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KCC WICHITA

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

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

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: Warren Drilling, L.L.C.
License: 33724
Wellsite Geologist: Kevin Davis
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>1/16/06</u>	<u>1/26/06</u>	<u>1/26/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-24446-0000
County: Ness
E/2 SE SW Sec. 34 Twp. 16 S. R. 25 East West
700 feet from S (circle one) Line of Section
2400 feet from W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Webster Well #: 2
Field Name: None (Wildcat)
Producing Formation: Mississippian
Elevation: Ground: 2527 Kelly Bushing: 2537
Total Depth: 4550 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 241 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 1853 Feet
If Alternate II completion, cement circulated from 1853
feet depth to surface w/ 200 sx cmt.

Drilling Fluid Management Plan AH II NR
(Data must be collected from the Reserve Pit) 10-22-08
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: March 9, 2006
Subscribed and sworn to before me this 9th day of March,
20 06.
Notary Public: Carla R. Penwell
Carla R. Penwell

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

Date Commission Expires: October 6, 2009
NOTARY PUBLIC - State of Kansas
CARLA R. PENWELL
My Appt. Expires 10-6-09

Operator Name: Palomino Petroleum, Inc. Lease Name: Webster Well #: 2
 Sec. 34 Twp. 16 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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input 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, Micro	<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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Anhy.</td> <td>1870</td> <td>(+ 667)</td> </tr> <tr> <td>Base Anhy.</td> <td>1901</td> <td>(+ 636)</td> </tr> <tr> <td>Topeka</td> <td>3566</td> <td>(-1029)</td> </tr> <tr> <td>Heebner</td> <td>3836</td> <td>(-1299)</td> </tr> <tr> <td>LKC</td> <td>3872</td> <td>(-1335)</td> </tr> <tr> <td>BKC</td> <td>4176</td> <td>(-1639)</td> </tr> <tr> <td>Marmaton</td> <td>4226</td> <td>(-1689)</td> </tr> <tr> <td>Pawnee</td> <td>4306</td> <td>(-1769)</td> </tr> </table>	Name	Top	Datum	Anhy.	1870	(+ 667)	Base Anhy.	1901	(+ 636)	Topeka	3566	(-1029)	Heebner	3836	(-1299)	LKC	3872	(-1335)	BKC	4176	(-1639)	Marmaton	4226	(-1689)	Pawnee	4306	(-1769)
Name	Top	Datum																										
Anhy.	1870	(+ 667)																										
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BKC	4176	(-1639)																										
Marmaton	4226	(-1689)																										
Pawnee	4306	(-1769)																										

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#	241'	Common	175	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4547'	SMD cement	60 &	500 gal. mud flush
					EA2	100	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 checked="" type="checkbox"/> Plug Off Zone	4490-4495	Standard Cement	50	

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	4490-4494		
		RECEIVED MAR 10 2006 KCC WICHITA	

TUBING RECORD	Size <u>2 3/8"</u> Set At <u>4495</u>	Packer At _____	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>2/23/06</u>		Producing Method <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 <u>25%</u> Bbls. <u>32</u>	Gas <u>Mcf</u>	Water <u>75%</u> Bbls. <u>96</u> Gas-Oil Ratio _____ Gravity _____

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

LOGS

Ft. Scott	4378	(-1841)
Cherokee	4404	(-1867)
Miss.	4469	(-1932)
LTD	4550	(-2013)

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SWIFT



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

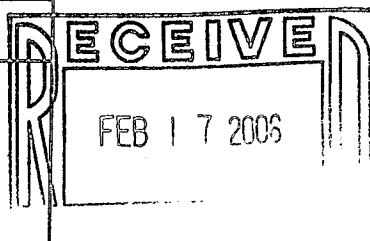


Invoice

DATE	INVOICE #
2/10/2006	9774

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 #2	Webster	Ness	DS&W Well Servi...	Oil	Development	Cement Port Collar	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				30	Miles	4.00	120.00
577D	Pump Charge				1	Job	800.00	800.00
105	Port Collar Tool Rental With Man				1	Each	400.00	400.00T
330	Swift Multi-Density Standard (MIDCON II)				200	Sacks	12.00	2,400.00T
276	Flocele				50	Lb(s)	1.25	62.50T
581D	Service Charge Cement				200	Sacks	1.10	220.00
583D	Drayage				299.55	Ton Miles	1.00	299.55
575D	Mileage - 1 Way On 02/11/2006				30	Miles	4.00	120.00
577D	Pump Charge				1	Job	800.00	800.00
330	Swift Multi-Density Standard (MIDCON II)				50	Sacks	12.00	600.00T
276	Flocele				25	Lb(s)	1.25	31.25T
581D	Service Charge Cement				100	Sacks	1.10	110.00
583D	Drayage				149.78	Ton Miles	1.00	149.78
	Subtotal							6,113.08
	Sales Tax Ness County						5.30%	185.17
							RECEIVED	
							MAR 10 2006	
							KCC WICHITA	
We Appreciate Your Business!						Total		\$6,298.25



