

**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: Southwind Drilling, Inc.
License: 33350
Wellsite Geologist: Kevin Davis

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>3/27/06</u>	<u>4/5/06</u>	<u>4/5/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-24426-0000
County: Ness
SE SE SE Sec. 22 Twp. 16 S. R. 25 East West
330 feet from (S) / N (circle one) Line of Section
330 feet from (E) / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Walker Well #: 1
Field Name: Arnold
Producing Formation: Mississippian
Elevation: Ground: 2553 Kelly Bushing: 2563
Total Depth: 4523 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 225 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 1876 Feet
If Alternate II completion, cement circulated from 1876
feet depth to surface w/ 140 sx cmt.
Alt 2 - Dig - 11-6-08

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: June 21, 2006

Subscribed and sworn to before me this 21st day of June,
20 06.

Notary Public: Carla R. Penwell
Carla R. Penwell

NOTARY PUBLIC - State of Kansas
Date Comm. Expires October 6, 2009
My Appt. Expires 10-6-09

KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received **RECEIVED**
 UIC Distribution **JUN 22 2006**
KCC WICHITA

Operator Name: Palomino Petroleum, Inc. Lease Name: Walker Well #: 1
 Sec. 22 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 Log	<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>1920</td> <td>(+ 643)</td> </tr> <tr> <td>Base Anhy.</td> <td>1954</td> <td>(+ 609)</td> </tr> <tr> <td>Topeka</td> <td>3608</td> <td>(-1045)</td> </tr> <tr> <td>Heebner</td> <td>3876</td> <td>(-1313)</td> </tr> <tr> <td>LKC</td> <td>3913</td> <td>(-1350)</td> </tr> <tr> <td>BKC</td> <td>4214</td> <td>(-1651)</td> </tr> <tr> <td>Marmaton</td> <td>4262</td> <td>(-1699)</td> </tr> <tr> <td>Pawnee</td> <td>4340</td> <td>(-1777)</td> </tr> </table>	Name	Top	Datum	Anhy.	1920	(+ 643)	Base Anhy.	1954	(+ 609)	Topeka	3608	(-1045)	Heebner	3876	(-1313)	LKC	3913	(-1350)	BKC	4214	(-1651)	Marmaton	4262	(-1699)	Pawnee	4340	(-1777)
Name	Top	Datum																										
Anhy.	1920	(+ 643)																										
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BKC	4214	(-1651)																										
Marmaton	4262	(-1699)																										
Pawnee	4340	(-1777)																										

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#	225'	Common	160	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	15.5#	4512'	SMD	160	500 gal. mud flush
							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 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 2 7/8"	Set At 4488'	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 4/26/06		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 Bbls. 80% 46	Gas Mcf	Water Bbls. 20% 12	Gas-Oil Ratio Gravity

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

JUN 22 2006

KCC WICHITA

LOGS

Ft. Scott	4416	(-1853)
Cherokee Sh.	4442	(-1879)
Miss.	4508	(-1945)
LTD	4523	(-1960)

**RECEIVED
JUN 22 2006
KCC WICHITA**

Invoice



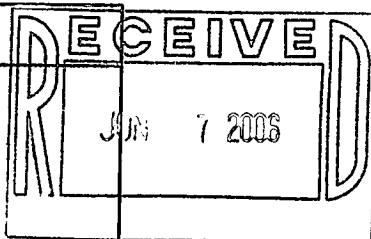
P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



DATE	INVOICE #
6/1/2006	10354

BILL TO

Palomino Petroleum Inc.
4924 S E 84th Street
Newton, KS 67114-8827



- Acidizing
- Cement
- Tool Rental

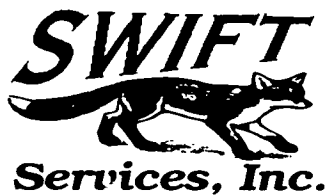
TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Walker	Ness		Oil	Workover	Acidize Well	Roger
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
502	Delivery Charge (4 Hour Minimum)				4	Hours	60.00	240.00
301 - 15%	FE Acid				250	Gallons	1.35	337.50
232	Musal ESA-64				5	Gallon(s)	18.00	90.00
230	Surf-3 ESA-N35 (Losurf 300)				1	Gallon(s)	30.00	30.00
254	Micell-1				1	Gallon(s)	35.00	35.00
237	Cla-Sta-1 ESA-52 Or (CS-260)				1	Gallon(s)	30.00	30.00
235	INH.1 ESA-28				0.5	Gallon(s)	42.00	21.00
	Subtotal							783.50
	Sales Tax Ness County						5.30%	0.00

Thank You For Your Business!

