



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

OPERATOR: License # \_\_\_\_\_

Name: \_\_\_\_\_

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: ( \_\_\_\_\_ ) \_\_\_\_\_

CONTRACTOR: License # \_\_\_\_\_

Name: \_\_\_\_\_

Wellsite Geologist: \_\_\_\_\_

Purchaser: \_\_\_\_\_

Designate Type of Completion:

- New Well       Re-Entry       Workover
- Oil       WSW       SWD       SIOW
- 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 #: \_\_\_\_\_

Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date
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API No. 15 - \_\_\_\_\_

Spot Description: \_\_\_\_\_

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West

\_\_\_\_\_ Feet from  North /  South Line of Section

\_\_\_\_\_ Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE       NW       SE       SW

County: \_\_\_\_\_

Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Field Name: \_\_\_\_\_

Producing Formation: \_\_\_\_\_

Elevation: Ground: \_\_\_\_\_ Kelly Bushing: \_\_\_\_\_

Total Depth: \_\_\_\_\_ Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at: \_\_\_\_\_ 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**

(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 #: \_\_\_\_\_

**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.

Submitted Electronically

**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: \_\_\_\_\_ Date: \_\_\_\_\_



1098616

Operator Name: \_\_\_\_\_ Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West County: \_\_\_\_\_

**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 <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No  Cores Taken <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i>  List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  Name Top Datum
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CASING RECORD <input 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

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
_____ Perforate _____ Protect Casing _____ Plug Back TD _____ 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

TUBING RECORD:      Size: \_\_\_\_\_ Set At: \_\_\_\_\_ Packer At: \_\_\_\_\_ Liner Run:  Yes  No

Date of First, Resumed Production, SWD or ENHR. \_\_\_\_\_ Producing Method:  Flowing  Pumping  Gas Lift  Other *(Explain)* \_\_\_\_\_

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
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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 <i>(Submit ACO-5)</i> <input type="checkbox"/> Other <i>(Specify)</i> _____ <input type="checkbox"/> Other <i>(Specify)</i> _____	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	Palomino Petroleum, Inc.
Well Name	RD 1
Doc ID	1098616

Tops

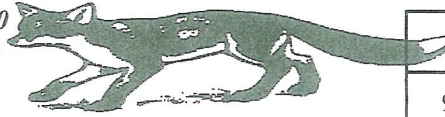
Name	Top	Datum
Anhy.	1792	(+667)
Base Anhy.	1824	(+635)
Heebner	3800	(-1341)
LKC	3840	(-1381)
Stark	4077	(-1618)
Ft. Scott	4329	(-1870)
Cherokee	4355	(-1896)
Miss. Por.	4426	(-1967)
LTD	4526	(-2067)

# SWIFT



Services, Inc.

P. O. Box 466  
Ness City, KS 67560  
Off: 785-798-2300



## Invoice

DATE	INVOICE #
9/28/2012	23300

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED  
OCT 13 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	R.D.	Ness	Mallard JV	Oil	Development	Cement 5-1/2" L...	David
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				20	Miles	6.00	120.00
578D-L	Pump Charge - Long String				1	Job	1,500.00	1,500.00
402-5	5 1/2" Centralizer				1	Each	70.00	70.00T
409-5	5 1/2" Turbolizer				9	Each	90.00	810.00T
403-5	5 1/2" Cement Basket				2	Each	250.00	500.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	350.00	350.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	250.00	250.00T
404-5	5 1/2" Port Collar				1	Each	2,400.00	2,400.00T
330	Swift Multi-Density Standard (MIDCON II)				125	Sacks	16.50	2,062.50T
325	Standard Cement				100	Sacks	13.50	1,350.00T
284	Calseal				5	Sack(s)	35.00	175.00T
283	Salt				500	Lb(s)	0.20	100.00T
285	CFR-1				50	Lb(s)	4.00	200.00T
276	Flocele				50	Lb(s)	2.00	100.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)				4	Gallon(s)	25.00	100.00T
290	D-Air				3	Gallon(s)	35.00	105.00T
581D	Service Charge Cement				225	Sacks	2.00	450.00
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							11,517.50
	Sales Tax Ness County						6.30%	579.44

**We Appreciate Your Business!**

**Total**

\$12,096.94



Services, Inc.

CHARGE TO: Palomino Petroleum  
 ADDRESS  
 CITY, STATE, ZIP CODE

TICKET No 23300

PAGE 1 OF 2

1. SERVICE LOCATIONS	WELL/PROJECT NO. <u>91</u>	LEASE <u>RD</u>	COUNTY/PARISH <u>Ness</u>	STATE <u>KS</u>	CITY <u>Utica</u>	DATE <u>9-28-12</u>	OWNER <u>Same</u>
2. TICKET TYPE	CONTRACTOR <u>Mallard</u>	RIG NAME/NO. <u>#1</u>	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>Location</u>	ORDER NO.	WELL LOCATION <u>Utica, 3 1/2 E, 4 S, 1 E, Single</u>	
3. WELL TYPE	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>Cement 5 1/2" Lengthening</u>	WELL PERMIT NO.				
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.	UM	QTY.	UM	UNIT PRICE	AMOUNT
		LOC	ACCT	DE							
575					MILEAGE trk #11-1	20	mi			6.00	120.00
578					Pump Charge	1	job			1500.00	1500.00
402					Centralizer	5 1/2	in	1	ea	70.00	70.00
409					Turbolizer	5 1/2	in	9	ea	90.00	810.00
403					Cement Basket	5 1/2	in	2	ea	250.00	500.00
407					Insert Float Shoe w/Arbit Fill	5 1/2	in	1	ea	350.00	350.00
406					Latch Down Plug & Baffle	5 1/2	in	1	ea	250.00	250.00
404					Port Cellar	5 1/2	in	1	ea	2400.00	2400.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

DATE SIGNED 9-28-12 TIME SIGNED 0700

SWIFT OPERATOR David Kuehn

APPROVAL

*[Signature]*

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES

The customer hereby acknowledges receipt of the materials and services listed on this ticket.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1	6000.00
WE UNDERSTOOD AND MET YOUR NEEDS?				2	5517.50
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?					
ARE YOU SATISFIED WITH OUR SERVICE?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
TOTAL					12,096.94

Thank You!



**JOB LOG**

**SWIFT Services, Inc.**

DATE 9-28-12 PAGE NO.

CUSTOMER Palomino Petroleum WELL NO. # 1 LEASE RD JOB TYPE 5 1/2" Longstring TICKET NO. 23300

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								TD - 4530' LTD - 4826' set @ - 4515' Baffle Plate - 4498'
								Shoe Jt - #1 31.00', P.C. # 66 1752', 5 1/2" 14'
								Centralizers - # 1, 2, 3, 4, 5, 6, 7, 8, 9, 65
								Basket # - 2, # 66 X 125 stks SMD 1/4", 100 stks EA-2 # 1/4"
	0700							on Location
	0825							Start Pipe 5 1/2" 14"
	1010							Drop Ball Break Circulation
	1110	6 3/4	12		✓	300		Pump 500 gal Mud Flush
		6 3/4	20		✓	300		pump 20 bbl 14CL flush
	1120		18			∅		Plug RH & MH w/ SMD 1/4" fl - RH - 30 stks, MH - 20 stks
	1125	4 1/2	27		✓	200		Mix 75 stks SMD 1/4" fl @ 12.7 ppg
		4 1/2	24		✓	200		Mix 100 stks EA-2 @ 15.5 ppg
								Release L.D. plug
								Wash out Pumping lines
	1148	6 3/4				200		Start Displacement / 2 gal 14CL @ 1st tank of Displacement
		6 3/4	100			800		
	1206	6 3/4	109			1708		Land L.D. Plug
								Release Pressure Held
								Wash up Truck
	1245							Job Complete
								Thank you
								Dave, Blaine, TJ, Flint



