

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, Kansas 67114-8827
Purchaser: None
Operator Contact Person: Klee R. Watchous
Phone: (316) 799-1000
Contractor: Name: Southwind Drilling, Inc.
License: 33350
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>8/18/07</u> | <u>8/27/07</u> | <u>8/27/07</u> |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 063-21675-0000
County: Gove
SE NW NE Sec. 36 Twp. 15 S. R. 27 East West
1110 feet from S (N) (circle one) Line of Section
1760 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Froelich-Curtis Well #: 1
Field Name: Whitney South
Producing Formation: None
Elevation: Ground: 2520 Kelly Bushing: 2530
Total Depth: 4498 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 223 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 NCR
(Data must be collected from the Reserve Pit) 1-21-09
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 13, 2007

Subscribed and sworn to before me this 13th day of November

20 07
Notary Public: Carla R. Penwell
Date Commission Expires: October 2009 Apt. Expires 10-6-09

KCC Office Use ONLY

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

RECEIVED
KANSAS CORPORATION COMMISSION
NOV 14 2007
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Palomino Petroleum, Inc. Lease Name: Froelich-Curtis Well #: 1
 Sec. 36 Twp. 15 S. R. 27 East West County: Gove

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%; 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>1964</td> <td>(+ 566)</td> </tr> <tr> <td>Base Anhy.</td> <td>2000</td> <td>(+ 530)</td> </tr> <tr> <td>Topeka</td> <td>3552</td> <td>(-1022)</td> </tr> <tr> <td>Heebner</td> <td>3762</td> <td>(-1232)</td> </tr> <tr> <td>LKC</td> <td>3800</td> <td>(-1270)</td> </tr> <tr> <td>BKC</td> <td>4146</td> <td>(-1616)</td> </tr> <tr> <td>Marmaton</td> <td>4163</td> <td>(-1633)</td> </tr> </table> | Name | Top | Datum | Anhy. | 1964 | (+ 566) | Base Anhy. | 2000 | (+ 530) | Topeka | 3552 | (-1022) | Heebner | 3762 | (-1232) | LKC | 3800 | (-1270) | BKC | 4146 | (-1616) | Marmaton | 4163 | (-1633) |
| Name | Top | Datum | | | | | | | | | | | | | | | | | | | | | | | |
| Anhy. | 1964 | (+ 566) | | | | | | | | | | | | | | | | | | | | | | | |
| Base Anhy. | 2000 | (+ 530) | | | | | | | | | | | | | | | | | | | | | | | |
| Topeka | 3552 | (-1022) | | | | | | | | | | | | | | | | | | | | | | | |
| Heebner | 3762 | (-1232) | | | | | | | | | | | | | | | | | | | | | | | |
| LKC | 3800 | (-1270) | | | | | | | | | | | | | | | | | | | | | | | |
| BKC | 4146 | (-1616) | | | | | | | | | | | | | | | | | | | | | | | |
| Marmaton | 4163 | (-1633) | | | | | | | | | | | | | | | | | | | | | | | |

| 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# | 223' | Common | 150 | 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 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) _____ | <input type="checkbox"/> _____ |

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NOV 14 2007
 CONSERVATION DIVISION
 WICHITA, KS

LOGS

| | | |
|--------------|------|---------|
| Pawnee | 4240 | (-1710) |
| Ft. Scott | 4295 | (-1765) |
| Cherokee Sh. | 4321 | (-1791) |
| Miss. | 4392 | (-1862) |
| LTD | 4498 | (-1968) |

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NOV 14 2007
CONSERVATION DIVISION
WICHITA, KS



INVOICE

24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906

Invoice Number: 109893
Invoice Date: Aug 30, 2007
Page: 1

RECEIVED
SEP 01 2007

Voice: (785) 483-3887
Fax: (785) 483-5566

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

| Customer ID | Well Name# or Customer P.O. | Payment Terms | |
|--------------|-----------------------------|---------------|----------|
| Palo | Frblich Curtis #1 | Net 30 Days | |
| Sales Rep ID | Camp Location | Service Date | Due Date |
| | Great Bend | Aug 30, 2007 | 9/29/07 |

| Quantity | Item | Description | Unit Price | Amount |
|----------|------|-----------------------------------|------------|----------|
| 120.00 | MAT | Common Class a | 12.60 | 1,512.00 |
| 80.00 | MAT | Pozmix | 6.40 | 512.00 |
| 7.00 | MAT | GEI | 16.65 | 116.55 |
| 50.00 | MAT | Flo Seal | 2.00 | 100.00 |
| 209.00 | SER | Handling | 1.90 | 397.10 |
| 40.00 | SER | Mileage 209 sx @.09 per sk per mi | 18.81 | 752.40 |
| 1.00 | SER | Rotary Plug | 815.00 | 815.00 |
| 40.00 | SER | Mileage Pump Truck | 6.00 | 240.00 |
| 1.00 | EQP | Old Hole Plug | 35.00 | 35.00 |

