TO:
STATE CORPORATION COMMISSION
CONSERVATION DIVISION - PLUGGING
130 SOUTH MARKET, SUITE 2078
WICHITA, KANSAS 67202

API Well Number: 15-135-24423-00-00
Spot: N2SENE
Sec/Twnshp/Rge: 9-19S-24W
1500 feet from N Section Line,
750 feet from E Section Line
Lease Name: HARROLD
County: NESS
Well #: 1
Total Vertical Depth: 4374 feet

Operator License No.: 30742
Op Name: PALOMINO PETROLEUM, INC.
Address: 4924 SE 84TH STREET
NEWTON, KS 67114

Well Type: DH
UIC Docket No: Date/Time to Plug: 12/19/2005 10:30 AM
Plug Co. License No: 5123 Plug Co. Name: PICKRELL DRILLING COMPANY, INC.
Proposal Rcvd. from: MIKE KERNS Company: PICKRELL DRILLING COMPANY, INC Phone: (316) 262-8427

Proposed Plugging Method:
1ST PLUG AT 1620' WITH 50 SX CMT. 2ND PLUG AT 810' WITH 80 SX CMT. 3RD PLUG AT 400' WITH 40 SX CMT. 4TH PLUG AT 240' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. NO MOUSE HOLE.

Plugging Proposal Received By: ERIC MACLAREN Witness Type: NONE
Date/Time Plugging Completed: 12/19/2005 12:15 PM
KCC Agent: ERIC MACLAREN

Actual Plugging Report:
1ST PLUG AT 1620' WITH 50 SX CMT. 2ND PLUG AT 810' WITH 80 SX CMT. 3RD PLUG AT 400' WITH 40 SX CMT. 4TH PLUG AT 240' WITH 50 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. NO MOUSE HOLE.

Remarks: USED 60/40 POZMIX 6% GEL 1/4# FLO SEAL BY ALLIED.
Plugged through: DP

District: 01

RECEIVED
KCC Dodge City

RECEIVED
DEC 20 2005
KCC WICHITA

INVOICED
DATE 12.22.05
UV. NO. 200608399