CHARGE TO: PALOMINO PETROLEUM
 ADDRESS
 CITY, STATE, ZIP CODE

RECEIVED
 MAR 10 2006

TICKET No 9774

PAGE 1 OF 2

SERVICE LOCATIONS 1. NESS CITY, KS WELL/PROJECT NO. #1 LEASE WEBSTER COUNTY/PARISH NEB STATE KS CITY KCC WICHITA DATE 2-10-06 OWNER SAME

2. TICKET TYPE SERVICE SALES CONTRACTOR DS-W RIG NAME/NO. SHIPPED VIA CT DELIVERED TO LOWERY ORDER NO.

3. WELL TYPE Oil WELL CATEGORY Development JOB PURPOSE COMP. PORT COLLAR WELL PERMIT NO. WELL LOCATION ARNOVA, KS. 2W, 1 1/2 S, E5

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	30	MC			4.00	120.00
577		1			PUMP SERVICE	1	JOB			800.00	800.00
105		1			PORT COLLAR OPERING TOOL	1	JOB			400.00	400.00
330		1			SWIFT MULTI-DUSTY STANDARDS	200	SK			12.00	2400.00
276		1			FLOEIE	50	OS			1.25	62.50
581		1			SERVICE CHARGE COST	20	OS			1.10	220.00
583		1			DRAYAGE	19970	OS	299.55	TM	1.00	2994.55

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 Schreiber
 DATE SIGNED 2-10-06 TIME SIGNED 12:30 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	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				*1	4302.05
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				*2	1811.03
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				subtotal	6113.08
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TAX 7.55 5.3%	185.17
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	6298.25

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

SWIFT OPERATOR Wade Wise APPROVAL

Thank You!



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

TICKET CONTINUATION

TICKET No. 9774

CUSTOMER PALOMBO PETROLEUM WELL WEBSTER #1 DATE 2-11-06 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT			
		LOG	ACCT	DF											
330		1				SWIFT MULTI-BLEND STANDARD/MEDIUM	50	SKS			12.00	600.00			
276		1				FLOCLE	25	US			1.25	31.25			
575		1				MESAGE #104	30	ME			4.00	120.00			
577		1				PUMP SERVICE	1	KROB			800.00	800.00			
581		1				SERVICE CHARGE				CUBIC FEET	100	1.10	110.00		
583		1				MILEAGE CHARGE		TOTAL WEIGHT	9985	LOADED MILES	30	TON MILES	149.78	1.00	149.78

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KCC WICHITA

CONTINUATION TOTAL 1811.03

JOB LOG

SWIFT Services, Inc.

DATE 2-10-06 PAGE NO. 1-2

CUSTOMER PALOMAR PETROLEUM WELL NO. #1 LEASE WEBSTER JOB TYPE CEMENT PORT COLAR TICKET NO. 9774

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1230							ON LOCATED
								2 3/8 x 5 1/2 RBP = 3512'
								PORT COLAR = 1853
	1315		68		✓		1000	LOAD HOLE - TEST RBP - HEU TUBING = 2800' - CIRCULATE OUT WELL
	1405	3	2	✓		450		OPS) PORT COLAR - 217 RATE
	1410	3 1/2	111	✓		400 ^{max}		MIX CEMENT - 200 SMD 1/4" SL FLOCC
	1525	3	6	✓		600		DISPLACE CEMENT
	1530				✓	1100		CLOSE PORT COLAR - PSC TEST - HEU
								CIRCULATED 0.5XS CEMENT TO POT
	1550	3 1/2	25		✓	450		RUN 4 JTS CIRCULATE CLEAN
								WASH UP TRUCK
	1630							JOB COMPLETE
								LOST CIRCULATION - 75 BBL CEMENT ADDED SHUT DOWN 20 MINUTES 25 BBL CEMENT - NO CIRCULATION SHUT DOWN 20 MINUTES 11 BBL CEMENT - NO CIRCULATION RUN LOG IN AM.