P. O. Box 466  
 Ness City, KS 67560  
 Off: 785-798-2300



# Invoice

DATE	INVOICE #
10/8/2012	23358

RECEIVED

OCT 12 2012

- Acidizing
- Cement
- Tool Rental

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	R.D.	Ness	Cheyenne Well Se...	Oil	Development	Cement Port Collar	Blaine

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	20	Miles	6.00	120.00
576D-D	Pump Charge - Port Collar	1	Job	1,250.00	1,250.00
330	Swift Multi-Density Standard (MIDCON II)	130	Sacks	16.50	2,145.00T
290	D-Air	2	Gallon(s)	35.00	70.00T
276	Flocele	25	Lb(s)	2.00	50.00T
104	Port Collar Tool Rental	1	Each	250.00	250.00T
107	Stripper Head Rental Per Day	1	Each	250.00	250.00T
581D	Service Charge Cement	200	Sacks	2.00	400.00
582D	Minimum Drayage Charge	1	Each	250.00	250.00
	Subtotal				4,785.00
	Sales Tax Ness County			6.30%	174.20

**We Appreciate Your Business!**

**Total**

\$4,959.20





Services, Inc.

CHARGE TO: Palomino Petroleum  
 ADDRESS  
 CITY, STATE, ZIP CODE

TICKET No. **23358**

PAGE 1 OF 1

1. SERVICE LOCATION <u>Mid City US</u>	WELL/PROJECT NO. <u>1</u>	LEASE <u>R2D</u>	COUNTY/PARISH <u>ness</u>	STATE <u>KS</u>	CITY <u>Utica</u>	DATE <u>8 Oct 12</u>	OWNER
2. TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO.	SHIPPED <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	DELIVERED TO <u>location</u>	ORDER NO.	WELL LOCATION <u>Wade Rd east 210, E</u>	
3. WELL TYPE <u>071</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>cement part collar</u>	WELL PERMIT NO.				
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.	UM	QTY.	UM	UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575					MILEAGE	20	mi			6.00	120.00
576D					Pump Charge	1	hour			1250.00	1250.00
330					SMD cement	130	sk			16.50	2145.00
290					Dair	2	gal			35.00	70.00
276					Fluoride	25	lb			2.00	50.00
104					part collar tool joint	1	hour			250.00	250.00
107					stripper head reworked	1	hour			250.00	250.00
581					service charge	2	hour			200.00	400.00
582					Drygas (win)	1	hour			250.00	250.00

**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY**, and **LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

DATE SIGNED [Signature] TIME SIGNED 11:45  A.M.  P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

**SURVEY**

OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?	AGREE	UN-DECIDED	DIS-AGREE
WE UNDERSTOOD AND MET YOUR NEEDS?			
OUR SERVICE WAS PERFORMED WITHOUT DELAY?			
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?			
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	

PAGE TOTAL	4785.00
TAX	174.00
TOTAL	4959.00

SWIFT OPERATOR [Signature] APPROVAL [Signature] CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES. The customer hereby acknowledges receipt of the materials and services listed on this ticket.

Thank You

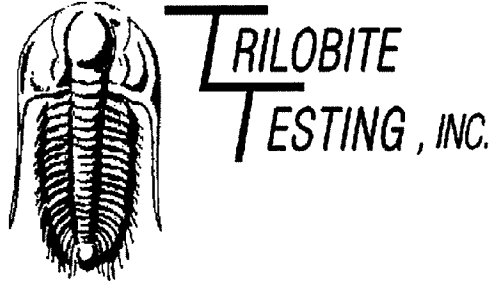
JOB LOG

SWIFT Services, Inc.

DATE 9 Oct 12 PAGE NO. 1

CUSTOMER Kalawine WELL NO. 1 LEASE LD JOB TYPE concrete long string TICKET NO. 23358

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								200sk SMD w/ 1/4" floccle
								2 3/8 x 5 1/2 port collar - 1752'
	0945							on loc TRK 114
	1030					1000	1000	test to 1000 psi - hold
	1035	3 1/2	2			700		open port collar inj rate. 3 1/2 @ 400
	1040	3 1/2				400		Mix SMD cement @ 11.2 ppg
		3 1/2	12			400		fluid to surface
	1100	3 1/2	70			500		— cement to surface
								{ 130 sks mixed } 15 to pot }
	1105	3 1/2	5 1/2			500		Displace tubing 5 1/2 bbl
								close port collar
	1110					1000	1000	test to 1000 psi - hold
			20					Reverse hole clean
								- 2 cement plugs -
								wash & rock
								Rack up
	1155							job complete
								Plugs
								Dave TJ Jeremy & Blaine



## DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum Inc.**

4924 SE ST  
Newton KS 67114

ATTN: Jerry Smith

**RD #1**

**15-17s-25w Ness,KS**

Start Date: 2012.09.25 @ 18:15:00

End Date: 2012.09.26 @ 02:19:30

Job Ticket #: 43580                      DST #: 1

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

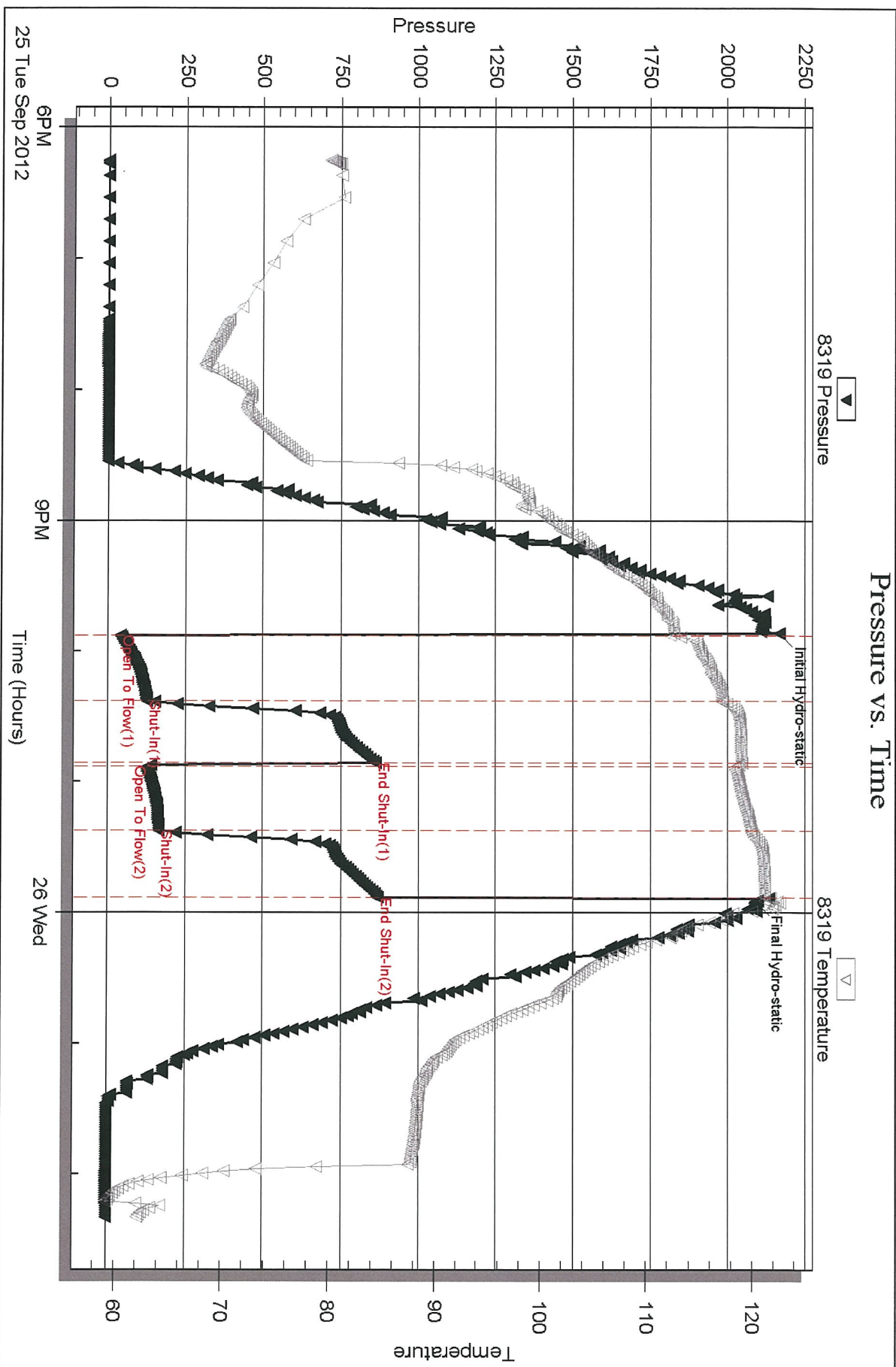
ph: 785-625-4778 fax: 785-625-5620

Serial #: 8319

Outside Palomiro Petroleum Inc.

RD #1

DST Test Number: 1



Trilobite Testing, Inc

Ref. No: 43580

Printed: 2012.10.01 @ 15:08:02

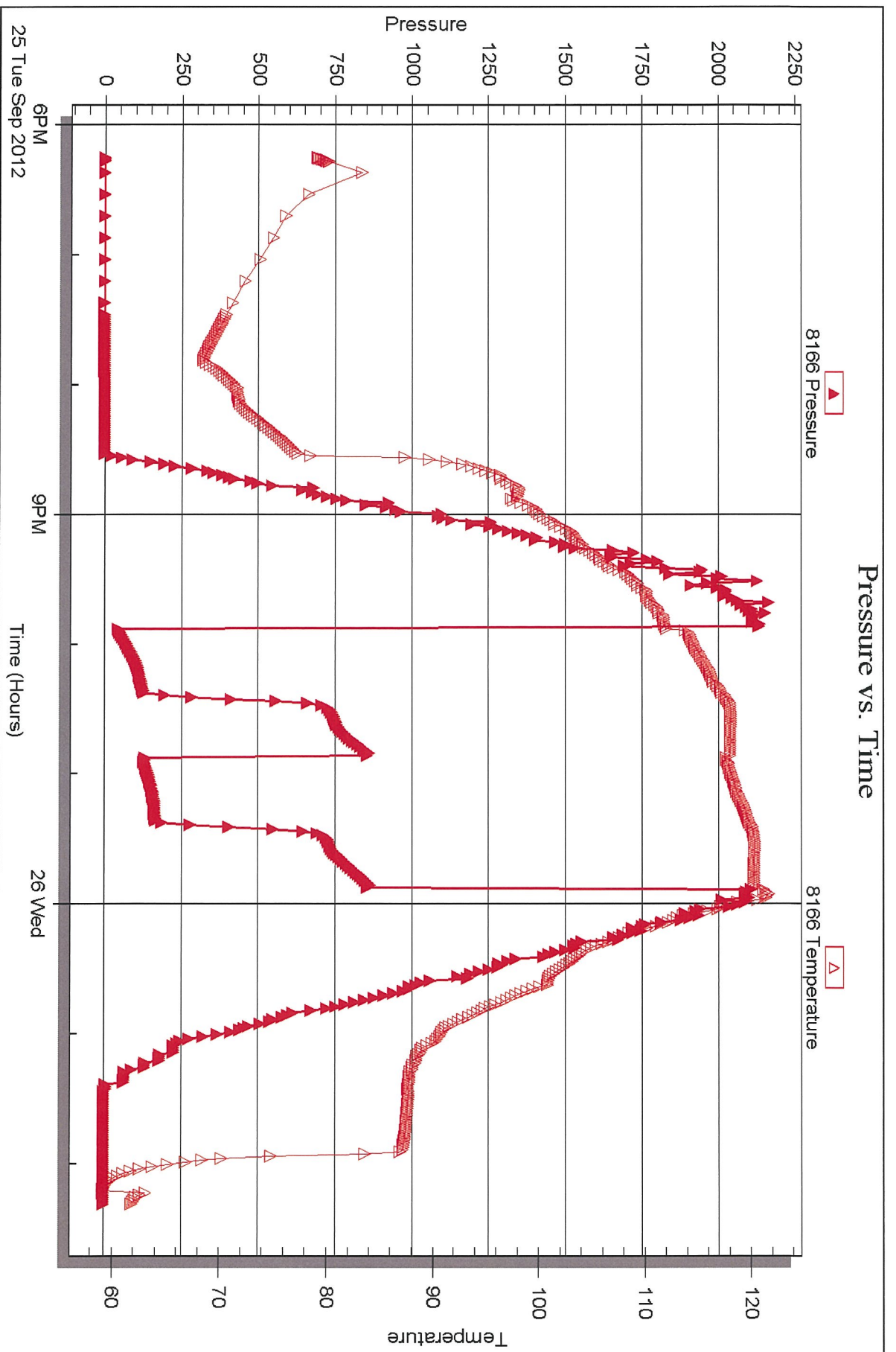
Serial #: 8166

Inside

Palomino Petroleum Inc.

RD #1

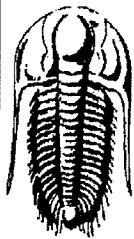
DST Test Number: 1



Trilobe Testing, Inc

Ref. No: 43580

Printed: 2012.10.01 @ 15:08:03



**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

Palomino Petroleum Inc.

15-17s-25w Ness,KS

4924 SE ST  
New ton KS 67114

RD #1

Job Ticket: 43581

DST#: 2

ATTN: Jerry Smith

Test Start: 2012.09.26 @ 13:45:00

## GENERAL INFORMATION:

Formation: **Miss**  
 Deviated: No Whipstock: ft (KB)  
 Time Tool Opened: 16:25:00  
 Time Test Ended: 20:36:00  
 Test Type: Conventional Bottom Hole (Reset)  
 Tester: Brett Dickinson  
 Unit No: 59  
 Interval: **4369.00 ft (KB) To 4438.00 ft (KB) (TVD)**  
 Total Depth: 4438.00 ft (KB) (TVD)  
 Reference Elevations: 2459.00 ft (KB)  
 2454.00 ft (CF)  
 Hole Diameter: 7.88 inches Hole Condition: Fair  
 KB to GR/CF: 5.00 ft

