

Operator Name: Palomino Petroleum, Inc. Lease Name: Watchous Well #: 1
 Sec. 19 Twp. 24 S. R. 2 East West County: Harvey

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 Compensated Porosity, Dual Induction,
 Borehole Compensated Sonic, Microresistivity**

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
	Name Top Datum	
	Topeka 1648 (- 189)	
	Heebner 2008 (- 549)	
	Brown Lime 2187 (- 728)	
	LKC 2216 (- 757)	
	BKC 2678 (-1219)	
	Cherokee Sh. 2904 (-1445)	
	Burgess Sd. 2928 (-1469)	
	Miss. 2976 (-1517)	

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	120	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

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 Enhrr.		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 _____

RECEIVED

JUN 29 2006

KCC WICHITA

LOGS

Kinderhook	3247	(-1788)
Rew. Hunton	3334	(-1875)
Hunton	3344	(-1885)
Maquoketa	3414	(-1955)
Viola	3430	(-1971)
Simpson Dol.	3446	(-1987)
Simpson Sd.	3472	(-2013)
Arbuckle	3527	(-2068)
LTD	3582	(-2123)

RECEIVED
JUN 29 2006
KCC WICHITA

CONSOLIDATED
OIL WELL
SERVICES, INC.
AN INFINITY COMPANY

REMIT TO
 Consolidated Oil Well Services, Inc.
 Dept. 1228
 Denver, CO 80256

MAIN OFFICE
 P.O. Box 884
 Chanute, KS 66720
 620/431-9210 • 1-800/467-8676
 FAX 620/431-0012

INVOICE

Invoice # 206157

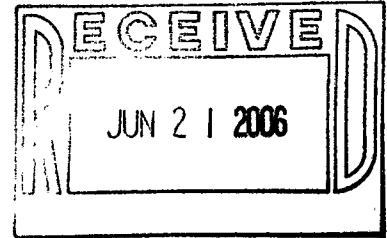
Invoice Date: 06/19/2006

Terms:

Page 1

PALOMINO PETROLEUM, INC.
 4924 SE 84TH STREET
 NEWTON KS 67114-8827
 () -

WATCHOUS #1
 10115
 06-10-06



Part Number	Description	Qty	Unit Price	Total
1131	60/40 POZ MIX	85.00	9.3500	794.75
1118A	S-5 GEL/ BENTONITE (50#)	300.00	.1400	42.00

Description	Hours	Unit Price	Total
439 MIN. BULK DELIVERY	1.00	275.00	275.00
445 P & A NEW WELL	1.00	800.00	800.00
445 EQUIPMENT MILEAGE (ONE WAY)	45.00	3.15	141.75

RECEIVED
 JUN 29 2006
 KCC WICHITA

Parts:	836.75	Freight:	.00	Tax:	52.72	AR	2106.22
Labor:	.00	Misc:	.00	Total:	2106.22		
Sublt:	.00	Supplies:	.00	Change:	.00		

Signed _____ Date _____

BARTLESVILLE, OK
 P.O. Box 1453 74005
 918/338-0808

EUREKA, Ks
 820 E. 7th 67045
 620/583-7664

OTTAWA, Ks
 2631 So. Eisenhower Ave. 66067
 785/242-4044

GILLETTE, WY
 300 Enterprise Avenue 82716
 307/686-4914

THAYER, Ks
 8655 Dorn Road 66776
 620/839-5269

CONSOLIDATED
OIL WELL
SERVICES, INC.
AN INFINITY COMPANY

REMIT TO
 Consolidated Oil Well Services, Inc.
 Dept. 1228
 Denver, CO 80256

MAIN OFFICE
 P.O. Box 884
 Chanute, KS 66720
 620/431-9210 • 1-800/467-8676
 FAX 620/431-0012

INVOICE

Invoice # 205689

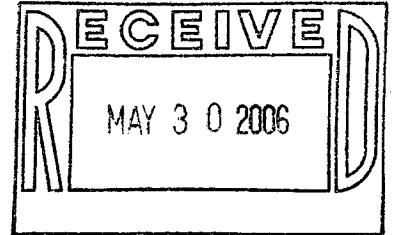
Invoice Date: 05/26/2006

Terms:

Page 1

PALOMINO PETROLEUM, INC.
 4924 SE 84TH STREET
 NEWTON KS 67114-8827
 () -

WATCHOUS #1
 10004
 05-25-06



Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	120.00	11.2500	1350.00
1102	CALCIUM CHLORIDE (50#)	335.00	.6400	214.40
1118A	S-5. GEL/ BENTONITE (50#)	225.00	.1400	31.50
1107	FLO-SEAL (25#)	30.00	1.8000	54.00
	Description	Hours	Unit Price	Total
368	TON MILEAGE DELIVERY	253.80	1.05	266.49
441	CEMENT PUMP (SURFACE)	1.00	620.00	620.00
441	EQUIPMENT MILEAGE (ONE WAY)	45.00	3.15	141.75

RECEIVED
 JUN 29 2006
 KCC WICHITA

Parts:	1649.90	Freight:	.00	Tax:	103.94	AR	2782.08
Labor:	.00	Misc:	.00	Total:	2782.08		
Sublt:	.00	Supplies:	.00	Change:	.00		

Signed _____ Date _____

BARTLESVILLE, OK
 P.O. Box 1453 74005
 918/338-0808

EUREKA, KS
 820 E. 7th 67045
 620/583-7664

OTTAWA, KS
 2631 So. Eisenhower Ave. 66067
 785/242-4044

GILLETTE, WY
 300 Enterprise Avenue 82716
 307/686-4914

THAYER, KS
 8655 Dorn Road 66776
 620/839-5269

CONSOLIDATED OIL WELL SERVICES, INC.

P.O. BOX 884, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

TICKET NUMBER 10004

LOCATION Eureka

FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-25-06	6285	Watchous #1	19	24	2	Harvey
CUSTOMER <u>Palomino Petroleum, Inc.</u>			TRUCK # DRIVER TRUCK # DRIVER 441 Larry 368 Casey			
MAILING ADDRESS <u>4924 S.E. 84th St.</u>						
CITY <u>Newton</u>	STATE <u>Ks</u>	ZIP CODE <u>67114</u>				
C+G Orig. Co.						

JOB TYPE <u>Surface</u>	HOLE SIZE <u>12 1/4"</u>	HOLE DEPTH _____	CASING SIZE & WEIGHT <u>8 5/8"</u>
CASING DEPTH <u>223'</u>	DRILL PIPE _____	TUBING _____	OTHER _____
SLURRY WEIGHT <u>14.8#</u>	SLURRY VOL <u>28.8 Bbl</u>	WATER gal/sk <u>6.5°</u>	CEMENT LEFT in CASING <u>20'</u>
DISPLACEMENT <u>138bl</u>	DISPLACEMENT PSI _____	MIX PSI _____	RATE _____

REMARKS: Safety Meeting: Rig up to 8 5/8" Casing. Break Circulation w/ 108bl Water. Mixed 120 sks Regular Class "A" Cement w/ 3% Cade, 2% Gel, + 1/4" Flocele ~~Per 100~~ @ 14.8# Per gal. Displace w/ 13 Bbl Water. Shut Casing in. Good Cement Returns to Surface ~ 76bl Slurry to Pit.

Job Complete

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401 S	1	PUMP CHARGE	620.00	620.00
5406	45	MILEAGE	3.15	141.75
1104S	120sks	Class "A" Cement	11.25	1350.00
1102	335#	Cade 3%	.64#	214.40
1118A	225#	Gel 2%	.14#	31.50
1107	30#	Flocele 1/4" #1sk	1.80#	54.00
5407A	5.64 Ton	Ten-Mileage Bulk Truck	1.05	266.49
<u>Thank You!</u>				
			Sub Total	2678.14
			SALES TAX	103.94
			ESTIMATED TOTAL	2782.08

205689

AUTHORIZATION Called By Terry Gulick

TITLE Toolpusher C+G Orig

DATE _____