Total **RECEIVED** \$783.50

JUN 22 2006

KCC WICHITA



CHARGE TO: *Palomino Pet*
 ADDRESS:
 CITY, STATE, ZIP CODE:

RECEIVED
 JUN 22 2006
 KCC WICHITA

TICKET
 No 10354

PAGE 1 OF 1

SERVICE LOCATIONS 1. <i>Ness City, Ks</i>	WELL/PROJECT NO. # <i>1</i>	LEASE <i>Walker</i>	COUNTY/PARISH <i>Ness</i>	STATE <i>Ks</i>	CITY	DATE <i>6-1-06</i>	OWNER <i>Same</i>
2.	TICKET TYPE <input type="checkbox"/> SERVICE <input checked="" type="checkbox"/> SALES	CONTRACTOR <i>None</i>	RIG NAME/NO.	SHIPPED VIA <i>CIT</i>	DELIVERED TO <i>Loc.</i>	ORDER NO.	
3.	WELL TYPE <i>Oil</i>	WELL CATEGORY <i>Unit Over</i>	JOB PURPOSE <i>Acidize Well</i>	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									
					MILEAGE								
<i>502</i>		<i>1</i>			<i>Delivery Charge</i>	<i>4</i>	<i>hr</i>			<i>60</i>	<i>18</i>	<i>240</i>	<i>00</i>
<i>301</i>		<i>1</i>			<i>FE Acid</i>	<i>250</i>	<i>gal</i>	<i>15</i>	<i>%</i>	<i>1</i>	<i>35</i>	<i>337</i>	<i>50</i>
<i>232</i>		<i>1</i>			<i>Musol</i>	<i>5</i>	<i>gal</i>			<i>18</i>	<i>18</i>	<i>90</i>	<i>00</i>
<i>230</i>		<i>1</i>			<i>Surf-3</i>	<i>1</i>	<i>gal</i>			<i>30</i>	<i>0</i>	<i>30</i>	<i>00</i>
<i>254</i>		<i>1</i>			<i>Micell-1</i>	<i>1</i>	<i>gal</i>			<i>35</i>	<i>00</i>	<i>35</i>	<i>00</i>
<i>237</i>		<i>1</i>			<i>Clk-Sta</i>	<i>1</i>	<i>gal</i>			<i>30</i>	<i>00</i>	<i>30</i>	<i>00</i>
<i>235</i>		<i>1</i>			<i>Inhibit</i>	<i>1/2</i>	<i>gal</i>			<i>42</i>	<i>40</i>	<i>21</i>	<i>10</i>

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
 DATE SIGNED: TIME SIGNED: 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	<i>783</i>	<i>50</i>
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?				<i>Ness TAX 5.3%</i>		
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			TOTAL	<i>783</i>	<i>50</i>
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND						

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

SWIFT OPERATOR: *[Signature]* APPROVAL: _____

Thank You!

Invoice



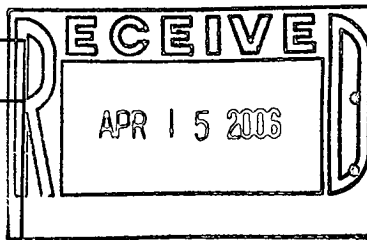
P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



DATE	INVOICE #
4/11/2006	10054

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	Walker	Ness	DS&W Well Servi...	Oil	Development	Cement Port Collar	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				25	Miles	4.00	100.00
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)				140	Sacks	12.00	1,680.00T
276	Flocele				50	Lb(s)	1.25	62.50T
581D	Service Charge Cement				200	Sacks	1.10	220.00
583D	Drayage				249.63	Ton Miles	1.00	249.63
	Subtotal							3,512.13
	Sales Tax Ness County						5.30%	113.55

We Appreciate Your Business!