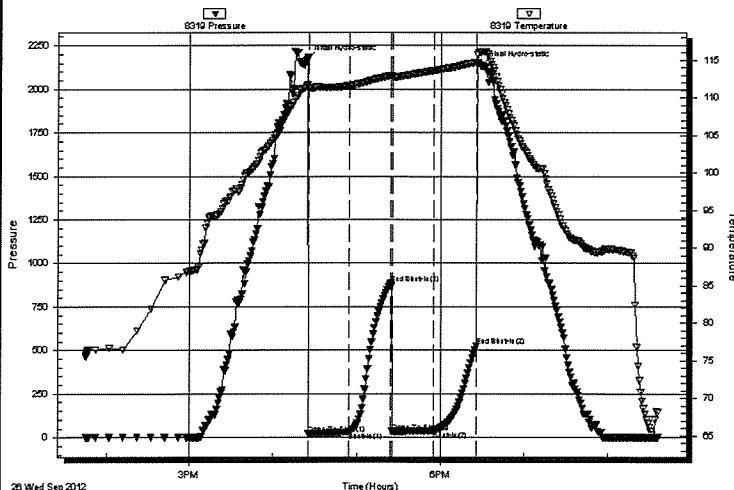
## Serial #: 8319

Outside

Press@RunDepth: 37.84 psig @ 4370.00 ft (KB)  
 Capacity: 8000.00 psig  
 Start Date: 2012.09.26 End Date: 2012.09.26 Last Calib.: 2012.09.26  
 Start Time: 13:45:05 End Time: 20:35:59 Time On Btm: 2012.09.26 @ 16:24:00  
 Time Off Btm: 2012.09.26 @ 18:29:00

TEST COMMENT: IF-3/4" blow  
 ISI-No blow  
 FF-No blow  
 FSI-No blow

Pressure vs. Time



## PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2170.13	111.69	Initial Hydro-static
1	22.13	111.30	Open To Flow (1)
31	29.76	111.63	Shut-In(1)
60	884.38	112.96	End Shut-In(1)
61	32.51	112.77	Open To Flow (2)
91	37.84	113.63	Shut-In(2)
122	525.25	114.73	End Shut-In(2)
125	2133.87	116.14	Final Hydro-static

## Recovery

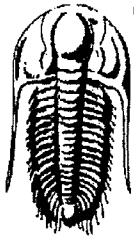
Length (ft)	Description	Volume (bbl)
1.00	Free Oil	0.00
29.00	VSOCM 5%O 95%M	0.14

\* Recovery from multiple tests

## Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)





**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

**FLUID SUMMARY**

Palomino Petroleum Inc.

**15-17s-25w Ness,KS**

4924 SE ST  
New ton KS 67114

**RD #1**

Job Ticket: 43581

**DST#: 2**

ATTN: Jerry Smith

Test Start: 2012.09.26 @ 13:45:00

## Mud and Cushion Information

Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 10.00 lb/gal	Cushion Length: ft	Water Salinity:	ppm
Viscosity: 44.00 sec/qt	Cushion Volume: bbl		
Water Loss: 8.77 in <sup>3</sup>	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 3100.00 ppm			
Filter Cake: inches			

## Recovery Information

Recovery Table

Length ft	Description	Volume bbl
1.00	Free Oil	0.005
29.00	VSOCM 5%O 95%M	0.143

Total Length: 30.00 ft      Total Volume: 0.148 bbl

Num Fluid Samples: 0      Num Gas Bombs: 0      Serial #:

Laboratory Name:      Laboratory Location:

Recovery Comments:

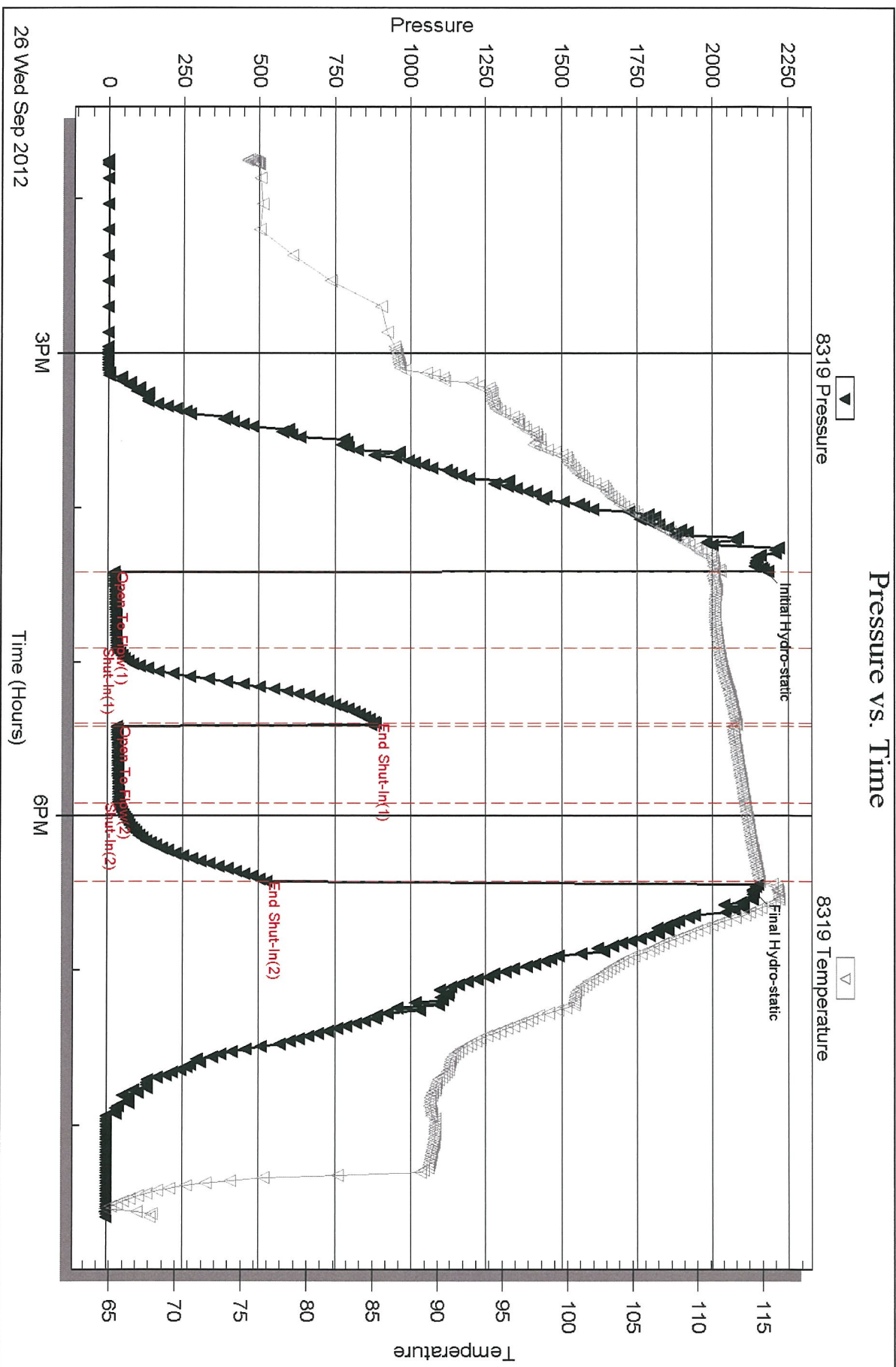


Serial #: 8319

Outside Palomino Petroleum Inc.

