

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**ORIGINAL**

Form ACO-1  
October 2008  
Form Must Be Typed

**WELL COMPLETION FORM**  
**WELL HISTORY - DESCRIPTION OF WELL & LEASE**

OPERATOR: License # 30742  
Name: Palomino Petroleum, Inc.  
Address 1: 4924 SE 84th St.  
Address 2: \_\_\_\_\_  
City: Newton State: KS Zip: 67114 + 8 8 2 7  
Contact Person: Klee R. Watchous  
Phone: (316) 799-1000  
CONTRACTOR: License # 5123  
Name: Pickrell Drilling Company, Inc.  
Wellsite Geologist: Robert A. Schreiber  
Purchaser: None

Designate Type of Completion:  
 New Well \_\_\_\_\_ Re-Entry \_\_\_\_\_  
\_\_\_\_\_ Oil \_\_\_\_\_ SWD \_\_\_\_\_ SIOW \_\_\_\_\_  
\_\_\_\_\_ Gas \_\_\_\_\_ ENHR \_\_\_\_\_ SIGW \_\_\_\_\_  
\_\_\_\_\_ CM (Coal Bed Methane) \_\_\_\_\_ Temp. Abd. \_\_\_\_\_  
 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. \_\_\_\_\_ Conv. to SWD \_\_\_\_\_  
\_\_\_\_\_ Plug Back: \_\_\_\_\_ Plug Back Total Depth \_\_\_\_\_  
\_\_\_\_\_ Commingled \_\_\_\_\_ Docket No.: \_\_\_\_\_  
\_\_\_\_\_ Dual Completion \_\_\_\_\_ Docket No.: \_\_\_\_\_  
\_\_\_\_\_ Other (SWD or Enhr.?) \_\_\_\_\_ Docket No.: \_\_\_\_\_  
11/2/09                      11/9/09                      11/9/09  
Spud Date or                      Date Reached TD                      Completion Date or  
Recompletion Date                                                                Recompletion Date

API No. 15 - 135-24987-0000  
Spot Description: \_\_\_\_\_  
N/2 SW SW NW Sec. 30 Twp. 17 S. R. 24  East  West  
2300 Feet from  North /  South Line of Section  
330 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Ness  
Lease Name: Schaben Heirs Well #: 2  
Field Name: Aldrich Northeast  
Producing Formation: None  
Elevation: Ground: 2462 Kelly Bushing: 2467  
Total Depth: 4505 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at: 212 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/ \_\_\_\_\_ <sup>sq cmt.</sup> PA-Dg-2/5/10

**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.: \_\_\_\_\_

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KANSAS CORPORATION COMMISSION  
Workover  
JAN 29 2010  
CONSERVATION DIVISION  
WICHITA, KS

**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: January 28, 2010

Subscribed and sworn to before me this 28th day of January,  
20 10.

Notary Public: Carla R. Penwell  
Date Commission Expires: October 6, 2013  
NOTARY PUBLIC - State of Kansas  
CARLA R. PENWELL  
My Appt. Expires 10-6-13

**KCC Office Use ONLY**  
 Letter of Confidentiality Received  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

Operator Name: Palomino Petroleum, Inc. Lease Name: Schaben Heirs Well #: 2  
 Sec. 30 Twp. 17 S. R. 24  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: <b>Radiation Guard</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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Anhy.</td> <td>1738</td> <td>(+ 729)</td> </tr> <tr> <td>Base Anhy.</td> <td>1769</td> <td>(+ 698)</td> </tr> <tr> <td>Topeka</td> <td>3510</td> <td>(-1043)</td> </tr> <tr> <td>Heebner</td> <td>3787</td> <td>(-1320)</td> </tr> <tr> <td>Toronto</td> <td>3806</td> <td>(-1339)</td> </tr> <tr> <td>LKC</td> <td>3830</td> <td>(-1363)</td> </tr> <tr> <td>BKC</td> <td>4116</td> <td>(-1649)</td> </tr> </table>	Name	Top	Datum	Anhy.	1738	(+ 729)	Base Anhy.	1769	(+ 698)	Topeka	3510	(-1043)	Heebner	3787	(-1320)	Toronto	3806	(-1339)	LKC	3830	(-1363)	BKC	4116	(-1649)
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CONSERVATION DIVISION  
 WICHITA, KS  
 CASING RECORD  New  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#	212'	Common	150	2% gel, 3% c.c.

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose: <input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" 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: <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 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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**LOGS**

Marmaton	4168	(-1701)
Pawnee	4247	(-1780)
Ft. Scott	4324	(-1857)
Cherokee Sh.	4350	(-1883)
Miss. Dolo.	4427	(-1960)
LTD	4505	(-2038)

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CONSERVATION DIVISION  
WICHITA, KS

Quality Oilwell Cementing Inc.