RECEIVED

Total

\$3,625.68

JUN 22 2006

KCC WICHITA



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

TICKET
RECEIVED N° **10054**
JUN 22 2006

PAGE **1** OF **1**

KCC WICHITA

SERVICE LOCATIONS 1. NESS CITY, KS	WELL/PROJECT NO. # 1	LEASE WALKER	COUNTY/PARISH NESS	STATE KS	CITY	DATE 4-11-06	OWNER SAME
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR DS-W	RIG NAME/NO.	SHIPPED VIA CT	DELIVERED TO LOCATION	ORDER NO.	
3.	WELL TYPE OIL	WELL CATEGORY DEVELOPMENT	JOB PURPOSE CSMNT PORT COLLAR	WELL PERMIT NO.	WELL LOCATION ARND, KS - 1W, N-W PTO		
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	25		MI		4.00	100.00
577		1			PUMP SERVICE	1		JOB		800.00	800.00
105		1			PORT COLLAR OPNDG TOOL	1		JOB		400.00	400.00
330		1			SWIFT MULTI-DENSITY STANDARD	140		SKS		12.00	1680.00
276		1			FLOCELE	50		US		1.25	62.50
581		1			SENIZE CHARGE CSMNT	200		SKS		1.10	220.00
583		1			DENRAGE	19970		US	249.63 TM	1.00	249.63

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MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x *Rich Schreier*
 DATE SIGNED **4-11-06** TIME SIGNED **0930** 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	351213
TAX 7.53%	113.55
TOTAL	3625.68

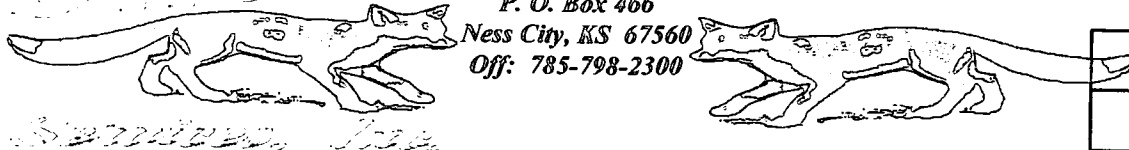
CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR *WAVE WISOL* APPROVAL

Thank You!

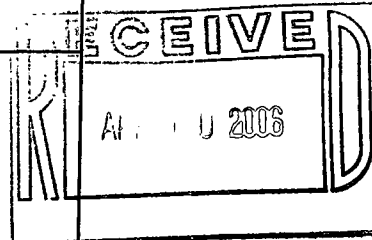
Invoice

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



DATE	INVOICE #
4/4/2006	9195

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	Walker	Ness	Southwind Drillin...	Oil	Development	5-1/2" LongString	Dave
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	4.00	160.00
578D-L	Pump Charge - Long String - 4516 Feet				1	Job	1,250.00	1,250.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	26.00	52.00T
281	Mud Flush				500	Gallon(s)	0.75	375.00T
290	D-Air				1	Gallon(s)	32.00	32.00T
402-5	5 1/2" Centralizer				9	Each	60.00	540.00T
403-5	5 1/2" Cement Basket				2	Each	230.00	460.00T
404-5	5 1/2" Port Collar				1	Each	2,000.00	2,000.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	210.00	210.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	250.00	250.00T
330	Swift Multi-Density Standard (MIDCON II)				175	Sacks	12.00	2,100.00T
276	Flocele				44	Lb(s)	1.25	55.00T
581D	Service Charge Cement				175	Sacks	1.10	192.50
583D	Drayage				349.48	Ton Miles	1.00	349.48
	Subtotal							8,025.98
	Sales Tax Ness County						5.30%	321.92

We Appreciate Your Business!

Total

\$8,347.90

RECEIVED
JUN 22 2006
KCC WICHITA



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

RECEIVED
 JUN 22 2006
 KCC WICHITA

TICKET No 9195
 PAGE 1 OF 2

SERVICE LOCATIONS
 1. HAYS WELL/PROJECT NO. # 1 LEASE W3/Wer COUNTY/PARISH Ness STATE KS CITY DATE 04-04-06 OWNER
 2. NESS CONTRACTOR RIG NAME/NO. Southwind Drif #1 SHIPPED VIA CZ DELIVERED TO 10, 1/2 W. Winto Annelida ORDER NO.
 3. WELL TYPE Oil WELL CATEGORY Develop JOB PURPOSE 5 1/2 Longstring WELL PERMIT NO. 15-135-2442600-02 WELL LOCATION S22, T16, R25W
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF								
575		1			MILEAGE #105	40	mi			4.00	160.00	
573		1			Pump Service	1	eq	4516	ft	1250.00	1250.00	
221		1			Liquid WCL	2	gal			26.00	52.00	
281		1			Mud Flush	500	gal			75	375.00	
290		1			D-Air	1	eq			32.00	32.00	
402		1			Centralizer	9	eq	5 1/2	in	60.00	540.00	
403		1			CMT Basket	2	eq	5 1/2	in	230.00	460.00	
404		1			Port Collar # DS10134	1	eq	5 1/2	in	2000.00	2000.00	1876 FT
406		1			Latch Down Plug & Basket	1	eq	5 1/2	in	210.00	210.00	
407		1			Insert Floet Shoe 1/2 Auto Fill	1	eq	5 1/2	in	250.00	250.00	

