



Operator Name: Palomino Petroleum, Inc. Lease Name: Pundsack-Stoss Well #: 1  
 Sec. 19 Twp. 21 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 <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:  <b>Radiation Guard, Micro</b>	<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:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhy.</td> <td>817</td> <td>(+1109)</td> </tr> <tr> <td>Base Anhy.</td> <td>840</td> <td>(+1086)</td> </tr> <tr> <td>Howard</td> <td>2870</td> <td>(- 944)</td> </tr> <tr> <td>Topeka</td> <td>2948</td> <td>(-1022)</td> </tr> <tr> <td>Heebner</td> <td>3234</td> <td>(-1308)</td> </tr> <tr> <td>Toronto</td> <td>3254</td> <td>(-1328)</td> </tr> <tr> <td>Brown Lime</td> <td>3354</td> <td>(-1428)</td> </tr> <tr> <td>LKC</td> <td>3364</td> <td>(-1438)</td> </tr> </table>	Name	Top	Datum	Anhy.	817	(+1109)	Base Anhy.	840	(+1086)	Howard	2870	(- 944)	Topeka	2948	(-1022)	Heebner	3234	(-1308)	Toronto	3254	(-1328)	Brown Lime	3354	(-1428)	LKC	3364	(-1438)
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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#	350'	Common	300	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	3775'	EA-2	150	500 gal. mud flush
							w/add., 20bbls. 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
4	3702-3707		

TUBING RECORD	Size <b>2 7/8"</b>	Set At <b>3771'</b>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <b>5/31/06</b>		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 <b>31%</b>	Bbbs. <b>18</b>	Gas Mcf	Water Bbbs. <b>69%</b> <b>40</b>
				Gas-Oil Ratio      Gravity

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	

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**LOGS**

BKC	3577	(-1651)
Viola	3596	(-1670)
Simpson	3637	(-1711)
Arbuckle	3691	(-1765)
LTD	3791	(-1865)

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# SWIFT



*Services, Inc.*

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

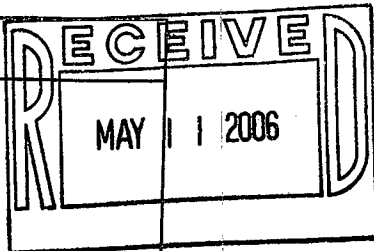


## Invoice

DATE	INVOICE #
5/9/2006	10045

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	Pundsak-Stoss	Stafford	SouthWind Drillin...	Oil	Development	Cement Producti...	Ted

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	70	Miles	4.00	280.00
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)	26.00	52.00T
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
402-5	5 1/2" Centralizer	8	Each	60.00	480.00T
403-5	5 1/2" Cement Basket	2	Each	230.00	460.00T
325	Standard Cement	165	Sacks	9.60	1,584.00T
284	Calseal	8	Sack(s)	30.00	240.00T
283	Salt	800	Lb(s)	0.20	160.00T
285	CFR-1	78	Lb(s)	4.00	312.00T
276	Flocele	41	Lb(s)	1.25	51.25T
581D	Service Charge Cement	165	Sacks	1.10	181.50
583D	Drayage	603.05	Ton Miles	1.00	603.05
	Subtotal				6,488.80
	Sales Tax Stafford County			6.30%	262.98

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<b>We Appreciate Your Business!</b>	<b>Total</b>	\$6,751.78
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CHARGE TO: Palomero Petroleum  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

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TICKET No. 10045

PAGE 1 OF #1

SERVICE LOCATIONS 1. Ness City, KS  
 WELL/PROJECT NO. #1 LEASE Pandzak - stoss COUNTY/PARISH Stafford STATE Ks CITY Ness City, KS DATE 6-9-06 OWNER Soma  
 2. TICKET TYPE  SERVICE CONTRACTOR Southwind Ry#2 RIG NAME/NO. SHIPPED VIA DELIVERED TO South of Gred bank ORDER NO.  
 3. WELL TYPE oil WELL CATEGORY Development JOB PURPOSE long string cont production 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	70	mi			4.00	280.00
578		1			Pump Charge	1	lea			1250.00	1250.00
281		1			Mud flush	500	gal			75.00	375.00
221		1			Liquid KCL	2	gal			26.00	52.00
407		1			Insert Float shoe	1	lea	5 1/2	in	250.00	250.00
406		1			latch down plug & baffle	1	lea	5 1/2	in	210.00	210.00
402		1			Centralizers	8	lea	5 1/2	in	60.00	480.00
403		1			Cement Basket	2	lea	5 1/2	in	230.00	460.00
											3357.00
					From Continuation page 1 page 2						3131.80

**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

Shrek Shrek  
 DATE SIGNED 5-9-06 TIME SIGNED 3:00  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	SUB PAGE TOTAL	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					4488.80
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				
				Stafford TAX 6.3%	202.98
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	6751.78

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

SWIFT OPERATOR Scott Hahn APPROVAL

Thank You!



