



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

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: _____



1098639

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 Bbbs.	Gas Mcf	Water Bbbs.	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> _____ <i>(Submit ACO-4)</i>	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	Palomino Petroleum, Inc.
Well Name	Hagans 2
Doc ID	1098639

Tops

Name	Top	Datum
Anhy.	2005	+579
Base Anhy.	2036	+548
Heebner	3859	-1275
Lansing	3894	-1310
BKC	4195	-1611
Marmaton	4238	-1654
Pawnee	4331	-1747
Ft. Scott	4396	-1812
Cherokee Sh.	4421	-1837
Miss. Por.	4586	-1902
LTD	4608	-2024



PO Box 93999
Southlake, TX 76092

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

INVOICE

RECEIVED
OCT 06 2012

Invoice Number: 132901
Invoice Date: Sep 25, 2012
Page: 1



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

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Palo	Higgins #2	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Great Bend	Sep 25, 2012	10/25/12

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
162.50	SER	Cubic Feet	2.48	403.00
214.60	SER	Ton Mileage	2.60	557.96
1.00	SER	Surface	1,512.25	1,512.25
29.00	SER	Pump Truck Mileage	7.70	223.30
29.00	SER	Light Vehicle Mileage	4.40	127.60
1.00	CEMENTER	Dustin Chambers		
1.00	EQUIP OPER	Joshua Isaac		
1.00	OPER ASSIST	Alan Genereux		

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

\$ 1474.82

ONLY IF PAID ON OR BEFORE
Oct 20, 2012

Subtotal	5,899.31
Sales Tax	193.74
Total Invoice Amount	6,093.05
Payment/Credit Applied	
TOTAL	6,093.05



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



Invoice

DATE	INVOICE #
10/3/2012	23422

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

RECEIVED
OCT 06 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#2	Hagans	Ness	Val Energy Rig #2	Oil	Development	5-1/2" LongString	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				30	Miles	6.00	180.00
578D-L	Pump Charge - Long String - 4590 Feet				1	Job	1,500.00	1,500.00
403-5	5 1/2" Cement Basket				2	Each	250.00	500.00T
404-5	5 1/2" Port Collar - 1993 Feet				1	Each	2,400.00	2,400.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	250.00	250.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	350.00	350.00T
409-5	5 1/2" Turbolizer				10	Each	90.00	900.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)				4	Gallon(s)	25.00	100.00T
276	Flocele				57	Lb(s)	2.00	114.00T
283	Salt				500	Lb(s)	0.20	100.00T
284	Calseal				5	Sack(s)	35.00	175.00T
285	CFR-1				50	Lb(s)	4.00	200.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
325	Standard Cement				100	Sacks	13.50	1,350.00T
330	Swift Multi-Density Standard (MIDCON II)				125	Sacks	16.50	2,062.50T
581D	Service Charge Cement				225	Sacks	2.00	450.00
583D	Drayage				343	Ton Miles	1.00	343.00
	Subtotal							11,669.50
	Sales Tax Ness County						6.30%	579.38

We Appreciate Your Business!

Total

\$12,248.88



Services, Inc.

CHARGE TO: PALOMINO PETROLEUM
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET No 23422

PAGE 1 OF 2

1. SERVICE LOCATION <u>NESS CITY, KS</u>	WELL/PROJECT NO.	LEASE	COUNTY/PARISH	STATE	CITY	DATE	OWNER
		<u>HAGANS #2</u>	<u>NESS</u>	<u>KS</u>	<u>UTICA, KS</u>	<u>3 OCT 12</u>	
2. TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO.	SHIPPED VIA	DELIVERED TO	ORDER NO.		
	<u>VAL DRILLING RIG #2</u>						
3. WELL TYPE	WELL CATEGORY	JOB PURPOSE	WELL PERMIT NO.	WELL LOCATION			
	<u>OIL</u>	<u>DEVELOPMENT</u>		<u>SALOUSTRING</u>			
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 #310	30	mi			6.00	180.00
578					PUMP CHARGE	1	JOB	4590	FT	1500.00	1500.00
403					CEMENT BASKETS	2	EA			250.00	500.00
404					PORT DOLAR	1	EA	1993	FT	240.00	240.00
406					LATCH DOWNS PLUS # BAPPLE	1	EA			250.00	250.00
407					INSERT FLOAT SHADE w/PAUD FILL	1	EA			350.00	350.00
409					TURBUZER	1	EA			90.00	90.00
231					MUD FLUSH	500	gal			1.25	625.00
221					LIQUID KCL	4	gal			25.00	100.00

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 CUSTOMERS AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

DATE SIGNED 3 Oct 12 TIME SIGNED 1:30 PM

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	1	62805.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					2	486.04
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				
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL		12,248.8

SWIFT OPERATOR [Signature] APPROVA [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 3 OCT 12 PAGE NO.