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MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x Rick Sheeler
 DATE SIGNED 04-04-06 TIME SIGNED 1650 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?				Pg. 1 PAGE TOTAL	5329.00
WE UNDERSTOOD AND MET YOUR NEEDS?				Pg. 2	2,696.98
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal	8025.98
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Ness TAX 5.3%	321.92
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	8347.90
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

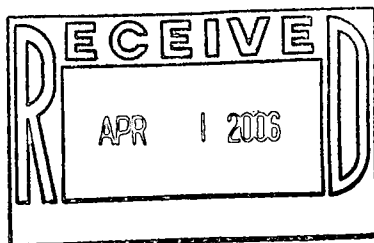
CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR David Ash APPROVAL

Thank You!

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

Russell, KS 67665



* INVOICE *

Invoice Number: 101567

Invoice Date: 03/30/06

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

Cust I.D.....: Palo
P.O. Number...: Walker #1
P.O. Date.....: 03/30/06

Due Date.: 04/29/06
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	160.00	SKS	9.6000	1536.00	T
Gel	3.00	SKS	15.0000	45.00	T
Chloride	5.00	SKS	42.0000	210.00	T
Handling	168.00	SKS	1.7000	285.60	E
Mileage	20.00	MILE	11.7600	235.20	E
168 sks @.07 per sk per mi					
Surface	1.00	JOB	735.0000	735.00	E
Mileage pmp trk	20.00	MILE	5.0000	100.00	E
Plug	1.00	EACH	55.0000	55.00	T

All Prices Are Net, Payable 30 Days Following	Subtotal:	3201.80
Date of Invoice. 1 1/2% Charged Thereafter.	Tax.....:	97.84
If Account CURRENT take Discount of \$ <u>320.18</u>	Payments:	0.00
ONLY if paid within 30 days from Invoice Date	Total....:	3299.64

RECEIVED
JUN 22 2006
KCC WICHITA

ALLIED CEMENTING CO., INC.

23551

Federal Tax I

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

SERVICE POINT:

Neosho City

DATE <u>3-27-06</u>	SEC. <u>22</u>	TWP. <u>16</u>	RANGE <u>25</u>	CALLED OUT <u>6:15pm</u>	ON LOCATION <u>8:00pm</u>	JOB START <u>2:00am</u>	JOB FINISH <u>2:30am</u>
LEASE <u>walker</u>	WELL # <u>1</u>	LOCATION <u>Arnold 1w N.S.-ws</u>			COUNTY <u>Neosho</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Southland Drilling #1
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4 T.D. 226
 CASING SIZE 8 7/8 DEPTH 225
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. 15
 PERFS. _____
 DISPLACEMENT 13 1/2

OWNER _____
 CEMENT AMOUNT ORDERED _____
160 Com 39cc 2 1/2 gal
 COMMON 160 bbl. @ 9.60 1536.00
 POZMIX _____ @ _____
 GEL 3 bbl. @ 15.00 45.00
 CHLORIDE 5 bbl. @ 42.00 210.00
 ASC _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 HANDLING 168 bbl. @ 1.70 285.60
 MILEAGE 20 168.07 235.20
 RECEIVED
 TOTAL 2311.80

EQUIPMENT

PUMP TRUCK CEMENTER Mike
 # 224 HELPER J. Weyhous
 BULK TRUCK
 # 357 DRIVER Terry
 BULK TRUCK
 # _____ DRIVER _____

REMARKS:

New 23#
Circ 8 7/8 csg w/ reg pump
Max Comp, deep plug w/ 13 1/2 BBL
Cemented Circ

THANKS

CHARGE TO: Palominas Pet.
 STREET _____
 CITY _____ STATE _____ ZIP _____

JUN 22 2006
 KCC WICHITA SERVICE
 DEPTH OF JOB 225
 PUMP TRUCK CHARGE 735.00
 EXTRA FOOTAGE _____ @ _____
 MILEAGE 20 @ 5.00 100.00
 MANIFOLD _____ @ _____
 _____ @ _____
 _____ @ _____
 TOTAL 835.00

PLUG & FLOAT EQUIPMENT

8 7/8 Topaboo @ 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 Darryl Krier

DARRYL KRIER
 PRINTED NAME