RD #1

DST Test Number: 2



Triobite Testing, Inc

Ref. No: 43581

Printed: 2012.10.01 @ 15:07:08

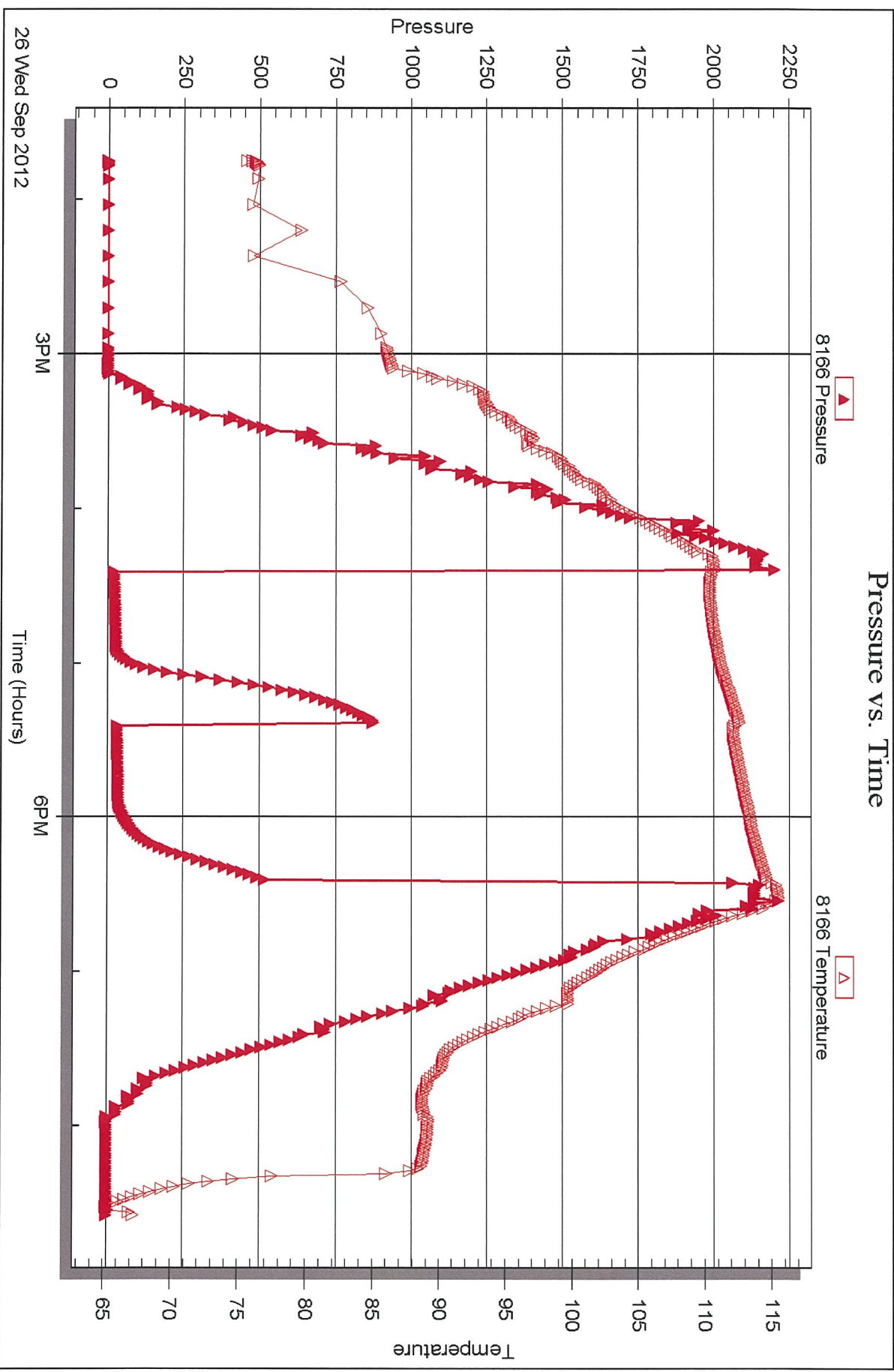
Serial #: 8166

Inside

Palomino Petroleum Inc.

RD #1

DST Test Number: 2

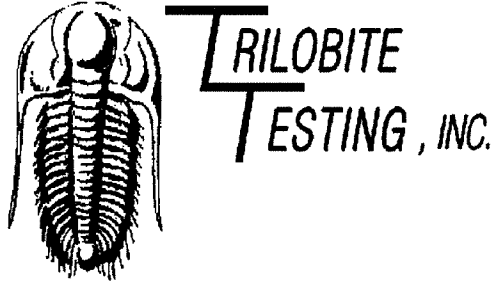


26 Wed Sep 2012

Tribolite Testing, Inc

Ref. No: 43581

Printed: 2012.10.01 @ 15:07:09



## DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum Inc.**

4924 SE ST  
Newton KS 67114

ATTN: Jerry Smith

**RD #1**

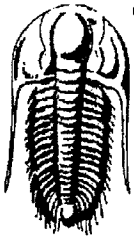
**15-17s-25w Ness,KS**

Start Date: 2012.09.27 @ 04:30:00

End Date: 2012.09.27 @ 11:38:00

Job Ticket #: 43582                      DST #: 3

Trilobite Testing, Inc  
PO Box 362 Hays, KS 67601  
ph: 785-625-4778 fax: 785-625-5620



**TRILOBITE TESTING, INC.**

# DRILL STEM TEST REPORT

Palomino Petroleum Inc.

**15-17s-25w Ness,KS**

4924 SE ST  
New ton KS 67114

**RD #1**

Job Ticket: 43582

**DST#: 3**

ATTN: Jerry Smith

Test Start: 2012.09.27 @ 04:30:00

## GENERAL INFORMATION:

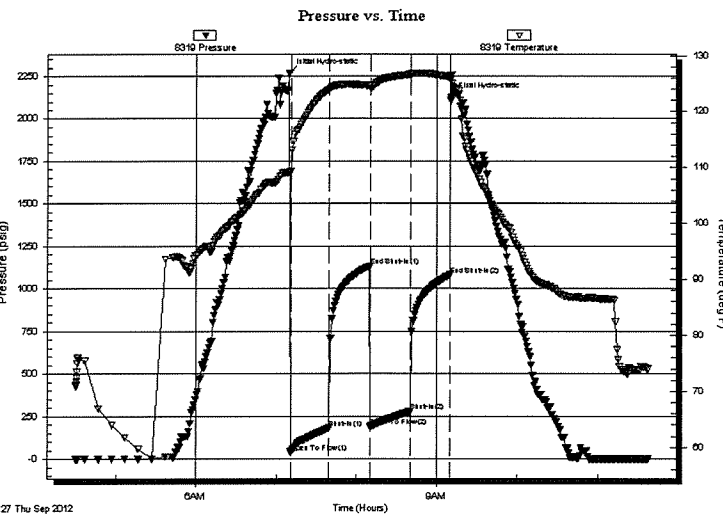
Formation: **Mississippi**  
 Deviated: No Whipstock: ft (KB)  
 Test Type: Conventional Bottom Hole (Reset)  
 Time Tool Opened: 07:10:30 Tester: Brett Dickinson  
 Time Test Ended: 11:38:00 Unit No: 59  
 Interval: **4438.00 ft (KB) To 4460.00 ft (KB) (TVD)** Reference Elevations: 2459.00 ft (KB)  
 Total Depth: 4460.00 ft (KB) (TVD) 2454.00 ft (CF)  
 Hole Diameter: 7.88 inches Hole Condition: Fair KB to GR/CF: 5.00 ft

## Serial #: 8319

Outside

Press@RunDepth: 277.81 psig @ 4439.00 ft (KB) Capacity: 8000.00 psig  
 Start Date: 2012.09.27 End Date: 2012.09.27 Last Calib.: 2012.09.27  
 Start Time: 04:30:05 End Time: 11:37:59 Time On Btm: 2012.09.27 @ 07:09:30  
 Time Off Btm: 2012.09.27 @ 09:11:00

TEST COMMENT: IF-BOB in 7 min  
 ISI-3" blow  
 FF-BOB in 7 min  
 FSI-1.5" blow



## PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2268.76	109.22	Initial Hydro-static
1	39.46	109.40	Open To Flow (1)
30	180.22	123.97	Shut-In(1)
61	1133.24	124.59	End Shut-In(1)
61	189.09	124.14	Open To Flow (2)
91	277.81	126.61	Shut-In(2)
121	1080.71	126.16	End Shut-In(2)
122	2124.97	125.83	Final Hydro-static

## Recovery

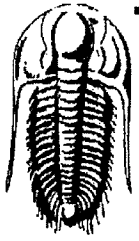
Length (ft)	Description	Volume (bbl)
120.00	SGMCO 10%G 60%O 30%M	0.59
310.00	GVSMCO 30%G 65%O 5%M	3.24
250.00	GO 30%G 70%O	3.51
60.00	SGO 10%G 90%O	0.84
0.00	300ft GIP	0.00

\* Recovery from multiple tests

## Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)
----------------	-----------------	------------------





**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

**TOOL DIAGRAM**

Palomino Petroleum Inc.

