

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 30742
Name: Palomino Petroleum, Inc.
Address: 4924 SE 84th St.
City/State/Zip: Newton, KS 67114-8827
Purchaser: None
Operator Contact Person: Klee R. Watchous
Phone: (316) 799-1000
Contractor: Name: Southwind Drilling, Inc.
License: 33350
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. _____
10/15/06 10/25/06 10/25/06
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 135-24557-0000
County: Ness
N/2 S/2 N/2 Sec. 20 Twp. 18 S. R. 26 ☐ East ☒ West
1690 feet from S (N) (circle one) Line of Section
2570 feet from E (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE (NW) SW
Lease Name: Parker Well #: 1
Field Name: None (Wildcat)
Producing Formation: None
Elevation: Ground: 2621 Kelly Bushing: 2631
Total Depth: 4625 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 224 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 cm.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

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: November 6, 2006
Subscribed and sworn to before me this 6th day of November,
20 06

Notary Public - State of Kansas
CARLA R. PENWELL
Date Commission Expires: October 6, 2009
Carla R. Penwell

KCC Office Use ONLY

N Letter of Confidentiality Received
If Denied, Yes ☐ Date: _____
☐ Wireline Log Received
☐ Geologist Report Received
☐ UIC Distribution

RECEIVED
NOV 07 2006

KCC WICHITA

Operator Name: Palomino Petroleum, Inc. Lease Name: Parker Well #: 1
 Sec. 20 Twp. 18 S. R. 26 ☐ 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	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width: 100%;"> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> <tr> <td>Anhy.</td> <td>1989</td> <td>(+ 642)</td> </tr> <tr> <td>Base Anhy.</td> <td>2021</td> <td>(+ 610)</td> </tr> <tr> <td>Topeka</td> <td>3660</td> <td>(-1029)</td> </tr> <tr> <td>Heebner</td> <td>3936</td> <td>(-1305)</td> </tr> <tr> <td>LKC</td> <td>3974</td> <td>(-1343)</td> </tr> <tr> <td>BKC</td> <td>4311</td> <td>(-1680)</td> </tr> <tr> <td>Marmaton</td> <td>4356</td> <td>(-1725)</td> </tr> <tr> <td>Pawnee</td> <td>4442</td> <td>(-1811)</td> </tr> </table>	Name	Top	Datum	Anhy.	1989	(+ 642)	Base Anhy.	2021	(+ 610)	Topeka	3660	(-1029)	Heebner	3936	(-1305)	LKC	3974	(-1343)	BKC	4311	(-1680)	Marmaton	4356	(-1725)	Pawnee	4442	(-1811)
Name	Top	Datum																										
Anhy.	1989	(+ 642)																										
Base Anhy.	2021	(+ 610)																										
Topeka	3660	(-1029)																										
Heebner	3936	(-1305)																										
LKC	3974	(-1343)																										
BKC	4311	(-1680)																										
Marmaton	4356	(-1725)																										
Pawnee	4442	(-1811)																										

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"	24#	224'	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

TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed 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
<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 type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	<div style="text-align: center;"> RECEIVED NOV 07 2006 KCC WICHITA </div>

LOGS

Ft. Scott	4496	(-1865)
Cherokee Sh.	4518	(-1887)
Miss.	4596	(-1965)
LTD	4625	(-1994)

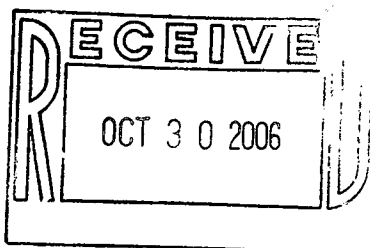
RECEIVED
NOV 07 2006
KCC WICHITA

Quality Oilwell Cementing Inc.

845 E Wichita

P.O. Box 32

Russell, KS 67665



Invoice

Date	Invoice #
10/26/2006	140

Bill To
Palomino Petroleum Inc 4924 SE 84th Newton Ks 67114

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
160	common	10.60	1,696.00T
105	POZ	6.00	630.00T
13	GEL	16.50	214.50T
278	handling	1.90	528.20T
5,282	.08 * 278 SACKS * 19 MILES	0.08	422.56T
1	pump truck charge 2000' + PLUG	1,050.00	1,050.00T
103	pump truck mileage charge	5.00	515.00T
66	Celloseal	2.00	132.00T
519	discount 10% if paid within 30 days	-1.00	-519.00
	LEASE: PARKER WELL #1		
	Ness county Sales Tax	5.30%	274.98
Thank you for your business. Dave		Total	\$4,944.24