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THANK YOU
WAZE, DUSTY, BEST

CONTINUED - 2 PAGES TOTAL

JOB LOG

SWIFT Services, Inc.

DATE 2-10-06 PAGE NO. 1-1

CUSTOMER PALOMINO PEROLEUM WELL NO. #1 LEASE WEBSTER JOB TYPE SERVICE ANNALS TICKET NO. 9774

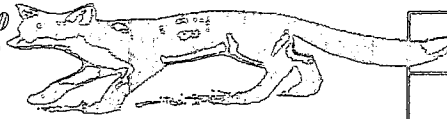
CHART NO.	TIME	RATE (BPM)	VOLUME (BBL)(GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0930							ON LOCATION 5/2 CASING
	1015							LOG WELL - ORDER 100 SKT SWS 1/4" / PUSHER P/SK
					✓		500	PSE UP 5/2" CASING - HEAVY - SHUT IN
	1125	3			✓		150	START MIXING COMPT DOWN BEADW HEAD
							500	30 SKT MIXED - SHUT OFF PSE 500
								RELEASE PSE OFF - SHUT IN
								WASH UP
	1230							JOB COMPLETE
								THANK YOU
								WAVE, DUSTY, JPDW

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KCC WICHITA

SWIFT



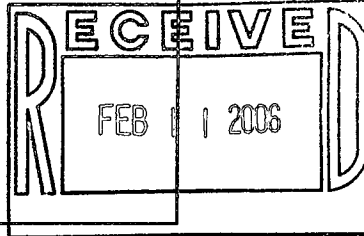
P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



Invoice

DATE	INVOICE #
2/8/2006	9653

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	#2	Webster	Ness	DS&W Well Servi...	Oil	Development	Acid Dump	Nick

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
502	Delivery Charge (4 Hour Minimum)	4	Hours	60.00	240.00
303 - 20%	MCA Acid	250	Gallons	1.75	437.50
249	STR-1 (Pen 88)	1	Gallon(s)	32.00	32.00
235	INH.1 ESA-28	0.5	Gallon(s)	42.00	21.00
221	Liquid KCL (Clayfix)	2	Gallon(s)	26.00	52.00
	Subtotal				782.50
	Sales Tax Ness County			5.30%	0.00

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Thank You For Your Business!	Total	\$782.50
------------------------------	--------------	-----------------



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

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 KCC WICHITA

TICKET No 9653

PAGE 1 OF 1

1. SERVICE LOCATIONS <u>Hays, KS</u>	WELL/PROJECT NO. <u># 2</u>	LEASE <u>Webster</u>	COUNTY/PARISH <u>Ness</u>	STATE <u>Ks</u>	CITY	DATE <u>2-8-06</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>oil</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>Acid Dump</u>	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							
502		1			MILEAGE #103 Delivery Charge	4	hrs			60 ⁰⁰	240 ⁰⁰
303		1			MCA Acid	250	gal	70	%	1 ⁷⁵	437 ⁵⁰
249		1			STR-1	1	gal			32 ⁰⁰	32 ⁰⁰
235		1			INH-1	1/2	gal			42 ⁰⁰	21 ⁰⁰
221		1			KCL Liquid	2	gal			26 ⁰⁰	52 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

[Signature]
 DATE SIGNED 2-8-06 TIME SIGNED 1545 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?			
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			

PAGE TOTAL	782 ⁵⁰
Ness TAX 5.3%	
TOTAL	782 ⁵⁰



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

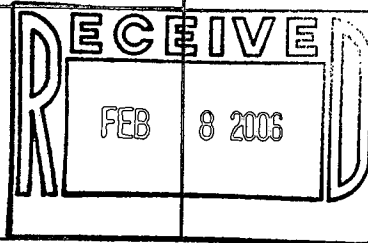


Invoice

DATE	INVOICE #
2/3/2006	9145

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	#2	Webster	Ness	DS&W Well Servi...	Oil	Development	Squeeze Perfs	Dave

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	30	Miles	4.00	120.00
578D-D	Pump Charge - Deep Squeeze (> 1500 Ft.) - 4490 Feet	1	Job	1,250.00	1,250.00
300 - 15%	Regular Acid	200	Gallons	1.05	210.00
235	INH.1 ESA-28	0.5	Gallon(s)	42.00	21.00
325	Standard Cement	50	Sacks	9.60	480.00
286	Halad-1 (Halad 9)	12	Lb(s)	6.00	72.00
581D	Service Charge Cement	75	Sacks	1.10	82.50
583D	Drayage	105.75	Ton Miles	1.00	105.75
	Subtotal				2,341.25
	Sales Tax Ness County			5.30%	29.26

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KCC WICHITA

Thank You For Your Business!