**15-17s-25w Ness,KS**

4924 SE ST  
New ton KS 67114

**RD #1**

Job Ticket: 43582

**DST#: 3**

ATTN: Jerry Smith

Test Start: 2012.09.27 @ 04:30:00

## Tool Information

Drill Pipe:	Length: 4182.00 ft	Diameter: 3.80 inches	Volume: 58.66 bbl	Tool Weight: 2500.00 lb
Heavy Wt. Pipe:	Length: ft	Diameter: 2.70 inches	Volume: - bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 242.00 ft	Diameter: 2.25 inches	Volume: 1.19 bbl	Weight to Pull Loose: 60000.00 lb
		Total Volume: - bbl		Tool Chased 0.00 ft
Drill Pipe Above KB:	14.00 ft			String Weight: Initial 51000.00 lb
Depth to Top Packer:	4438.00 ft			Final 54000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	22.00 ft			
Tool Length:	50.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			4411.00	
Shut In Tool	5.00			4416.00	
Hydraulic tool	5.00			4421.00	
Jars	5.00			4426.00	
Safety Joint	2.00			4428.00	
Packer	5.00			4433.00	28.00 Bottom Of Top Packer
Packer	5.00			4438.00	
Stubb	1.00			4439.00	
Recorder	0.00	8166	Inside	4439.00	
Recorder	0.00	8319	Outside	4439.00	
Change Over Sub	1.00			4440.00	
Perforations	17.00			4457.00	
Bullnose	3.00			4460.00	22.00 Bottom Packers & Anchor

**Total Tool Length: 50.00**



**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

**FLUID SUMMARY**

Palomino Petroleum Inc.

**15-17s-25w Ness,KS**

4924 SE ST  
New ton KS 67114

**RD #1**

Job Ticket: 43582

**DST#: 3**

ATTN: Jerry Smith

Test Start: 2012.09.27 @ 04:30:00

## Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

40 deg API

Mud Weight: 10.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 44.00 sec/qt

Cushion Volume:

bbl

Water Loss: 8.75 in<sup>3</sup>

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 3100.00 ppm

Filter Cake: inches

## Recovery Information

Recovery Table

Length ft	Description	Volume bbl
120.00	SGMCO 10%G 60%O 30%M	0.590
310.00	GVSMCO 30%G 65%O 5%M	3.237
250.00	GO 30%G 70%O	3.507
60.00	SGO 10%G 90%O	0.842
0.00	300ft GIP	0.000

Total Length: 740.00 ft

Total Volume: 8.176 bbl

Num Fluid Samples: 0

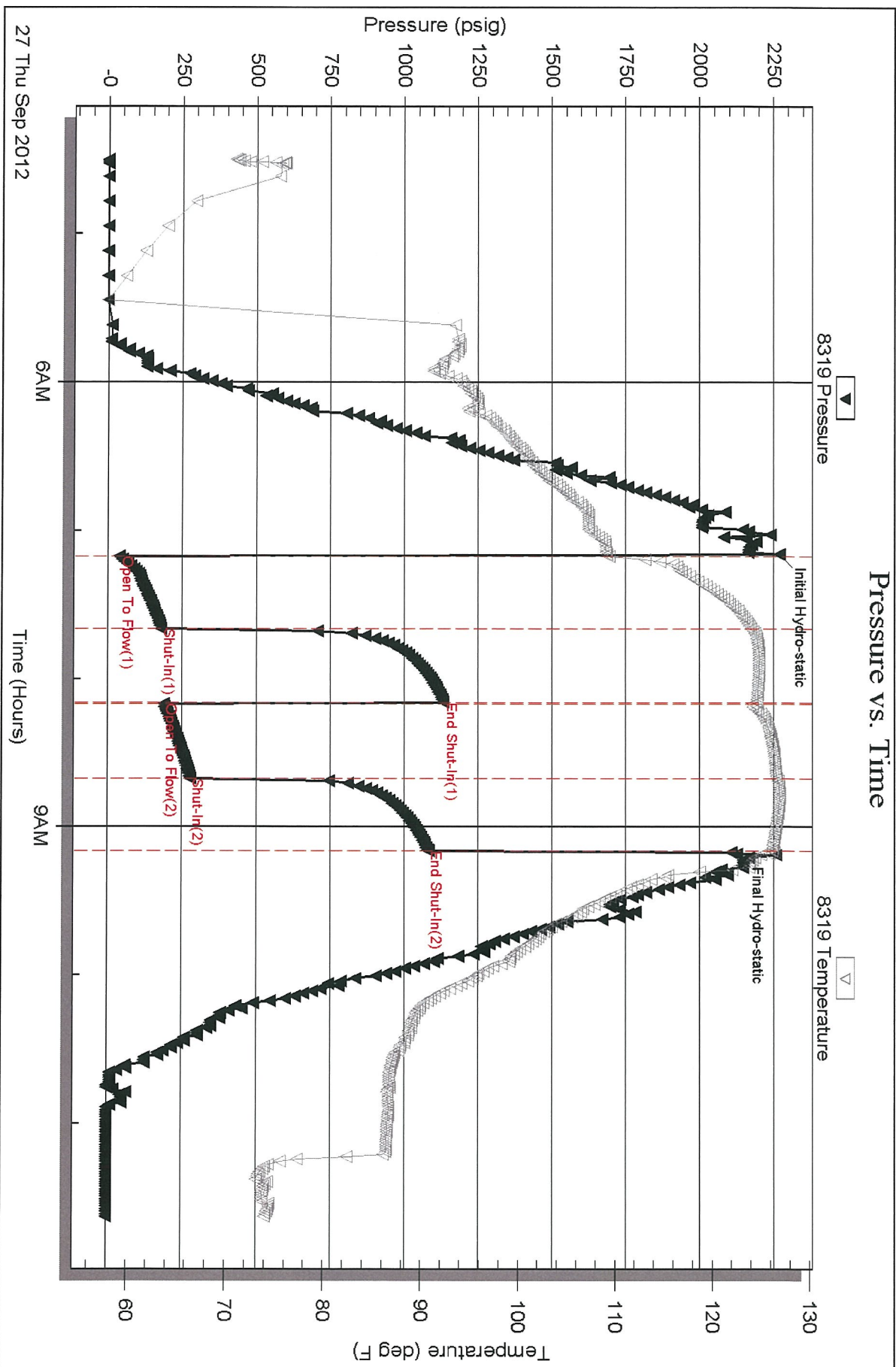
Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:





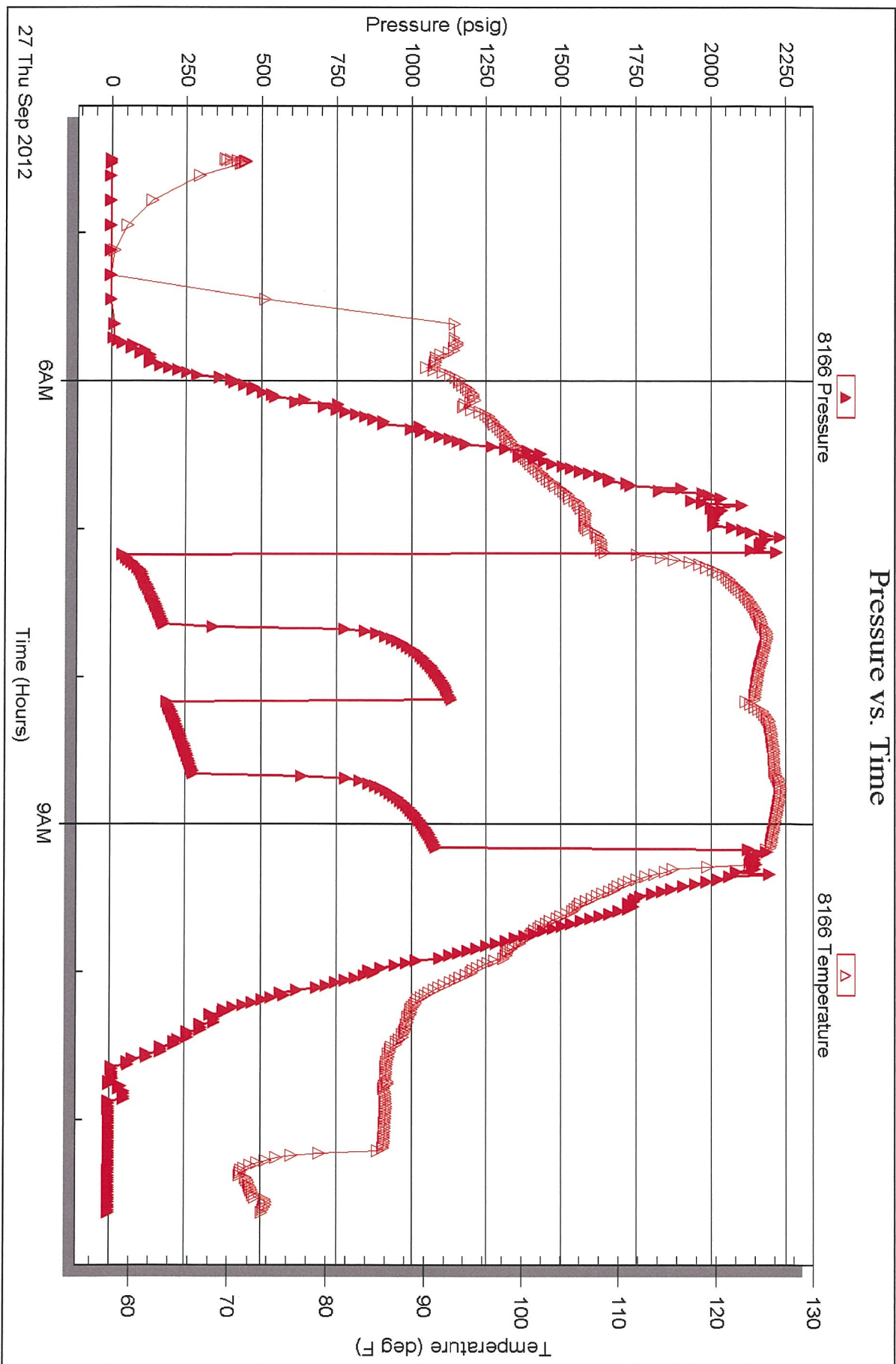
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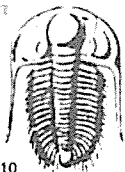
Inside

Palorino Petroleum Inc.

RD#1

DST Test Number: 3





# TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

## Test Ticket

NO. 43580

Well Name & No. #1 Rd Test No. 1 Date 9/25/12  
 Company Palomino Petroleum, Inc. Elevation 2459 KB 2454 GL  
 Address 4924 SE 84th ST Newton KS 67114  
 Co. Rep / Geo. Jerry Smith Rig Mallard  
 Location: Sec. 15 Twp. 17 Rge. 25w Co. Ness State KS

Interval Tested 4301-4365 Zone Tested Fort Scott  
 Anchor Length 64 Drill Pipe Run 4055 Mud Wt. 9.5  
 Top Packer Depth 4296 Drill Collars Run 242 Vis 44  
 Bottom Packer Depth 4301 Wt. Pipe Run --- WL 8.8  
 Total Depth 4365 Chlorides 3,100 ppm System LCM

Blow Description IF - BOB in 3 min  
ISI - No blow  
FF - BOB in 3 1/2 min  
FSI - 4 in blow

Rec	Feet of	%gas	%oil	%water	%mud
<u>90</u>	<u>GMCO</u>	<u>35</u>	<u>35</u>	<u>30</u>	<u>---</u>
<u>300</u>	<u>VGMC0</u>	<u>60</u>	<u>30</u>	<u>10</u>	<u>---</u>
<u>---</u>	<u>1840 FT GFP</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>

Rec Total 390 BHT 121 Gravity \_\_\_\_\_ API RW \_\_\_\_\_ @ \_\_\_\_\_ °F Chlorides \_\_\_\_\_ ppm

(A) Initial Hydrostatic 2,167  Test 1250 T-On Location 17:45  
 (B) First Initial Flow 41  Jars 250 T-Started 18:15  
 (C) First Final Flow 126  Safety Joint 75 T-Open 21:45  
 (D) Initial Shut-In 960  Circ Sub T-Pulled 23:45  
 (E) Second Initial Flow 131  Hourly Standby T-Out 2:15  
 (F) Second Final Flow 166  Mileage 122 RT 189.10 Comments \_\_\_\_\_  
 (G) Final Shut-In 868  Sampler \_\_\_\_\_  
 (H) Final Hydrostatic 2,090  Straddle \_\_\_\_\_  Ruined Shale Packer \_\_\_\_\_  
 Shale Packer \_\_\_\_\_  Ruined Packer \_\_\_\_\_  
 Extra Packer \_\_\_\_\_  Extra Copies \_\_\_\_\_  
 Extra Recorder \_\_\_\_\_ Sub Total 0  
 Day Standby \_\_\_\_\_ Total 1764.10  
 Accessibility \_\_\_\_\_ MP/DST Disc't \_\_\_\_\_  
 Sub Total 1764.10

Approved By \_\_\_\_\_ Our Representative Beth D...