RECEIVED

NOV 07 2006

KCC WICHITA

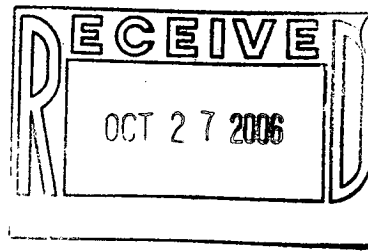
QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 1138

[illegible]



*
* I N V O I C E *
*

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

Russell, KS 67665

Invoice Number: 105044

Invoice Date: 10/23/06

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

Cust I.D.....: Palo
P.O. Number...: Parker #1
P.O. Date.....: 10/23/06

Due Date.: 11/22/06
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	160.00	SKS	10.6500	1704.00	T
Gel	3.00	SKS	16.6500	49.95	T
Chloride	5.00	SKS	46.6000	233.00	T
Handling	168.00	SKS	1.9000	319.20	E
Mileage	17.00	MILE	15.1200	257.04	E
168 sks @.09 per sk per mi					
Surface	1.00	JOB	815.0000	815.00	E
Mileage pmp trk	17.00	MILE	6.0000	102.00	E
Top Wood	1.00	EACH	60.0000	60.00	T

All Prices Are Net, Payable 30 Days Following	Subtotal:	3540.19
Date of Invoice. 1 1/2% Charged Thereafter.	Tax.....:	108.49
If Account CURRENT take Discount of <u>354.02</u>	Payments:	0.00
ONLY if paid within 30 days from Invoice Date	Total....:	3648.68

RECEIVED
NOV 07 2006
KCC WICHITA

ALLIED CEMENTING CO., INC.

26246

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

SERVICE POINT:

Neosho

DATE <u>10-15-06</u>	SEC. <u>20</u>	TWP. <u>18</u>	RANGE <u>26</u>	CALLED OUT <u>10:00pm</u>	ON LOCATION <u>11:00pm</u>	JOB START <u>12:00am</u>	JOB FINISH <u>12:30am</u>
LEASE <u>Parker</u>	WELL # <u>1</u>	LOCATION <u>Neosho 15W 1N 1/2E 1/4N</u>			COUNTY <u>Neosho</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR <u>Southwind Drilling #1</u>	
TYPE OF JOB <u>Surface</u>	
HOLE SIZE <u>12 1/4</u>	T.D. <u>227</u>
CASING SIZE <u>8 5/8</u>	DEPTH <u>227</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX	MINIMUM
MEAS. LINE	SHOE JOINT
CEMENT LEFT IN CSG. <u>15</u>	
PERFS.	
DISPLACEMENT <u>14</u>	

EQUIPMENT

PUMP TRUCK	CEMENTER <u>MIKE</u>
# <u>224</u>	HELPER <u>J. Weighman</u>
BULK TRUCK	
# <u>342</u>	DRIVER <u>Don</u>
BULK TRUCK	
#	DRIVER

REMARKS:

New 20"
circ 8 5/8 casing / 14 pump
mix cement, deep plug w/ 14 001
cemented circ

Thanks

CHARGE TO: <u>Palomares Pct</u>
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.

SIGNATURE

Doug Roberts

OWNER

CEMENT

AMOUNT ORDERED

160 Com 3% cc 2% Adl

COMMON <u>160</u>	@ <u>10.65</u>	<u>1704.00</u>
POZMIX	@	
GEL <u>3</u>	@ <u>16.65</u>	<u>49.95</u>
CHLORIDE <u>5</u>	@ <u>46.60</u>	<u>233.00</u>
ASC	@	
	@	
	@	
	@	
	@	
	@	
	@	
	@	
HANDLING <u>168</u>	@ <u>1.90</u>	<u>319.20</u>
MILEAGE <u>17.9.168</u>		<u>257.04</u>
	TOTAL	<u>2563.19</u>

SERVICE

DEPTH OF JOB <u>227</u>		
PUMP TRUCK CHARGE		<u>815.00</u>
EXTRA FOOTAGE	@	
MILEAGE <u>17</u>	@ <u>6.00</u>	<u>102.00</u>
MANIFOLD	@	
	@	
	@	
	@	
	TOTAL	<u>917.00</u>

PLUG & FLOAT EQUIPMENT

<u>8 5/8 top plug</u>	@	<u>60.00</u>
	@	
	@	
	@	
	@	
	TOTAL	<u>60.00</u>

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

Doug Roberts

PRINTED NAME