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NOV 14 2007
CONSERVATION DIVISION
WICHITA, KS

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 448.05

ONLY IF PAID ON OR BEFORE

Sep 29, 2007

| | |
|------------------------|-----------------|
| Subtotal | 4,480.05 |
| Sales Tax | 315.84 |
| Total Invoice Amount | 4,795.89 |
| Payment/Credit Applied | |
| TOTAL | 4,795.89 |

ALLIED CEMENTING CO., INC.

30272

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

SERVICE POINT: Great Bend
~~Abie~~

| | | | | | | | |
|----------------------------------|------------------|--------------------|--|--------------------------|-------------------------------|-----------------------------|---------------------------|
| DATE <u>8-27-07</u> | SEC <u>36</u> | TWP <u>15</u> | RANGE <u>27</u> | CALLED <u>2:30 PM</u> | ON LOCATION <u>6:30 PM</u> | JOB START <u>8:00 PM</u> | JOB END <u>8:00 PM</u> |
| LEASE <u>Krieblich Curtis</u> | | WELL # <u>1</u> | LOCATION <u>UTica 3 1/2 W 4 N 4/3</u> | | | COUNTY <u>Gove</u> | STATE <u>K.S.</u> |
| OLD OR <u>NEW</u> (Circle one) | | | | | | | |

CONTRACTOR Southwind Rig 1

TYPE OF JOB Rotary Plug

HOLE SIZE _____ T.D. 4500 ft

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE H 1/2 DEPTH 1975 ft

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER Palomino

CEMENT AMOUNT ORDERED 200 @ 40 = 8000 gal

1" Floseal

| | | | | |
|---------------------|----------------|---|--------------|----------------|
| COMMON | <u>120 cu.</u> | @ | <u>12.60</u> | <u>1512.00</u> |
| POZMIX | <u>80 cu.</u> | @ | <u>6.40</u> | <u>512.00</u> |
| GEL | <u>7 cu.</u> | @ | <u>16.65</u> | <u>116.55</u> |
| CHLORIDE | | @ | | |
| ASC | | @ | | |
| <u>FLOSEAL 50 #</u> | | @ | <u>2.00</u> | <u>100.00</u> |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| HANDLING | <u>209 cu.</u> | @ | <u>1.90</u> | <u>397.10</u> |
| MILEAGE | <u>209</u> | @ | <u>4.00</u> | <u>836.00</u> |
| TOTAL | | | | <u>3390.05</u> |

EQUIPMENT

PUMP TRUCK CEMENTER Mike M

120 HELPER Randy P

BULK TRUCK DRIVER Tyler

342

BULK TRUCK DRIVER _____

REMARKS:

Mix 25 cu at 1975 ft

Mix 100 cu at 950 ft

Mix 40 cu at 275 ft

Mix 10 cu at 42 ft + Plug

Mix 15 cu at RH

Mix 10 cu at MH

SERVICE

DEPTH OF JOB 1975 ft

PUMP TRUCK CHARGE _____ 815.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 40 @ 6.00 240.00

MANIFOLD _____ @ _____

_____ @ _____

_____ @ _____

TOTAL 1.055.00

CHARGE TO: Palomino

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

1-4 1/2" old hole plug 35.00

RECEIVED _____ @ _____

KANSAS CORPORATION COMMISSION _____ @ _____

NOV 14 2007

TOTAL 35.00

CONSERVATION DIVISION WICHITA, KS

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 Frank J. Rowe

Frank J. Rowe
PRINTED NAME



INVOICE

24 S. Lincoln Street
 P.O. Box 31
 Russell, KS 67665-2906

RECEIVED

Invoice Number: 109705
 Invoice Date: Aug 21, 2007
 Page: 1

Voice: (785) 483-3887
 Fax: (785) 483-5566

AUG 24 2007

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

Federal Tax I.D.#:

| | | | |
|---------------------|------------------------------------|----------------------|-----------------|
| Customer ID | Well Name# or Customer P.O. | Payment Terms | |
| Palo | Flolelich-Curtis #1 | Net 30 Days | |
| Sales Rep ID | Camp Location | Service Date | Due Date |
| | Oakley | Aug 21, 2007 | 9/20/07 |

| Quantity | Item | Description | Unit Price | Amount |
|----------|------|-----------------------------------|------------|----------|
| 150.00 | MAT | Common Class A | 11.10 | 1,665.00 |
| 3.00 | MAT | Gel | 16.65 | 49.95 |
| 5.00 | MAT | Chloride | 46.60 | 233.00 |
| 158.00 | SER | Handling | 1.90 | 300.20 |
| 40.00 | SER | Mileage 158 sx @.09 per sk per mi | 14.22 | 568.80 |
| 1.00 | SER | Surface | 815.00 | 815.00 |
| 40.00 | SER | Mileage Pump Truck | 6.00 | 240.00 |
| 1.00 | EQP | Surface Plug | 60.00 | 60.00 |