740 W WICHITA  
P.O. Box 32  
Russell, KS 67665

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NOV 14 2009

**Invoice**

Date	Invoice #
11/10/2009	2063

<b>Bill To</b>
Palomino Petroleum Inc 4924 SE 84th Newton Ks 67114

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
156	common	10.00	1,560.00T
104	POZ	6.00	624.00T
9	GEL	17.00	153.00T
65	Celloseal	2.00	130.00T
269	handling	2.00	538.00T
1	MILEAGE CHARGE	450.00	450.00T
1	pump truck charge plugging	500.00	500.00T
26	pump truck mileage charge	7.00	182.00T
827	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-827.00T
	LEASE: SCHABEN HEIRS WELL #2 Ness county Sales Tax	5.30%	175.43
RECEIVED KANSAS CORPORATION COMMISSION  JAN 29 2010  CONSERVATION DIVISION WICHITA, KS			
Thank you for your business. Dave			<b>Total</b> \$3,485.43

# QUALITY OILWELL CEMENTING, INC.

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

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

No. 3976

Date	11-9-09	Sec.	30	Twp.	17	Range	24	County	NESS	State	KS	On Location		Finish	10' 45" API
Lease	Schaben Hires	Well No.	2		Location Ransom 3W 6S 1W 1/2 W W & S F.M.C.										

Contractor	Pickrell #10	Owner	To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.
Type Job	Rotary Plug	Hole Size	7 7/8
Csg.		Depth	T.D. 4506
Tbg. Size		Depth	
Tool		Depth	
Cement Left in Csg.		Shoe Joint	
Meas Line		Displace	
Charge To		Palomino Pet.	
Street			
City		State	
The above was done to satisfaction and supervision of owner agent or contractor.			

EQUIPMENT				Amount Ordered	260 60 40 50 1
Pumptrk	9	No.	Cementor	Brandon	Common
Bulktrk	2	No.	Driver	Paul	Poz. Mix
Bulktrk	4	No.	Driver	Joe	Gel.

JOB SERVICES & REMARKS				Calcium
Remarks:				Hulls
1st	Plug	@ 1760	mix 50sx	Salt
2nd	Plug	" 1030'	mix 80sx	Flowseal
3rd	"	" 500'	mix 40sx	
4th	"	" 240'	mix 40sx	
5th	"	" 60'	mix 20sx	

Rathole	mix 30sx	Handling
		Mileage

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KANSAS CORPORATE COMMISSION

Thank You!  
JAN 29 2010

CONSERVATION DIVISION  
WICHITA, KS

FLOAT EQUIPMENT	
Guide Shoe	
Centralizer	
Baskets	
AFU Inserts	
<del>_____</del>	
Pumptrk Charge	
Mileage	
Tax	
Discount	
Total Charge	

Quality Oilwell  
Cementing

X Signature *mike Kern*

Quality Oilwell Cementing Inc.

740 W WICHITA  
 P.O. Box 32  
 Russell, KS 67665

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NOV 06 2009

# Invoice

Date	Invoice #
11/3/2009	2049

<b>Bill To</b>
Palomino Petroleum Inc 4924 SE 84th Newton Ks 67114

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
150	common	10.00	1,500.00T
3	GEL	17.00	51.00T
5	Calcium	42.00	210.00T
158	handling	2.00	316.00
1	MILEAGE CHARGE	300.00	300.00
1	surface pipes 0-500ft	450.00	450.00
26	pump truck mileage charge	7.00	182.00
352	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-352.00T
250	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-250.00
	LEASE: SCHABER HEIRS WELL #2		
	Ness county Sales Tax	5.30%	74.68
<p>RECEIVED                  KANSAS CORPORATION COMMISSION</p> <p>JAN 29 2010</p> <p>CONSERVATION DIVISION                  WICHITA, KS</p>			
Thank you for your business. Dave		<b>Total</b>	\$2,481.68



Company **Palomino Petroleum, Inc.**  
 Address **4924 SE 84th Street**  
 CSZ **Newton, KS 67114**  
 Attn. **Bob Schriber**

Lease Name **Schaben Heirs**  
 Lease # **2**  
 Legal Desc **N/2 SW SW NW**  
 Section **30**  
 Township **17S**  
 County **Ness**  
 Drilling Cont **Pickrell Drilling #10**

Job Ticket **3063**  
 Range **24W**  
 State **KS**

Comments **Field: Aldrich Northeast**

**GENERAL INFORMATION**

Test # 1 Test Date **11/8/2009**  
 Tester **Jimmy Ricketts**  
 Test Type **Conventional Bottom Hole Successful Test**

# of Packers **2.0** Packer Size **6 3/4**

Mud Type **Gel Chem**  
 Mud Weight **9.2** Viscosity **64.0**  
 Filtrate **8.0** Chlorides **1800**

Drill Collar Len **0**  
 Wght Pipe Len **0**

Formation **Mississippian**  
 Interval Top **4365.0** Bottom **4442.0**  
 Anchor Len Below **77.0** Between **0**  
 Total Depth **4442.0**

Blow Type **Weak blow building to strong blow 28 minutes into initial flow period.  
 Weak blow building to 11" final flow period. Times: 30, 30, 30, 30.**

Chokes **3/4** Hole Size **7 7/8**  
 Top Recorder # **13767**  
 Mid Recorder #  
 Bott Recorder # **w1022**

