

**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: None
Operator Contact Person: Klee R. Watchous
Phone: (316) 799-1000
Contractor: Name: Pickrell Drilling Co., Inc.
License: 5123

Wellsite Geologist: Jon R. (Zeb) Stewart

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>1/25/06</u>	<u>2/1/06</u>	<u>2/2/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No: 15 - 135-24442-000D

County: Ness

NE SE NW Sec. 27 Twp. 17 S. R. 25 East West

1760 feet from S (circle one) Line of Section

3030 feet from (circle one) E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Mishler Trusts Well #: 1

Field Name: Aldrich

Producing Formation: None

Elevation: Ground: 2491 Kelly Bushing: 2496

Total Depth: 4481 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at 220 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 P+A AIT I MR
(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 10, 2006

Subscribed and sworn to before me this 10th day of March

20 06

Notary Public: Carla R. Penwell
Carla R. Penwell

Date Commission Expires: October 6, 2009

NOTARY PUBLIC - State of Kansas
CARLA R. PENWELL
My Appt. Expires 10-6-09

KCC Office Use ONLY

Letter of Confidentiality Received

If Denied, Yes Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

Operator Name: Palomino Petroleum, Inc. Lease Name: Mishler Trusts Well #: 1
 Sec. 27 Twp. 17 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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anhy.	1750	(+ 746)
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Base Anhy.	1776	(+ 720)
List All E. Logs Run:		Topeka	3497	(-1001)
Radiation Guard, Sonic		Heebner	3784	(-1288)
		LKC	3827	(-1331)
		BKC	4124	(-1628)
		Marmaton	4160	(-1664)
		Pawnee	4252	(-1756)

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#	220'	Common	160	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
MAR 13 2006
KCC WICHITA

TUBING RECORD		Size	Set At	Packer At	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

Ft. Scott	4325	(-1829)
Miss. Lime	4427	(-1931)
Miss. Dolo.	4440	(-1944)
LTD	4481	(-1985)

RECEIVED
MAR 13 2006
KCC WICHITA

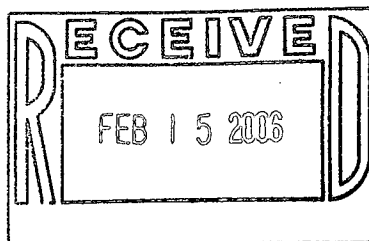
Allied Cementing Co., Inc
P.O. Box 31
Russell, KS 67665

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

Invoice Number: 100729

Invoice Date: 02/10/06

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



Cust I.D.....: Palo
P.O. Number...: Mischler TR #1
P.O. Date.....: 02/10/06

Due Date.: 03/12/06
Terms.....: Net 30

RECEIVED
MAR 13 2006
KCC WICHITA

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	129.00	SKS	8.7000	1122.30	T
Pozmix	86.00	SKS	4.7000	404.20	T
Gel	11.00	SKS	14.0000	154.00	T
FloSeal	54.00	LBS	1.7000	91.80	T
Handling	228.00	SKS	1.6000	364.80	T
Mileage	18.00	MILE	13.6800	246.24	T
228 sks @.06 per sk per mi					
Rotary Plug	1.00	JOB	665.0000	665.00	T
Mileage pmp trk	18.00	MILE	5.0000	90.00	T

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 312.83
ONLY if paid within 30 days from Invoice Date

Subtotal:	3138.34
Tax.....:	166.33
Payments:	0.00
Total....:	3304.67

ALLIED CEMENTING CO., INC.

22556

Federal Tax I.D.#

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

SERVICE POINT:

Great Bend

DATE <u>2-2-06</u>	SEC. <u>27</u>	TWP. <u>17</u>	RANGE <u>25</u>	CALLED OUT <u>9:00 AM</u>	ON LOCATION <u>11:30 AM</u>	JOB START <u>11:45 AM</u>	JOB FINISH <u>3:30</u>
LEASE <u>Muchler</u>		WELL # <u>1</u>	LOCATION <u>Laird 2 west 6 1/2 N 1 1/2 E</u>		COUNTY <u>Nowa</u>	STATE <u>Kansas</u>	
<input checked="" type="radio"/> OLD OR NEW (Circle one)							

CONTRACTOR Pickrell
 TYPE OF JOB Rotary Plug
 HOLE SIZE 7 1/8 T.D. 4482'
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 x H DEPTH 1800'
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT _____

OWNER Palomino Petroleum Inc.