CUSTOMER
TALAMINO PETROLEUM

WELL NO.

LEASE
HAGANS # 2

JOB TYPE
5 1/2 LONGSTRING

TICKET NO.
23422

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1300							ON LOCATION
	1430							START PIPE 5 1/2 - 14 # RTD @ 4610 LTD @ 4608 SHAFT. 29, 48' CENTRALIZERS. 1, 2, 3, 5, 7, 9, 10, 12, 13, 64 BASKETS 2, 65 PORT COLLAR TOP OF JT # 65 @ 1993
	1620							DROP BALL - CIRCULATE.
	1714	6	12				300	Pump 500 gal MUD FLUSH
		6	20				300	Pump 20 BBL KCL FLUSH
	1719		35					PLUG RA - MH (30sx - 20sx)
	1721	4	29					MIX 75 75 SX SMD
		4	24					MIX 100 SX EA2
	1740							WASH OUT PUMP & LINES
	1742	7 1/2						START DISPLACING PLUG
	1800	8	112				1500	PLUG DOWN PSI UP LATCH PLUG IN
	1802							RELEASE PSI - DRY
								WASH TRUCK
	1830							JOB COMPLETE
								THANKS #110
								JASON JEFF DOWG



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



Invoice

DATE	INVOICE #
10/11/2012	23478

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

RECEIVED
OCT 18 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#2	Hagans	Ness	Cheyenne Well Se...	Oil	Development	Cement Port Collar	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	6.00	240.00
576D-D	Pump Charge - Port Collar				1	Job	1,250.00	1,250.00
105	Port Collar Tool Rental With Man				1	Each	350.00	350.00T
276	Flocele				40	Lb(s)	2.00	80.00T
290	D-Air				3	Gallon(s)	35.00	105.00T
330	Swift Multi-Density Standard (MIDCON II)				160	Sacks	16.50	2,640.00T
581D	Service Charge Cement				200	Sacks	2.00	400.00
583D	Drayage				399.4	Ton Miles	1.00	399.40
	Subtotal							5,464.40
	Sales Tax Ness County						6.30%	200.03

We Appreciate Your Business!

Total

\$5,664.43



Services, Inc.

CHARGE TO: **PALOMINO PETROLEUM**
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET No. **23478**

PAGE 1 OF 1

1. Ness City, KS	WELL/PROJECT NO.	LEASE	COUNTY/PARISH	STATE	CITY	DATE	OWNER
		HAGANS #2	Ness	Ks	UTICA, KS.	11/05/12	
2.	TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO.	SHIPPED VIA	DELIVERED TO	ORDER NO.	
		CHEYENNE WELL SERV.					
3.	WELL TYPE	WELL CATEGORY	JOB PURPOSE	WELL PERMIT NO.	WELL LOCATION		
	DIR	DEVELOPMENT	CEMENT RET COLLAR		15N, W-2070		
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 A 110	40	mi	1508		6.00	240.00
576D					Pump Charge					1850.00	1850.00
105					PART COLLAR OPENING TOOL	1	TOP			350.00	350.00
276					FLANGE	40	lbs			2.00	80.00
29D					D-AIR	3	pcr			35.00	105.00
330					SWIFT Multi-Density	16	DIS			16.50	264.00
581					Cement Service Charge	200	SX			2.00	400.00
583					Drayage	1997	lbs	399.40	TM	1.00	399.40

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: **11 Oct 12** TIME SIGNED: **10:30** 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?

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? YES NO

CUSTOMER DID NOT WISH TO RESPOND

PAGE TOTAL: **5464.40**

TAX: **7.55%**

TOTAL: **5664.43**

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 11 OCT 12 PAGE NO.

CUSTOMER PALOMINO PETROLEUM

WELL NO.

LEASE

LAGANS # 2

JOB TYPE

CEMENT PORT COLLAR

TICKET NO.

