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

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

API Well Number: 15-135-24296-00-00
Spot: NENW Se/Twnshp/Rge: 28-16S-24W
540 feet from N Section Line, 2100 feet from W Section Line
Lease Name: JEANETTE ALBERS
Well #: 1
County: NESS
Total Vertical Depth: 4668 feet
SURF Size: 8.625 feet: 230

Well Type: DH
UIC Docket No:
Date/Time to Plug: 08/06/2004 2:30 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 1920' WITH 50 SX CMT.
2ND PLUG AT 1100' WITH 80 SX CMT.
3RD PLUG AT 600' WITH 40 SX CMT.
4TH PLUG AT 250' WITH 40 SX CMT.
5TH PLUG AT 40' WITH 10 SX CMT.
6TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT.
7TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Plugging Proposal Received By: STEVE MIDDLETON
Witness Type: NONE
Date/Time Plugging Completed: 08/06/2004 5:30 PM
KCC Agent: STEVE MIDDLETON

Actual Plugging Report:
1ST PLUG AT 1920' WITH 50 SX CMT.
2ND PLUG AT 1100' WITH 80 SX CMT.
3RD PLUG AT 600' WITH 40 SX CMT.
4TH PLUG AT 250' WITH 40 SX CMT.
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Remarks: USED 60/40 POZMIX 6% GEL, 1/4# FLO SEAL BY ALLIED.
Plugged through: DP

District: 0

Received: AUG - 9 2004
KCC Dodge City

Signed

INVOICED
DATE 8-11-04
KCC WICHITA

RECEIVED
AUG 11 2004

Form GC-3