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

TICKET CONTINUATION

TICKET No. 10045

CUSTOMER Falominas Petrolean WELL #1 Pundsak-stuss DATE 5-9-06 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		UNIT PRICE	AMOUNT
		LOC	ACCT	DF			QTY.	UM		
325		/				Standard Cmt	165	sk	9.60	1584.00
284		/				Cal Seal	8	sk	30.00	240.00
283		/				Salt	800	lbs	2.00	1600.00
285		/				CFR-J	78	lbs	4.00	312.00
276						Flocele	41	lbs	1.25	51.25
581						SERVICE CHARGE Cmt			1.10	181.50
583						MILEAGE CHARGE			1.00	603.05
						TOTAL WEIGHT	17230			
						LOADED MILES	70			
						CUBIC FEET	165			
						TON MILES	603.05			

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CONTINUATION TOTAL 3131.80

**JOB LOG**

**SWIFT Services, Inc.**

DATE 5-9-06 PAGE NO. #1

CUSTOMER Palomino Petroleum WELL NO. #1 LEASE Randsak - stass JOB TYPE Int Long string TICKET NO. 10 0 45

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	10:30							Called out
	15:00							On location / set up <del>the</del> w/ float Rig laying down Drill pipe Start Csg & float <sup>equip</sup> Csg a better, drop ball Hook up to circ. Start circ. & rotating Done circ.
	17:25							Start cementing Plug out hole & manual Pump Pre-lubed 12 bbl mud flat 20 bbl KCl flat Start cut down hole Done mixing out Start <del>displacement</del> Drop Plug Wash out pump & lines Start displacement Done with displacement Loaded plug at 1400 <del>psi</del>
	18:00	4	40			250		Released pressure Float <del>held</del> Plugging down 6:30 pm
	19:00	6	92			900 1400		Washed up Backed up Job completed Shankson Lal

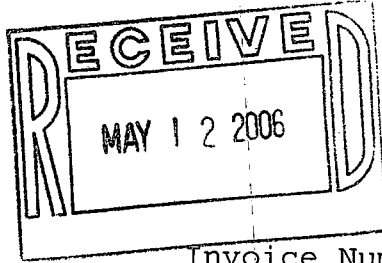
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To: Kuchy  
Mr. Wilk 104  
So. Bond 203

WWS  
Ths  
Ths

Allied Cementing Co., Inc  
P.O. Box 31

Russell, KS 67665



\*\*\*\*\*  
\* INVOICE \*  
\*\*\*\*\*

Invoice Number: 102214

Invoice Date: 05/08/06

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

Cust I.D.....: Palo  
P.O. Number...: PundsackStossl  
P.O. Date.....: 05/08/06

Due Date.: 06/07/06  
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	300.00	SKS	9.6000	2880.00	T
Gel	6.00	SKS	15.0000	90.00	T
Chloride	9.00	SKS	42.0000	378.00	T
Handling	315.00	SKS	1.7000	535.50	E
Mileage	14.00	MILE	22.0500	308.70	E
315 sks @.07 per sk per mi					
Surface	1.00	JOB	735.0000	735.00	E
Extra Footage	50.00	PER	0.6000	30.00	E
Mileage pmp trk	14.00	MILE	5.0000	70.00	E
Wooden Plug	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 \$ 508.22  
ONLY if paid within 30 days from Invoice Date

Subtotal: 5082.20  
Tax.....: 214.39  
Payments: 0.00  
Total....: 5296.59

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# ALLIED CEMENTING CO., INC.

24138

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

SERVICE POINT:  
*Wheat Road*

DATE <i>5-1-06</i>	SEC. <i>19</i>	TWP. <i>21s</i>	RANGE <i>13w</i>	CALLED OUT <i>11:00 AM</i>	ON LOCATION <i>12:00 AM</i>	JOB START <i>1:30 PM</i>	JOB FINISH <i>2:00 PM</i>
LEASE <i>Pond sack</i>	WELL # <i>1</i>	LOCATION <i>281 Hwy Barton +</i>			COUNTY <i>Stefford</i>	STATE <i>K.S.</i>	
OLD OR <u>NEW</u> (Circle one)		<i>Stefford Co. Wm 3s3w 1/4 S E/4</i>					

CONTRACTOR *Southwind Rig 2*

TYPE OF JOB *Surface*

HOLE SIZE *12 1/4* T.D. *350 #*

CASING SIZE *20" 8 5/8* DEPTH *350 #*

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. *15 #*

PERFS. \_\_\_\_\_

DISPLACEMENT *20 1/2*

OWNER \_\_\_\_\_

CEMENT AMOUNT ORDERED *300 sk Comm*

*32cc 229 #*

COMMON	<i>300 #</i>	@	<i>9.60</i>	<i>2880.00</i>
POZMIX		@		
GEL	<i>6 #</i>	@	<i>15.00</i>	<i>90.00</i>
CHLORIDE	<i>9 #</i>	@	<i>42.00</i>	<i>378.00</i>
ASC		@		

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HANDLING	<i>315 #</i>	@	<i>1.70</i>	<i>535.50</i>
MILEAGE	<i>315 # 07</i>	@	<i>14</i>	<i>308.70</i>
TOTAL				<i>4192.20</i>

EQUIPMENT

PUMP TRUCK CEMENTER *Mike M.*

# *181* HELPER *Robert B.*

BULK TRUCK DRIVER *Cody R.*

# *344*

BULK TRUCK DRIVER \_\_\_\_\_

# \_\_\_\_\_

REMARKS:

*Circulate Hole with Rig Mud Pump. mix cement + Release Plug Displace plug Down with Water*

*Cement did Circulate To Surface*

SERVICE

DEPTH OF JOB	<i>350</i>		
PUMP TRUCK CHARGE			<i>735.00</i>
EXTRA FOOTAGE	<i>50</i>	@	<i>.60</i> <i>30.00</i>
MILEAGE	<i>14</i>	@	<i>5.00</i> <i>70.00</i>
MANIFOLD		@	
		@	
TOTAL <i>835.00</i>			

CHARGE TO: *Palomino Petr.*

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PLUG & FLOAT EQUIPMENT

<i>1-8 5/8 Wooden Plug</i>	<i>55.00</i>	<i>55.00</i>
	@	
	@	
	@	
	@	
TOTAL <i>55.00</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 DAY

SIGNATURE *[Signature]*

*[Signature]* LEWAYNE TRESNER  
PRINTED NAME