23478

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1350							ON LOCATION
								PORT COLLAR @ 1993
	1413				✓		1000	TEST - HELD
	1425	2	2		✓		600	OPEN PORT COLLAR - TAKE INJ. RATE
	1430	2	88		✓		1200	MIX 160 SX SMD
		2	6 1/2		✓		1000	DISPLACE CEMENT / CIRCULATE 20 SX TO PIT
	1541				✓		1000	CLOSE PORT COLLAR - TEST - HELD
								RLW 4 JTS.
	1553	4	35		✓		400	REVERSE CEMENT OUT OF TUBING
	1600							WASH TRUCK
	1630							JOB COMPLETE
								THANKS # 115
								JASON JEFF ISAAC

SWIFT



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



Invoice

DATE	INVOICE #
10/16/2012	23366

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

RECEIVED
OCT 20 2012

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#2	Hagans	Ness	Express Well Serv...	Oil	Development	Squeeze Perforat...	David
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	6.00	240.00
578D-D	Pump Charge - Deep Squeeze (> 1500 Ft.)				1	Job	1,500.00	1,500.00
300 - 15%	Regular Acid				300	Gallons	1.75	525.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
325	Standard Cement				50	Sacks	13.50	675.00T
290	D-Air				1	Gallon(s)	35.00	35.00T
581D	Service Charge Cement				75	Sacks	2.00	150.00
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							3,410.00
	Sales Tax Ness County						6.30%	44.73

We Appreciate Your Business!

Total

\$3,454.73



Services, Inc.

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

TICKET No 23366

PAGE 1 OF 1

SERVICE LOCATIONS
 1. Ness City, KS WELL/PROJECT NO. #2 LEASE Hogans COUNTY/PARISH Ness STATE KS CITY Utica DATE 10-16-12 OWNER Scum
 2. TICKET TYPE SERVICE CONTRACTOR Express Well Service RIG NAME/NO. #7 SHIPPED VIA CT DELIVERED TO Location ORDER NO.
 3. SALES WELL TYPE ORL WELL CATEGORY Development JOB PURPOSE Squeeze Perforations WELL PERMIT NO. WELL LOCATION Utica, West Edge, 1 1/4 N, W 1/4
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING		DESCRIPTION	QTY.	UM	QTY.	UM	UNIT PRICE	AMOUNT
		LOC	ACCT							
575				MILEAGE <u>Tok # 114</u>			40	mi	6.00	240.00
578				Pump Charge	1	Job			1500.00	1500.00
300				Regular Acid	15	%	300	gal	1.75	525.00
235				Inhib-1			1	gal	35.00	35.00
325				Standard Cement			50	sls	13.50	675.00
290				D-Air			1	gal	35.00	35.00
581				Service Charge Cement			75	sls	2.00	150.00
582				Minimum Drayage Charge			1	ea	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

X DATE SIGNED 10-16-12 TIME SIGNED 12:45 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?

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? YES NO

PAGE TOTAL

3410.00

TAX 7.5%

44.73

TOTAL

3454.73

SWIFT OPERATOR David Kraby APPROVAL

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 10-16-12 PAGE NO. 7

CUSTOMER Palimino Petroleum WELL NO. #2 LEASE Hagans JOB TYPE Squeeze Perforations TICKET NO. 23366

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								Perfs - 4526 - 32' test PKR - 4544 2 7/8 x 5 1/2
								PKR to spot - 4536 PKR to treat + squeeze - 4447
								300 gals 15% NEACRD
								75 sks standard cement NEAT
	1245							On location
	1300					3000		test tools 3000 psi held
	1310	3 1/2	26.2			400		spot acid - 300 gal 15% NE @ 4536'
	1327							Set PKR to treat
	1328					1000		Staging
						1500		"
	1335		26.9			2000		Broke Perfs Down
	1339	3	38.5			900		Feeding
	1340	0	38.5			600		ISIP 600 psi
	1352	0	38.5			0		vacuum 12 min
	1400							Swab load Back
	1523					500		Pressure up Backside Hold
	1525	3	25.7			650		Load Tubing Inj. Rate
	1539	2	11			500		Mix 50 sks standard cement NEAT
								Wash out Pump & lines
	1551	2				200		Start Displacement
	1606	1	26.6			1100		Clear PKR by 1 bbl Kick pump out
		0	26.6			1100		Shut in tubing 1100 psi
								Wash up trucks
	1633					900		Open tubing 900 psi
	1634		26.6			1100		Staging Let set 30 min
	1708					1200		Staging
	1724					1500		Staging
	1727					2300		Release pressure squeeze held
	1737	2	35			200		Reverse out clean pressure up 1500 held
	1815					500	500	Pull 10' pressure squeeze to 500
	1820							Job complete
								Thank you - Dune Blain IT Plant



DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc.**

4924 SE 84th st
Newton, KS 67114

ATTN: Ryan Seib

Hagans #2

15-16s-26w Ness,KS

Start Date: 2012.10.01 @ 04:33:00

End Date: 2012.10.01 @ 10:42:15

Job Ticket #: 50150 DST #: 1

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

Printed: 2012.10.03 @ 13:53:39

Palomino Petroleum, Inc.
15-16s-26w Ness,KS
Hagans #2
DST # 1
Miss
2012.10.01



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

15-16s-26w Ness, KS

4924 SE 84th st
New ton, KS 67114

Hagans #2

Job Ticket: 50150

DST#: 1

ATTN: Ryan Seib

Test Start: 2012.10.01 @ 04:33:00

GENERAL INFORMATION:

Formation: **Miss**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 06:36:15

Time Test Ended: 10:42:15

Test Type: Conventional Bottom Hole (Initial)

Tester: Sam Esparza

Unit No: 64

Interval: 4441.00 ft (KB) To 4514.00 ft (KB) (TVD)

Reference Elevations: 2585.00 ft (KB)

Total Depth: 4514.00 ft (KB) (TVD)

2574.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 11.00 ft

Serial #: 6772 Outside

Press @ Run Depth: 54.73 psig @ 4442.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.10.01

End Date:

2012.10.01

Last Calib.: 2012.10.01

Start Time: 04:33:05

End Time:

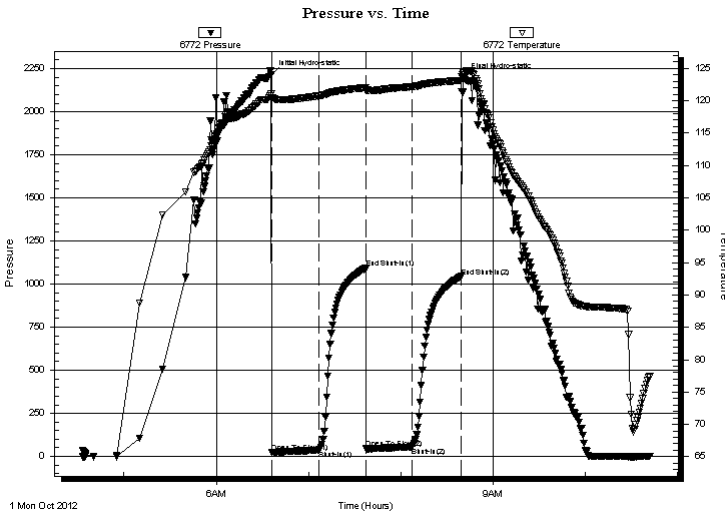
10:42:14

Time On Btm: 2012.10.01 @ 06:36:00

Time Off Btm: 2012.10.01 @ 08:40:45

TEST COMMENT: IF: 3" blow .
IS: No return.
FF: 3" blow .
FS: No return.

PRESSURE SUMMARY



Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2214.25	121.02	Initial Hydro-static
1	23.89	120.42	Open To Flow (1)
31	36.50	120.75	Shut-In(1)
61	1091.44	122.00	End Shut-In(1)
62	46.71	121.61	Open To Flow (2)
92	54.73	122.16	Shut-In(2)
124	1044.00	123.14	End Shut-In(2)
125	2199.13	124.27	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
60.00	GOCM 10g 35o 55m	0.84
30.00	GOCM 10g 20o 70m	0.42

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc.

15-16s-26w Ness, KS

4924 SE 84th st
New ton, KS 67114

Hagans #2

Job Ticket: 50150

DST#: 1

ATTN: Ryan Seib

Test Start: 2012.10.01 @ 04:33:00

Tool Information

Drill Pipe:	Length: 4422.00 ft	Diameter: 3.80 inches	Volume: 62.03 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 20000.00 lb
Drill Collar:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight to Pull Loose: 85000.00 lb
			<u>Total Volume: 62.03 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	10.00 ft			String Weight: Initial 70000.00 lb
Depth to Top Packer:	4441.00 ft			Final 70000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	73.00 ft			
Tool Length:	102.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			4413.00	
Shut In Tool	5.00			4418.00	
Hydraulic tool	5.00			4423.00	
Jars	5.00			4428.00	
Safety Joint	3.00			4431.00	
Packer	5.00			4436.00	29.00 Bottom Of Top Packer
Packer	5.00			4441.00	
Stubb	1.00			4442.00	
Recorder	0.00	6669	Outside	4442.00	
Recorder	0.00	6772	Outside	4442.00	
Perforations	3.00			4445.00	
Change Over Sub	1.00			4446.00	
Drill Pipe	63.00			4509.00	
Change Over Sub	1.00			4510.00	
Bullnose	4.00			4514.00	73.00 Bottom Packers & Anchor

Total Tool Length: 102.00



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc.