CEMENT
 AMOUNT ORDERED 215 bx 60/40 6% gel
1/4" flo seal per bx

EQUIPMENT
L.B.
 PUMP TRUCK CEMENTER J.D. Dreiling
 #120 HELPER Bum
 BULK TRUCK
 #342 DRIVER Dan Dugan
 BULK TRUCK
 # _____ DRIVER _____

COMMON	<u>129 bx</u>	@	<u>8.70</u>	<u>1122.30</u>
POZMIX	<u>86 bx</u>	@	<u>4.70</u>	<u>404.20</u>
GEL	<u>11 bx</u>	@	<u>14.00</u>	<u>154.00</u>
CHLORIDE		@		
ASC		@		
FLO-SEAL	<u>SN 4</u>	@	<u>1.90</u>	<u>91.80</u>
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>228 bx</u>	@	<u>1.60</u>	<u>364.80</u>
MILEAGE	<u>228</u>	<u>14.00</u>	<u>18</u>	<u>246.24</u>
TOTAL				<u>2383.34</u>

REMARKS:

1st 1800' - 50 bx
2nd 1150' - 80 bx
3rd 230' - 50 bx
4th 60' - 20 bx
15 bx in rat hole

SERVICE

DEPTH OF JOB	<u>1800'</u>			
PUMP TRUCK CHARGE				<u>665.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>18</u>	@	<u>5.00</u>	<u>90.00</u>
MANIFOLD		@		
		@		
		@		

TOTAL 755.00

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

PLUG & FLOAT EQUIPMENT

	@			
	@			
	@			
	@			
	@			

TOTAL _____

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

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 X Mike Kern

X Mike Kern
 PRINTED NAME

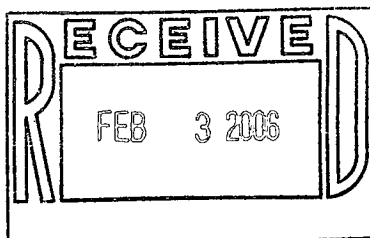
Allied Cementing Co., Inc
P.O. Box 31
Russell, KS 67665

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

Invoice Number: 100514

Invoice Date: 01/31/06

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



Cust I.D.....: Palo
P.O. Number..: Mishler TR #1
P.O. Date.....: 01/31/06

Due Date.: 03/02/06
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	160.00	SKS	8.7000	1392.00	T
Gel	3.00	SKS	14.0000	42.00	T
Chloride	5.00	SKS	38.0000	190.00	T
Handling	168.00	SKS	1.6000	268.80	E
Mileage	18.00	MILE	10.0800	181.44	E
168 sks @.06 per sk per mi					
Surface	1.00	JOB	670.0000	670.00	E
Mileage pmp trk	18.00	MILE	5.0000	90.00	E
TWP	1.00	EACH	55.0000	55.00	T

All Prices Are Net, Payable 30 Days Following	Subtotal:	2889.24
Date of Invoice. 1 1/2% Charged Thereafter.	Tax.....:	88.99
If Account CURRENT take Discount of \$ <u>288.92</u>	Payments:	0.00
ONLY if paid within 30 days from Invoice Date	Total....:	2978.23

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

SERVICE POINT:

Mass City

DATE <u>1-25-04</u>	SEC. <u>27</u>	TWP. <u>17</u>	RANGE <u>25</u>	CALLED OUT <u>9:30pm</u>	ON LOCATION <u>12:00am</u>	JOB START <u>4:00</u>	JOB FINISH <u>4:30 AM</u>
LEASE <u>Mishler Trust</u>	WELL # <u>1</u>	LOCATION <u>Land 2w 6 1/2 N 1 1/2 E</u>			COUNTY <u>Mass</u>	STATE <u>KS</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)				N.S.			

CONTRACTOR Pickrell Dally #10

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 225

CASING SIZE 8 7/8 DEPTH 220

TUBING SIZE _____ DEPTH _____

DRILL PIPE Plug DEPTH 8

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15

PERFS. _____

DISPLACEMENT 13 1/2

OWNER _____

CEMENT AMOUNT ORDERED _____

160 Cam 3 1/2 cc 2 1/2 in

EQUIPMENT

PUMP TRUCK CEMENTER MIKE

224 HELPER D. W. Johnson

BULK TRUCK

344 DRIVER Brandon

BULK TRUCK

_____ DRIVER _____

COMMON	<u>160</u>	@	<u>8.70</u>	<u>1392.00</u>
POZMIX		@		
GEL	<u>3</u>	@	<u>14.00</u>	<u>42.00</u>
CHLORIDE	<u>5</u>	@	<u>38.00</u>	<u>190.00</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>168</u>	@	<u>160.</u>	<u>26880</u>
MILEAGE	<u>168</u>	<u>44.00</u>	<u>18</u>	<u>181.44</u>
TOTAL				<u>2074.24</u>

REMARKS:

New 20#
Cerc 8 7/8 cas w/ reg pump
Max Cemt, disp plug w/ 13 1/2 BBL
Cemt did Cerc.

Thanks

CHARGE TO: Palomino Pet Inc.

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB	<u>220</u>		
PUMP TRUCK CHARGE			<u>670.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>18.</u>	@	<u>500</u> <u>90.00</u>
MANIFOLD		@	
		@	
		@	
TOTAL <u>760.00</u>			

PLUG & FLOAT EQUIPMENT

<u>8 7/8 Tap wood</u>	@	<u>55.00</u>	<u>55.00</u>
	@		
	@		
	@		
	@		
TOTAL <u>55.00</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

Mike Kern
PRINTED NAME