TriLOBITE Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



# TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

## Test Ticket

NO. 43581

4/10

Well Name & No. Rd #1 Test No. 2 Date 9/26/12  
 Company Palomino Petroleum, Inc. Elevation 2459 KB 2454 GL  
 Address 4924 SE 84th St Newton KS 67114  
 Co. Rep/Geo. Jerry Smith Rig Mallard  
 Location: Sec. 15 Twp. 17 Rge. 25w Co. Ness State KS

Interval Tested 4369-4438 Zone Tested Miss  
 Anchor Length 69 Drill Pipe Run 4118 Mud Wt. 9.5  
 Top Packer Depth 4364 Drill Collars Run 242 Vis 44  
 Bottom Packer Depth 4369 Wt. Pipe Run — WL 8.8  
 Total Depth 4438 Chlorides 3,100 ppm System LCM  
 Blow Description IF - 3/4 in blow  
FST - No blow  
FF - No blow  
FST - No blow

Rec	Feet of	%gas	%oil	%water	%mud
<u>1</u>	<u>Free O. 1</u>				
<u>29</u>	<u>ESOCM</u>		<u>5</u>		<u>95</u>

Rec Total 30 BHT 115 Gravity \_\_\_\_\_ API RW \_\_\_\_\_ @ \_\_\_\_\_ °F Chlorides \_\_\_\_\_ ppm

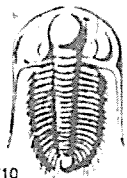
(A) Initial Hydrostatic 2170  Test 1250 T-On Location 13:25  
 (B) First Initial Flow 22  Jars 250 T-Started 13:45  
 (C) First Final Flow 30  Safety Joint 75 T-Open 16:25  
 (D) Initial Shut-In 884  Circ Sub \_\_\_\_\_ T-Pulled 18:25  
 (E) Second Initial Flow 33  Hourly Standby \_\_\_\_\_ T-Out 20:35  
 (F) Second Final Flow 38  Mileage 122 RT 189.10 Comments \_\_\_\_\_  
 (G) Final Shut-In 525  Sampler \_\_\_\_\_  
 (H) Final Hydrostatic 2,134  Straddle \_\_\_\_\_  
 Shale Packer \_\_\_\_\_  
 Extra Packer \_\_\_\_\_  
 Extra Recorder \_\_\_\_\_  
 Day Standby \_\_\_\_\_  
 Accessibility \_\_\_\_\_

Initial Open 30  
 Initial Shut-In 30  
 Final Flow 30  
 Final Shut-In 30

Sub Total 1764.10 MP/DST Disc't \_\_\_\_\_

Approved By \_\_\_\_\_ Our Representative Butt Dick

Trilobite Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



# TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

## Test Ticket

NO. 43582

Well Name & No. Rd #1 Test No. 3 Date 9/27/12  
 Company Palomine Petroleum, Inc. Elevation 2459 KB 2454 GL  
 Address 4924 SE 84th ST Newton KS 67114  
 Co. Rep / Geo. Jerry Smith Rig Mallard  
 Location: Sec. 15 Twp. 17 Rge. 25n Co. Ness State KS

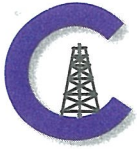
Interval Tested 4438 - 4460 Zone Tested Miss  
 Anchor Length 22 Drill Pipe Run 4182 Mud Wt. 9.3  
 Top Packer Depth 4433 Drill Collars Run 242 Vis 47  
 Bottom Packer Depth 4438 Wt. Pipe Run — WL 8.0  
 Total Depth 4460 Chlorides 2,600 ppm System LCM —  
 Blow Description IF - BOB in 7min  
ISI - 3in blow  
FF - BOB in 7min  
FSI - 1 1/2 in blow

Rec	Feet of	%gas	%oil	%water	%mud
<u>120</u>	<u>SGMCO</u>	<u>10</u>	<u>60</u>	<u>30</u>	
<u>310</u>	<u>GVS MCO</u>	<u>30</u>	<u>65</u>	<u>5</u>	
<u>250</u>	<u>60</u>	<u>30</u>	<u>70</u>		
<u>60</u>	<u>SGO</u>	<u>10</u>	<u>90</u>		
<u>—</u>	<u>300ft GIP</u>				

Rec Total 740 BHT Gravity 40 API RW @ — °F Chlorides — ppm

(A) Initial Hydrostatic 2,269  Test 1250 T-On Location 4:15  
 (B) First Initial Flow 39  Jars 250 T-Started 4:30  
 (C) First Final Flow 180  Safety Joint 75 T-Open 7:05  
 (D) Initial Shut-In 1,133  Circ Sub T-Pulled 9:05  
 (E) Second Initial Flow 199  Hourly Standby T-Out 11:40  
 (F) Second Final Flow 278  Mileage 122rT 189.10 Comments —  
 (G) Final Shut-In 1,081  Sampler —  
 (H) Final Hydrostatic 2,125  Straddle —  Ruined Shale Packer —  
 Shale Packer —  Ruined Packer —  
 Extra Packer —  Extra Copies —  
 Initial Open 30  Extra Recorder — Sub Total 0  
 Initial Shut-In 30  Day Standby — Total 1764.10  
 Final Flow 30  Accessibility — MP/DST Disc't —  
 Final Shut-In 30 Sub Total 1764.10

Approved By [Signature] Our Representative Burr [Signature]  
 Trilobite Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements of opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



**CONSOLIDATED**  
Oil Well Services, LLC

**REMIT TO**  
Consolidated Oil Well Services, LLC  
Dept. 970  
P.O. Box 4346  
Houston, TX 77210-4346

**MAIN OFFICE**  
P.O. Box 884  
Chanute, KS 66720  
620/431-9210 • 1-800/467-8676  
Fax 620/431-0012

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OCT 17 2012

INVOICE

Invoice # 253666

Invoice Date: 10/15/2012 Terms: 10/10/30,n/30

Page 1

PALOMINO PETROLEUM, INC.  
4924 SE 84TH STREET  
NEWTON KS 67114-8827  
( ) -

RD #1  
37227  
15-17-25  
10-12-2012  
KS

Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	75.00	17.6500	1323.75

Sublet Performed	Description	Total
9996-130	CEMENT MATERIAL DISCOUNT	-132.38
9995-130	CEMENT EQUIPMENT DISCOUNT	-223.00

Description	Hours	Unit Price	Total
463 SQUEEZE PUMP (KICK OFF PLUG PUMP)	1.00	1695.00	1695.00
463 EQUIPMENT MILEAGE (ONE WAY)	25.00	5.00	125.00
693 MIN. BULK DELIVERY	1.00	410.00	410.00

Amount Due 3637.15 if paid after 11/14/2012

Parts:	1323.75	Freight:	.00	Tax:	75.06	AR	3273.43
Labor:	.00	Misc:	.00	Total:	3273.43		
Sublt:	-355.38	Supplies:	.00	Change:	.00		

Signed \_\_\_\_\_ Date \_\_\_\_\_





PO Box 93999  
Southlake, TX 76092

Voice: (817) 546-7282  
Fax: (817) 246-3361

**Bill To:**

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

**INVOICE**

Invoice Number: 132814  
Invoice Date: Sep 19, 2012  
Page: 1

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OCT 01 2012



*Should be  
P.O. Lease*

Customer ID	Well Name/# or Customer P.O.	Payment Terms
Palo	Patricia-Ann #1-1	Net 30 Days
Job Location	Camp Location	Service Date
KS1-01	Great Bend	Sep 19, 2012
		Due Date
		10/19/12

Quantity	Item	Description	Unit Price	Amount
150.00	MAT	Class A Common	17.90	2,685.00
3.00	MAT	Gel	23.40	70.20
5.00	MAT	Chloride	64.00	320.00
162.09	SER	Cubic Feet	2.48	401.98
155.40	SER	Ton Mileage	2.60	404.04
1.00	SER	Surface	1,512.25	1,512.25
21.00	SER	Pump Truck Mileage	7.70	161.70
21.00	SER	Light Vehicle Mileage	4.40	92.40
1.00	CEMENTER	Wayne Davis		
1.00	EQUIP OPER	Trint Hall		
1.00	OPER ASSIST	Alan Genereux		
<i>cement for surface pipe 9/19</i>				

Subtotal	5,647.57
Sales Tax	193.74
Total Invoice Amount	5,841.31
Payment/Credit Applied	
<b>TOTAL</b>	<b>5,841.31</b>

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

*\$ 1411.89*

ONLY IF PAID ON OR BEFORE  
Oct 14, 2012

*-1,411.89*  
*4,429.42*