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 KANSAS CORPORATION COMMISSION
 NOV 14 2007
 CONSERVATION DIVISION
 WICHITA, KS

ALL PRICES ARE NET, PAYABLE
 30 DAYS FOLLOWING DATE OF
 INVOICE. 1 1/2% CHARGED
 THEREAFTER. IF ACCOUNT IS
 CURRENT, TAKE DISCOUNT OF

\$ 393.19

ONLY IF PAID ON OR BEFORE

Sep 20, 2007

| | |
|------------------------|-----------------|
| Subtotal | 3,931.95 |
| Sales Tax | 141.56 |
| Total Invoice Amount | 4,073.51 |
| Payment/Credit Applied | |
| TOTAL | 4,073.51 |

ALLIED CEMENTING CO., INC. 25975

Federal Tax I.D. #

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

SERVICE POINT:

Oakley

| | | | | | | | |
|--------------------------------|-----------------|-------------------------------------|-----------------------------|--------------------|-------------------------|--------------------------|---------------------------|
| DATE <u>8-18-07</u> | SEC <u>36</u> | TWP. <u>15^s</u> | RANGE <u>27^w</u> | CALLED OUT | ON LOCATION <u>NOON</u> | JOB START <u>1:00 PM</u> | JOB FINISH <u>1:30 PM</u> |
| LEASE <u>Froelich-Curtis</u> | WELL # <u>1</u> | LOCATION <u>Utica 1/2W-4N-34-2S</u> | | COUNTY <u>Gove</u> | STATE <u>Kan</u> | | |
| OLD OR <u>NEW</u> (Circle one) | | | | <u>4-NW into</u> | | | |

CONTRACTOR Southwind Drilling #1

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 224'

CASING SIZE 8 5/8 DEPTH 223'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 13 1/4 BBL

EQUIPMENT

PUMP TRUCK CEMENTER Walt

417 HELPER Walt

BULK TRUCK

341 DRIVER Tyler

BULK TRUCK

DRIVER

REMARKS:

Cement Did Circ

Thank You

CHARGE TO: Palomino Petroleum

STREET

CITY STATE ZIP

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 14 2007

To Allied Cementing Co., Inc. CONSERVATION DIVISION
WICHITA, KS
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

Frank J. Rowe

OWNER Same

CEMENT

AMOUNT ORDERED 150 SKS COM

3% ACC - 2% DEL

| | | | |
|----------|--------------------|--------------|-----------------|
| COMMON | <u>150 - SKS @</u> | <u>12.10</u> | <u>1,665.00</u> |
| POZMIX | @ | | |
| GEL | <u>3 - SKS @</u> | <u>16.65</u> | <u>49.95</u> |
| CHLORIDE | <u>5 - SKS @</u> | <u>46.60</u> | <u>233.00</u> |
| ASC | @ | | |

| | | | |
|----------|------------------------|-------------|-----------------|
| HANDLING | <u>158 - SKS @</u> | <u>1.90</u> | <u>300.20</u> |
| MILEAGE | <u>9¢ per SKL mile</u> | | <u>568.80</u> |
| TOTAL | | | <u>2,816.95</u> |

SERVICE

| | | | |
|-------------------|---------------------|-------------|---------------|
| DEPTH OF JOB | | | |
| PUMP TRUCK CHARGE | | | <u>815.00</u> |
| EXTRA FOOTAGE | @ | | |
| MILEAGE | <u>40 - miles @</u> | <u>6.00</u> | <u>240.00</u> |
| MANIFOLD | @ | | |

TOTAL 1,055.00

PLUG & FLOAT EQUIPMENT

| | | | |
|-------------------------|---|--|--------------|
| <u>8 5/8</u> | | | |
| <u>1 - Surface Plug</u> | @ | | <u>60.00</u> |
| | @ | | |
| | @ | | |
| | @ | | |
| | @ | | |

TOTAL 60.00

TAX

TOTAL CHARGE

DISCOUNT IF PAID IN 30 DAYS

PRINTED NAME