	SEC. <u>20</u>	TWP. <u>22</u>	RANGE <u>13</u>	CALLED OUT <input checked="" type="checkbox"/>	ON LOCATION <u>3:00 PM</u>	JOB START <u>3:45 PM</u>	JOB FINISH <u>10:00 PM</u>
LEASE <u>Grimes Golden Belt</u>		WELL # <u>1</u>	LOCATION <u>K-19 & 281 Hwy 2.5, 1 1/2 W</u>			COUNTY <u>Stafford</u>	STATE <u>Kansas</u>
<input checked="" type="radio"/> OLD OR NEW (Circle one)							

CONTRACTOR Federal Drilling
 TYPE OF JOB Anchorage Plug
 HOLE SIZE 7 7/8 T.D. 3896'
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 x H DEPTH 3840'
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT _____

OWNER Palomino
 CEMENT
 AMOUNT ORDERED 165 dx 60/40 6% GEL
1/4" flo seal per dx.

COMMON	<u>99</u>	<u>dx</u>	@	<u>8.30</u>	<u>821.70</u>
POZMIX	<u>66</u>	<u>dx</u>	@	<u>4.50</u>	<u>297.00</u>
GEL	<u>10</u>	<u>dx</u>	@	<u>13.00</u>	<u>130.00</u>
CHLORIDE			@		
ASC			@		
<u>flo seal</u>	<u>41</u>		@	<u>1.60</u>	<u>65.60</u>
			@		
			@		
			@		
			@		
			@		
			@		
HANDLING	<u>177</u>	<u>dx</u>	@	<u>1.50</u>	<u>265.50</u>
MILEAGE	<u>18.177</u>	<u>.055</u>			<u>175.32</u>
TOTAL					<u>1755.12</u>

EQUIPMENT

A.B.
 PUMP TRUCK CEMENTER J.D. DREILING
 # 120 HELPER RICK HEINE
 BULK TRUCK
 # 341 DRIVER DON DUGAN
 BULK TRUCK
 # _____ DRIVER _____

REMARKS:

Circulate hole
1st - 40 dx - 3840'
2nd - 50 dx - 770'
3rd - 50 dx - 350'
4th - 10 dx - 40'
15 dx in Rathole

SERVICE

DEPTH OF JOB	<u>3840'</u>		
PUMP TRUCK CHARGE			<u>750.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>18</u>	@	<u>4.50</u> <u>81.00</u>
		@	
		@	

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TOTAL 831.00

CHARGE TO: Palomino Petroleum
 STREET 4924 S.E. 84th ST.
 CITY Newton STATE Kansas ZIP 67114-8827

PLUG & FLOAT EQUIPMENT

MANIFOLD		@	
<u>1-8 7/8 dry hole plug</u>		@	<u>35.00</u>
		@	
		@	
TOTAL <u>35.00</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.

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

SIGNATURE Mike Kern

PRINTED NAME Mike Kern

THANK YOU! ☺