Total \$2,370.51



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

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 KCC WICHITA

TICKET No 9145

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>HAZSL</u>	WELL/PROJECT NO. <u>#2</u>	LEASE <u>Webster</u>	COUNTY/PARISH <u>Ness</u>	STATE <u>KS</u>	CITY	DATE <u>02-23-06</u>	OWNER
2. <u>NESS CITY NS</u>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO. <u>DS&W Well Serv.</u>	SHIPPED VIA <u>GT</u>	DELIVERED TO <u>Dr. Mrs. Ernest Arnold</u>	ORDER NO.	
3.	WELL TYPE <u>Oil</u>	WELL CATEGORY <u>Develop</u>	JOB PURPOSE <u>SQ - Perls</u>	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									
575		1			MILEAGE #106	30		mi		4.00	120	00	
578		1			Pump Service	1		cc	4490	FT	1250	00	
300		1			Reg Acid	200		gal	15	%	1.05	210	00
235		1			Inhib	1/2		gal			42	00	
325		2			Standard CMT	50		SH			9.60	480	00
286		2			Haled	12		lbs			6.00	72	00
581		2			SERVICE CHG CMT	75		SH			1.10	82	50
583		2			Drayage	105.75		Tm			1.00	105	75

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 Schreiber by Dave
 DATE SIGNED 02-23-06 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
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 type="checkbox"/> YES <input type="checkbox"/> NO		
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND			

PAGE TOTAL	2341	25
TAX	29	26
TOTAL	2370	51

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

SWIFT OPERATOR Dave Ah APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 02-03-06 PAGE NO. 1

CUSTOMER *Admiral Petroleum* WELL NO. # 2 LEASE *Webster* JOB TYPE *SO Perks* TICKET NO. *9145*

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1130							ON LOCATION, DISCUS JOB, SETUP
								200 GAL 15% Reg Acid, 25 SKS STN CMT, w/ Hold on side 5 1/2 H ⁺ CSC, 2 3/4 TB, PBD 4528, Perks 4490-95
	1155		5.8	✓		1800		Test PNR Below Perks PNR@ 4518 Holding Pull PNR up Above Perks - PNR@ 4490 to spit Acid
	1205		0	✓				Start Acid
			5	✓				Start Flush
	1218		16.4	✓				end Flush Set PNR - PNR@ 4486
		.5	17.0	✓		800		Loaded 1/2 bbl early
		1.0	17.5	✓		1000		
		1.0	18.5	✓		900		Start Start to Break
		1.5	20.5	✓		800		
		1.7	22.5	✓		800		Start over flush
	1226	1.7	25.0	✓		750		end Flush 750P 400#, D in 1 min Pull PNR up to SQ - PNR@ 4389
	1235	2.0	13.0	✓	✓		400	Load Anns
	1245	2.5	0	✓		0		Start mixing 25SKS w/ Hold
		2.5	5.2	✓		300		Loaded: Start mixing 25SKS meet cmt
		2.5	10.5	✓		300		end mixing close in tbc
								Washout pumping Lines
	1255	3.5	0	✓		0		Start Disp
		2.0	5.0	✓		300		catch cmt
		2.0	6.5	✓		300		cmt out tbc
		2.0	9.0	✓		500		cmt on Perks
		1.0	9.5	✓		1000		psi Inc
		.5	9.8	✓		1700		" "
	1305	1.5	10.2	✓		1900		" " Locked up Holding 6 SKS out perks
				✓		1900		6.8 bbl cmt in tbc
	1310			✓		∅		Release psi - Dry
	1315	1.0	1.0		✓		900	Rev. out tbc
		2.0	20.0		✓		200	Rev. out cmt to pit
	1333							Pull 2 Joints PNR@ 4326
	1335		1.0	✓		2000		Pressure up SQ
	1345			✓		2000		Holding 2000# - Release
								Washup to Reckup
	1430							Job Complete Thank You! Dave, Shane, Jason