Mileage **150** Approved By  
 Standby Time **0**  
 Extra Equipmnt **Jars & Safety Joint**  
 Time on Site **7:00 AM**  
 Tool Picked Up **8:30 AM**  
 Tool Layed Dwn **2:00 PM**

Elevation **2462.00** Kelley Bushings **2467.00**

Start Date/Time **11/8/2009 7:53 AM**  
 End Date/Time **11/8/2009 2:28 PM**

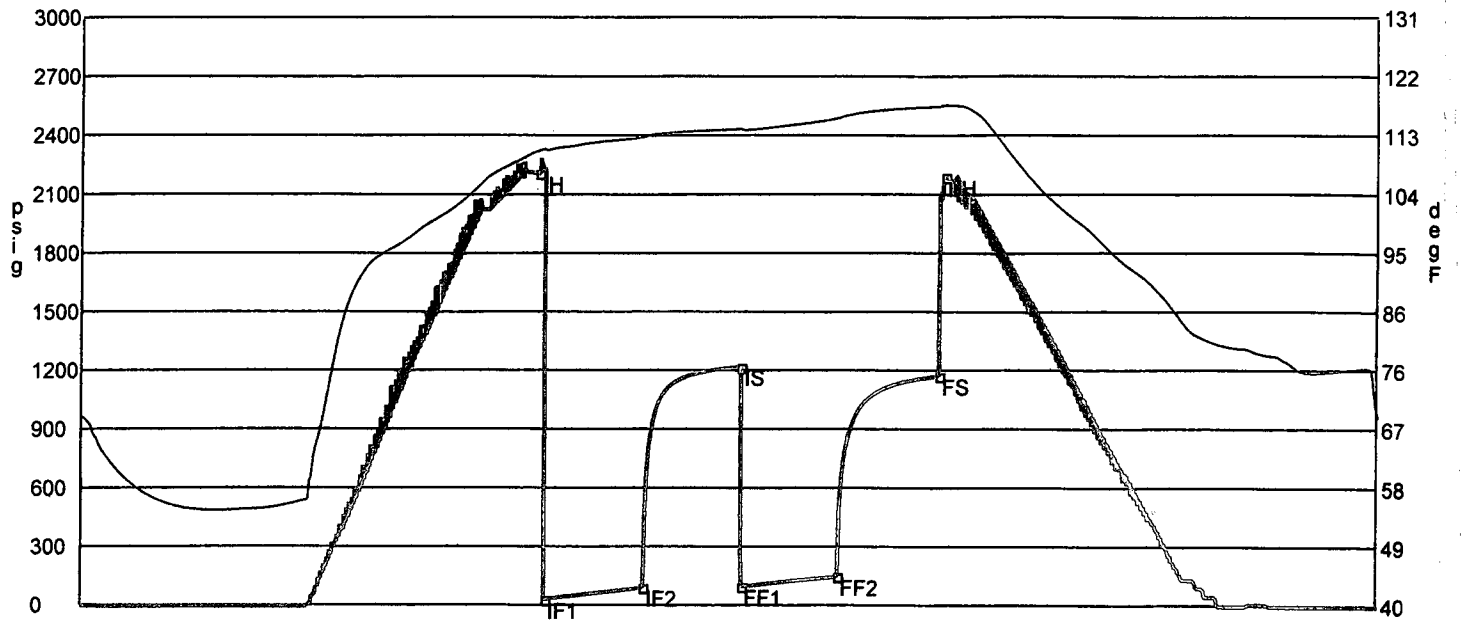
**RECOVERY**

Feet	Description	Gas	Oil	Water	Mud
30	Heavy oil cut mud	0% 0ft	31% 9.3ft	0% 0ft	69% 20.7ft
60	Oil cut mud	0% 0ft	3% 1.8ft	0% 0ft	97% 58.2ft
120	Oil and water cut mud	0% 0ft	6% 7.2ft	9% 10.8ft	85% 102ft
60	Oil and heavy water cut mud	0% 0ft	2% 1.2ft	17% 10.2ft	81% 48.6ft

DST Fluids **13000**

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 WICHITA, KS





	Date	Time	Pressure	Temp	
IH	11/8/2009 10:12:00 AM	2.316667	2209.066	110.48	Initial Hydro-static
IF1	11/8/2009 10:14:20 AM	2.355556	29.019	110.544	Initial Flow (1)
IF2	11/8/2009 10:44:20 AM	2.855556	91.267	112.67	Initial Flow (2)
IS	11/8/2009 11:14:00 AM	3.35	1219.712	113.802	Initial Shut-In
FF1	11/8/2009 11:14:20 AM	3.355556	96.976	113.68	Final Flow (1)
FF2	11/8/2009 11:43:40 AM	3.844444	148.962	115.54	Final Flow (2)
FS	11/8/2009 12:14:30 PM	4.358333	1172.672	117.284	Final Shut-In
FH	11/8/2009 12:16:00 PM	4.383333	2190.395	117.472	Final Hydro-static

**GAS FLOWS**

Min Into IFP   Min Into FFP   Gas Flows   Pressure   Choke

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