15-16s-26w Ness, KS

4924 SE 84th st
New ton, KS 67114

Hagans #2

Job Ticket: 50150

DST#: 1

ATTN: Ryan Seib

Test Start: 2012.10.01 @ 04:33:00

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: 41.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 7.99 in³

Gas Cushion Type:

Resistivity: 0.00 ohm.m

Gas Cushion Pressure:

psig

Salinity: 2500.00 ppm

Filter Cake: 1.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
60.00	GOCM 10g 35o 55m	0.842
30.00	GOCM 10g 20o 70m	0.421

Total Length: 90.00 ft Total Volume: 1.263 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:

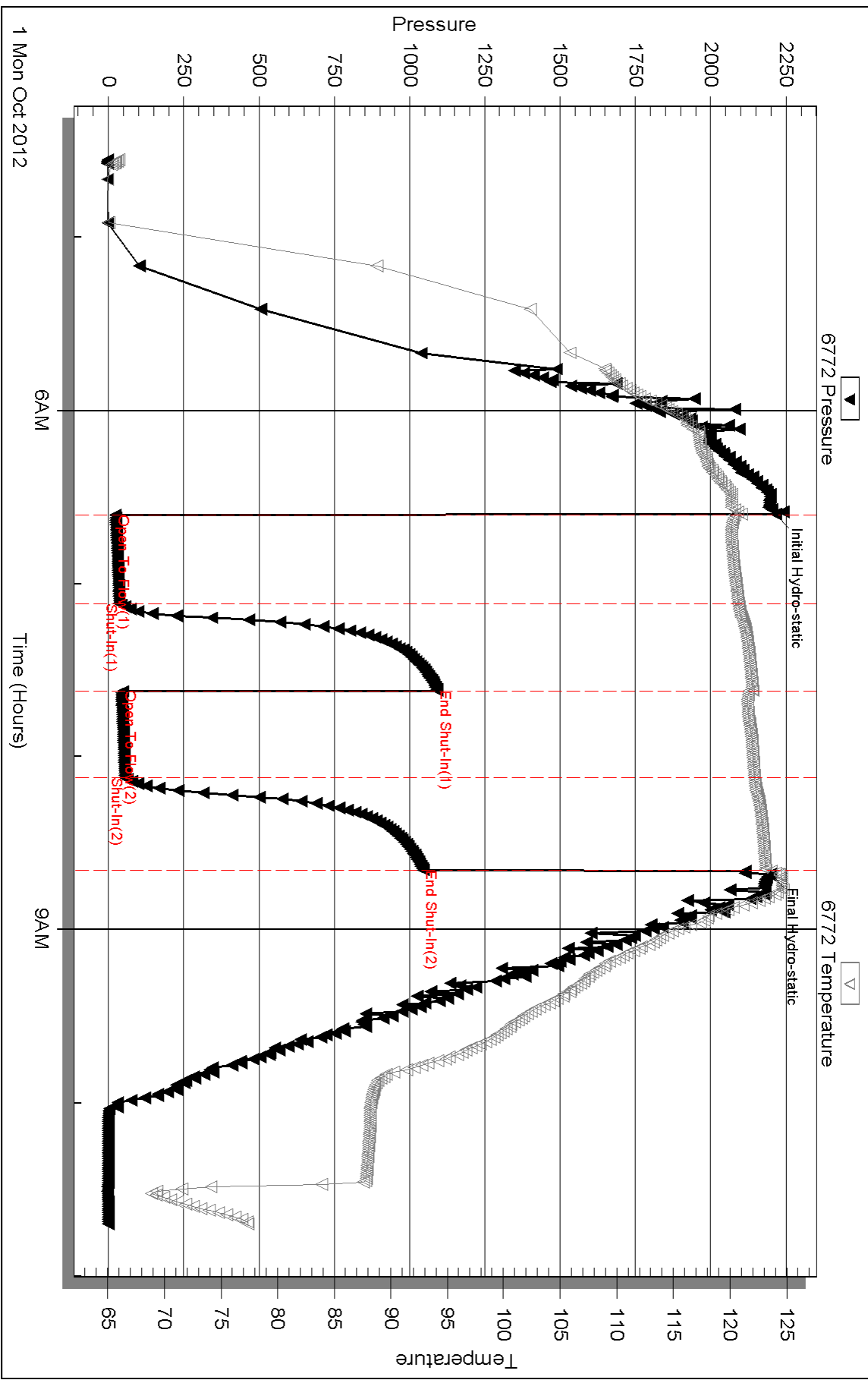
Serial #: 6772

Outside Palomino Petroleum, Inc.