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

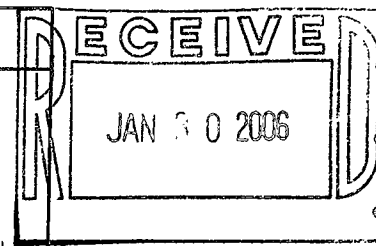


Invoice

DATE	INVOICE #
1/26/2006	9776

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	#2	Webster	Ness	Forrest Energy	Oil	Development	Long String	Ted
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				25	Miles	4.00	100.00
578D-L	Pump Charge - Long String				1	Job	1,250.00	1,250.00
281	Mud Flush				500	Gallon(s)	0.75	375.00T
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	250.00	250.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	210.00	210.00T
404-5	5 1/2" Port Collar				1	Each	2,000.00	2,000.00T
402-5	5 1/2" Centralizer				9	Each	60.00	540.00T
403-5	5 1/2" Cement Basket				3	Each	225.00	675.00T
419-5	5 1/2" Rotating Head Rental				1	Each	250.00	250.00T
330	Swift Multi-Density Standard (MIDCON II)				75	Sacks	11.50	862.50T
276	Flocele				18	Lb(s)	1.10	19.80T
325	Standard Cement				100	Sacks	9.00	900.00T
284	Calseal				5	Sack(s)	30.00	150.00T
283	Salt				550	Lb(s)	0.20	110.00T
285	CFR-2				100	Lb(s)	4.00	400.00T
276	Flocele				25	Lb(s)	1.10	27.50T
581D	Service Charge Cement				175	Sacks	1.10	192.50
583D	Drayage				225.46	Ton Miles	1.00	225.46
	Subtotal							8,587.76
	Sales Tax Ness County						5.30%	361.45

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Thank You For Your Business In 2005!
We Look Forward To Serving You In 2006!

Total \$8,949.21



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

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TICKET
 No 9776

PAGE 1 OF 2

SERVICE/LOCATIONS 1. <u>Ness City, Ks.</u>	WELL/PROJECT NO. <u>#2</u>	LEASE <u>Webster</u>	COUNTY/PARISH <u>Ness</u>	STATE <u>Ks</u>	CITY <u>Ness City, Ks.</u>	DATE <u>1-26-06</u>	OWNER <u>Same</u>
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>Forrest Energy (Warren)</u>	RIG NAME/NO.	SHIPPED VIA	DELIVERED TO <u>S/Wof Arnold, Ks</u>	ORDER NO.	
3.	WELL TYPE <u>oil</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>new well - Long string</u>	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							
575					MILEAGE	103	25	mi		4.00	100.00
578					Pump Charge		1	ea			1250.00
281					Mud flush		500	gal		.75	375.00
221					Liquid KCL		2	gal		25.00	50.00
407					Insert Float shoe w Auto fill		1	ea	5 1/2 in	250.00	250.00
406					Latch down plug & baffle		1	ea	5 1/2 in	210.00	210.00
404					Port collar		1	ea	5 1/2 in	2000.00	2000.00
402					Centralizers		9	ea	5 1/2 in	60.00	540.00
403					Cmt Baskets		3	ea	5 1/2 in	225.00	675.00
419					Rotating Head Rental		1	ea		250.00	250.00
					From Continuation page						5700.00
											2887.76
											8587.76
											361.45
											8949.21

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 1-26-06 TIME SIGNED 08:00 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?				
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				8587.76
TAX 5.3%				361.45
TOTAL				8949.21

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

SWIFT OPERATOR Jedg Kuchs APPROVAL _____

Thank You!



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

TICKET CONTINUATION

TICKET No. 9776

CUSTOMER Palomino Petroleum WELL #2 Webster DATE 1-26-06 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF			QTY.	U/M	QTY.	U/M		
330						SMD Cmt	75	sk			11.50	825.00 802.50
276						Flocele	78	lb			1.10	19.150
325						Standard cmt	100	slk			9.00	900.00
284						Culseal	5	sk			30.00	150.00
283						Salt	550	lb			.20	110.00
285						CFR-1	100	lb			4.00	400.00
276						Flocele	25	lb			1.10	27.50
581						SERVICE CHARGE					1.10	192.50
583						MILEAGE CHARGE	180.37	TOTAL WEIGHT	25	LOADED MILES	450	225.46

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CONTINUATION TOTAL ~~2850.00~~

2287.76

JOB LOG

SWIFT Services, Inc.

