

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**ORIGINAL**

Form ACO-1  
June 2009  
Form Must Be Typed  
Form must be Signed  
All blanks must be Filled

\*CORRECTED

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

OPERATOR: License # 30742  
Name: Palomino Petroleum, Inc.  
Address 1: 4924 SE 84th St. Newton  
Address 2: \_\_\_\_\_  
City: Newton State: KS Zip: 67114 + 8 8 2 7  
Contact Person: Klee R. Watchous  
Phone: (316) 799-1000  
CONTRACTOR: License # 4958  
Name: Mallard JV, Inc.  
Wellsite Geologist: Nicholas P. Gerstner  
Purchaser: NCRA

RECEIVED

JAN 06 2012

KCC WICHITA

Designate Type of Completion:

- New Well     Re-Entry     Workover
- Oil     WSW     SWD     SLOW
- Gas     D&A     ENHR     SIGW
- OG     GSW     Temp. Abd.
- CM (Coal Bed Methane)
- Cathodic     Other (Core, Expl., 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  
 Conv. to GSW

Plug Back: \_\_\_\_\_ Plug Back Total Depth \_\_\_\_\_  
 Commingled    Permit #: \_\_\_\_\_  
 Dual Completion    Permit #: \_\_\_\_\_  
 SWD    Permit #: \_\_\_\_\_  
 ENHR    Permit #: \_\_\_\_\_  
 GSW    Permit #: \_\_\_\_\_

9/1/11	9/10/11	9/10/11
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-25294 - 00 00  
Spot Description: \_\_\_\_\_  
NW SW SE NW Sec. 33 Twp. 16 S. R. 26  East  West  
2,192 Feet from  North /  South Line of Section  
1,485 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Ness  
Lease Name: Horchem-Huxman Well #: 1  
Field Name: None (Wildcat)  
Producing Formation: Mississippian  
Elevation: Ground: 2638 Kelly Bushing: 2643  
Total Depth: 4661 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at: 218 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: 2021 Feet  
If Alternate II completion, cement circulated from: 2021  
feet depth to: surface w/ 145 sx cmt.

**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 #: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
County: \_\_\_\_\_ Permit #: \_\_\_\_\_

**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.

**AFFIDAVIT**

I am the affiant and I hereby certify that 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: 12/30/11

**KCC Office Use ONLY**

- Letter of Confidentiality Received  
Date: \_\_\_\_\_  
 Confidential Release Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution  
ALT  I  II  III Approved by: DG Date: 1/9/12

Operator Name: Palomino Petroleum, Inc. Lease Name: Horchem-Huxman Well #: 1  
 Sec. 33 Twp. 16 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 complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anhy.	2044	(+ 599)
Electric Log Run	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Base Anhy.	2075	(+ 568)
Electric Log Submitted Electronically <i>(If no, Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Topeka	3644	(-1001)
List All E. Logs Run: <b>Radiation Guard</b>		Heebner	3901	(-1258)
		Lansing	3940	(-1297)
		Stark	4192	(-1549)
		BKC	4255	(-1612)

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"	23#	218'	Common	150	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4643'	SMD	100	500 gal. mud flush
					EA-2	100	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 <i>(Amount and Kind of Material Used)</i>	Depth
4	4604-4606	Acidized 250 gal. 20% MCA, 3% ms.	
4	4570-4572 & 4575-4578	Acidized 350 gal. 20% MCA, 3% ms.	
		Acidized 750 gal. 20% FENE, 2% ms.	
		Acidized 1500 gal. 20% FENE, 2% ms.	
	Set CIBP @ 4600'		

RECEIVED  
JAN 06 2012

KCC WICHITA

TUBING RECORD: Size: <u>2 7/8"</u> Set At: <u>4603'</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>10/21/11</u>		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. 88% <b>31 *50</b>	Gas Mcf	Water Bbls. 12% <b>4 *7</b>
		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 checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
---	--	--

**LOGS**

Marmaton	4300	(-1657)
Pawnee	4392	(-1749)
Ft. Scott	4451	(-1808)
Cherokee	4474	(-1831)
Miss. Dolo.	4556	(-1913)
LTD	4661	(-2018)

RECEIVED  
JAN 06 2012  
KCC WICHITA