Hagens #2

DST Test Number: 1

Pressure vs. Time



Triobite Testing, Inc

Ref. No: 50150

Printed: 2012.10.03 @ 13:53:43

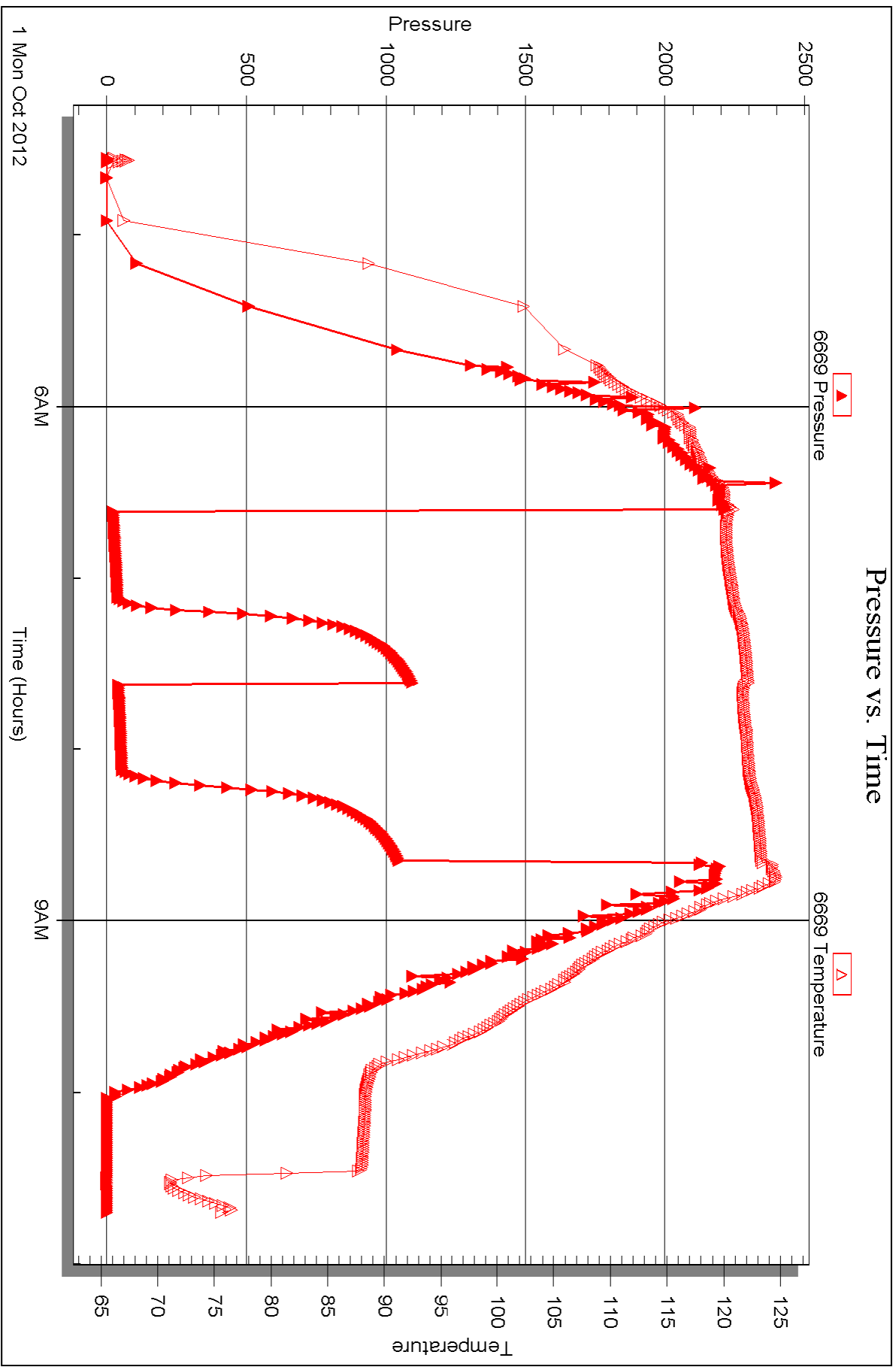
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Outside

Palomino Petroleum, Inc.