DATE: 2-26-06 PAGE NO. #1

CUSTOMER: Palomina Petroleum WELL NO. #2 LEASE: Webster JOB TYPE: Long string TICKET NO. 9776

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	08:00							Called out
	08:00							On location w/ Float equipment
	08:30							Rig getting ready to run csg
	09:00							Start csg & float equip.
								Insert float shoe, & Latch down baffle on 1 st JF in the hole
								Centralizers on 1, 2, 3, 7, 12, 16, 22, 27 & 64, Cut Baskets on 3 rd , 4 th & 65 th JF
								Port collar Top of 65 at 185.3 ft
	11:30							Csg on bottom, Hooked up to well head
	12:00							Dropped ball & start circulating
	12:05							Started rotating
	12:55							Done circulating & Tribs on Loc.
	13:00	4	12					Run 500 gal Mud fluid, Plug rat hole & mouse off
		5	20					20 bbl KCL fluid
		5	29					75 sks SMD cement
		5	29					100 sks EA-2 cement
	13:25							Dropped plug & washed out hole
	13:28							Started displacement
								Stopped rotating
	13:45	6	110					Loaded plug at 1500 PSI
	13:47							Release pressure - float held
	13:50							Washed up Tribs
	14:00							Racked up
	14:10							Job completed
								Thank you
								Paul

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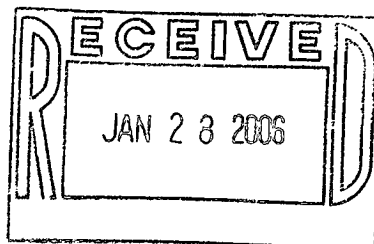
TED - Backup of float eq
Nick 3 104
Shawn (new guy)
Brett - 203

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

* * * * *
* I N V O I C E *
* * * * *

Invoice Number: 100449

Invoice Date: 01/25/06



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

Cust I.D.....: Palo
P.O. Number...: Webster #2
P.O. Date.....: 01/25/06

Due Date.: 02/24/06
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	175.00	SKS	8.7000	1522.50	T
Gel	3.00	SKS	14.0000	42.00	T
Chloride	5.00	SKS	38.0000	190.00	T
Handling	183.00	SKS	1.6000	292.80	E
Mileage	21.00	MILE	10.9800	230.58	E
183 sks @.06 per sk per mi					
Surface	1.00	JOB	670.0000	670.00	E
Mileage pmp trk	21.00	MILE	5.0000	105.00	E
TWP	1.00	EACH	55.0000	55.00	T

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 310.79
ONLY if paid within 30 days from Invoice Date

Subtotal: 3107.88
Tax.....: 95.90
Payments: 0.00
Total....: 3203.78

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ALLIED CEMENTING CO., INC.

22466

Federal Tax I.D.#

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

SERVICE POINT:

Ness City

DATE <u>1-17-06</u>	SEC. <u>34</u>	TWP. <u>16</u>	RANGE <u>25</u>	CALLED OUT <u>3:00AM</u>	ON LOCATION <u>5:45AM</u>	JOB START <u>6:15AM</u>	JOB FINISH <u>7:00AM</u>
LEASE <u>Wolter</u>		WELL # <u>2</u>	LOCATION <u>Arnold 2w 1/2 S 1/2 E 1/2 S</u>		COUNTY <u>Ness</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>NEW</u>							

CONTRACTOR Warren Dalg # 8

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 274

CASING SIZE 8 7/8 DEPTH 250

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 15 1/2

OWNER _____

CEMENT AMOUNT ORDERED 175 Com 3%cc 2 1/2 gal

EQUIPMENT

PUMP TRUCK CEMENTER Mike

224 HELPER J. W. Johnson

BULK TRUCK

341 DRIVER Don

BULK TRUCK

DRIVER

COMMON 173 gal @ 8.70 1522.50

POZMIX @ _____

GEL 3 gal @ 14.00 42.00

CHLORIDE 5 gal @ 38.00 190.00

ASC @ _____

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HANDLING 183 gal @ 1.60 292.80

MILEAGE 21.00 @ 10.99 230.98

TOTAL 2277.88

REMARKS:

used 20#
core 8 7/8 casing w/ reg pump
mix cement, drop plug w/ 15 1/2 BBL
cement did core

Thanks

CHARGE TO: Palominio

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB 250

PUMP TRUCK CHARGE 670.00

EXTRA FOOTAGE @ _____

MILEAGE 21 @ 5.00 105.00

MANIFOLD @ _____

TOTAL 775.00

PLUG & FLOAT EQUIPMENT

8 7/8 Top Wood @ 55.00 55.00

@ _____

@ _____

@ _____

TOTAL 55.00

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 Craig Watterbaug

PRINTED NAME