Hagans #2

DST Test Number: 1





DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc.**

4924 SE 84th st
Newton, KS 67114

ATTN: Ryan Seib

Hagans #2

15-16s-26w Ness,KS

Start Date: 2012.10.01 @ 17:42:00

End Date: 2012.10.02 @ 02:41:30

Job Ticket #: 49801 DST #: 2

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

Printed: 2012.10.03 @ 13:52:50



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

15-16s-26w Ness, KS

4924 SE 84th st
New ton, KS 67114

Hagans #2

Job Ticket: 49801

DST#: 2

ATTN: Ryan Seib

Test Start: 2012.10.01 @ 17:42:00

GENERAL INFORMATION:

Formation: **Miss**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 21:09:30

Time Test Ended: 02:41:30

Test Type: Conventional Bottom Hole (Reset)

Tester: Sam Esparza

Unit No: 64

Interval: 4511.00 ft (KB) To 4523.00 ft (KB) (TVD)

Reference Elevations: 2585.00 ft (KB)

Total Depth: 4523.00 ft (KB) (TVD)

2574.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Good

KB to GR/CF: 11.00 ft

Serial #: 6772 Outside

Press @ Run Depth: 34.18 psig @ 4512.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.10.01

End Date:

2012.10.02

Last Calib.: 2012.10.02

Start Time: 17:42:05

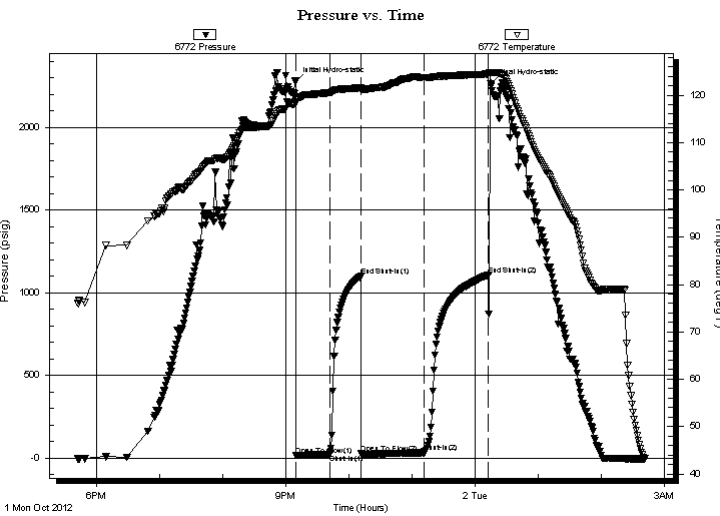
End Time:

02:41:30

Time On Btm: 2012.10.01 @ 21:09:15

Time Off Btm: 2012.10.02 @ 00:14:30

TEST COMMENT: IF: 1 3/4" blow .
IS: No return.
FF: 3" blow .
FS: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2277.26	119.14	Initial Hydro-static
1	18.18	118.28	Open To Flow (1)
32	22.29	120.51	Shut-In(1)
62	1100.36	121.54	End Shut-In(1)
63	27.58	121.11	Open To Flow (2)
123	34.18	123.68	Shut-In(2)
183	1106.79	124.43	End Shut-In(2)
186	2263.37	124.73	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
10.00	GOCM 10g 20o 70m	0.14
20.00	GO 15g 85o	0.28

* 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.

15-16s-26w Ness, KS

4924 SE 84th st
New ton, KS 67114

Hagans #2

Job Ticket: 49801

DST#: 2

ATTN: Ryan Seib

Test Start: 2012.10.01 @ 17:42:00

Tool Information

Drill Pipe:	Length: 4512.00 ft	Diameter: 3.80 inches	Volume: 63.29 bbl	Tool Weight: 2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 20000.00 lb
Drill Collar:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight to Pull Loose: 85000.00 lb
			<u>Total Volume: 63.29 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	30.00 ft			String Weight: Initial 71000.00 lb
Depth to Top Packer:	4511.00 ft			Final 71000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	12.00 ft			
Tool Length:	41.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			4483.00	
Shut In Tool	5.00			4488.00	
Hydraulic tool	5.00			4493.00	
Jars	5.00			4498.00	
Safety Joint	3.00			4501.00	
Packer	5.00			4506.00	29.00 Bottom Of Top Packer
Packer	5.00			4511.00	
Stubb	1.00			4512.00	
Recorder	0.00	6669	Outside	4512.00	
Recorder	0.00	6772	Outside	4512.00	
Perforations	7.00			4519.00	
Bullnose	4.00			4523.00	12.00 Bottom Packers & Anchor

Total Tool Length: 41.00



**TRILOBITE
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DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc.

15-16s-26w Ness, KS

4924 SE 84th st
New ton, KS 67114

Hagans #2

Job Ticket: 49801

DST#: 2

ATTN: Ryan Seib

Test Start: 2012.10.01 @ 17:42:00

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

37 deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 54.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 7.19 in³

Gas Cushion Type:

Resistivity: 0.00 ohm.m

Gas Cushion Pressure:

psig

Salinity: 2600.00 ppm

Filter Cake: 1.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
10.00	GOCM 10g 20o 70m	0.140
20.00	GO 15g 85o	0.281

Total Length: 30.00 ft Total Volume: 0.421 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments: Oil API: 36 @ 50 degrees= 37

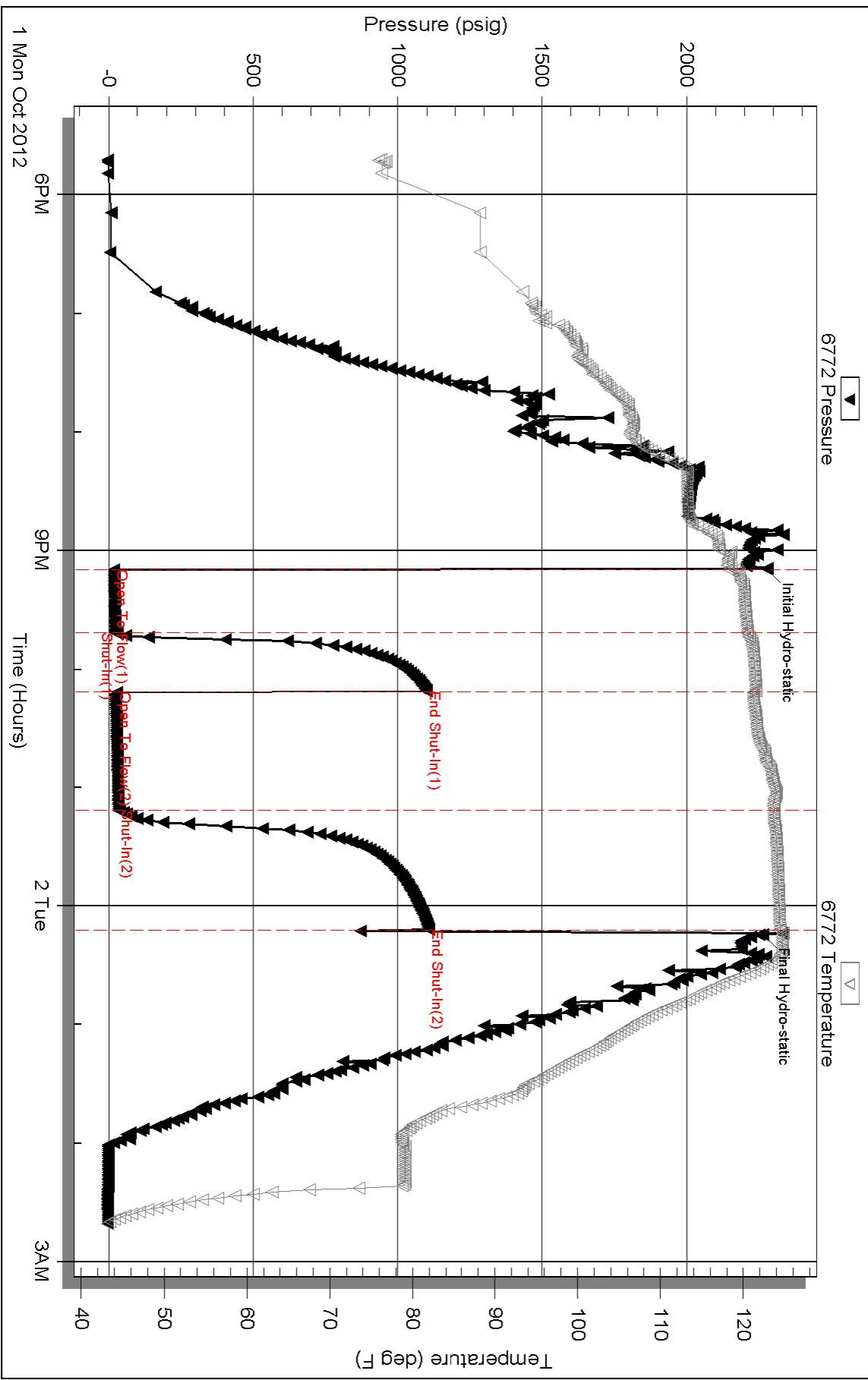
Serial #: 6772

Outside Palomino Petroleum, Inc.

Hagans #2

DST Test Number: 2

Pressure vs. Time

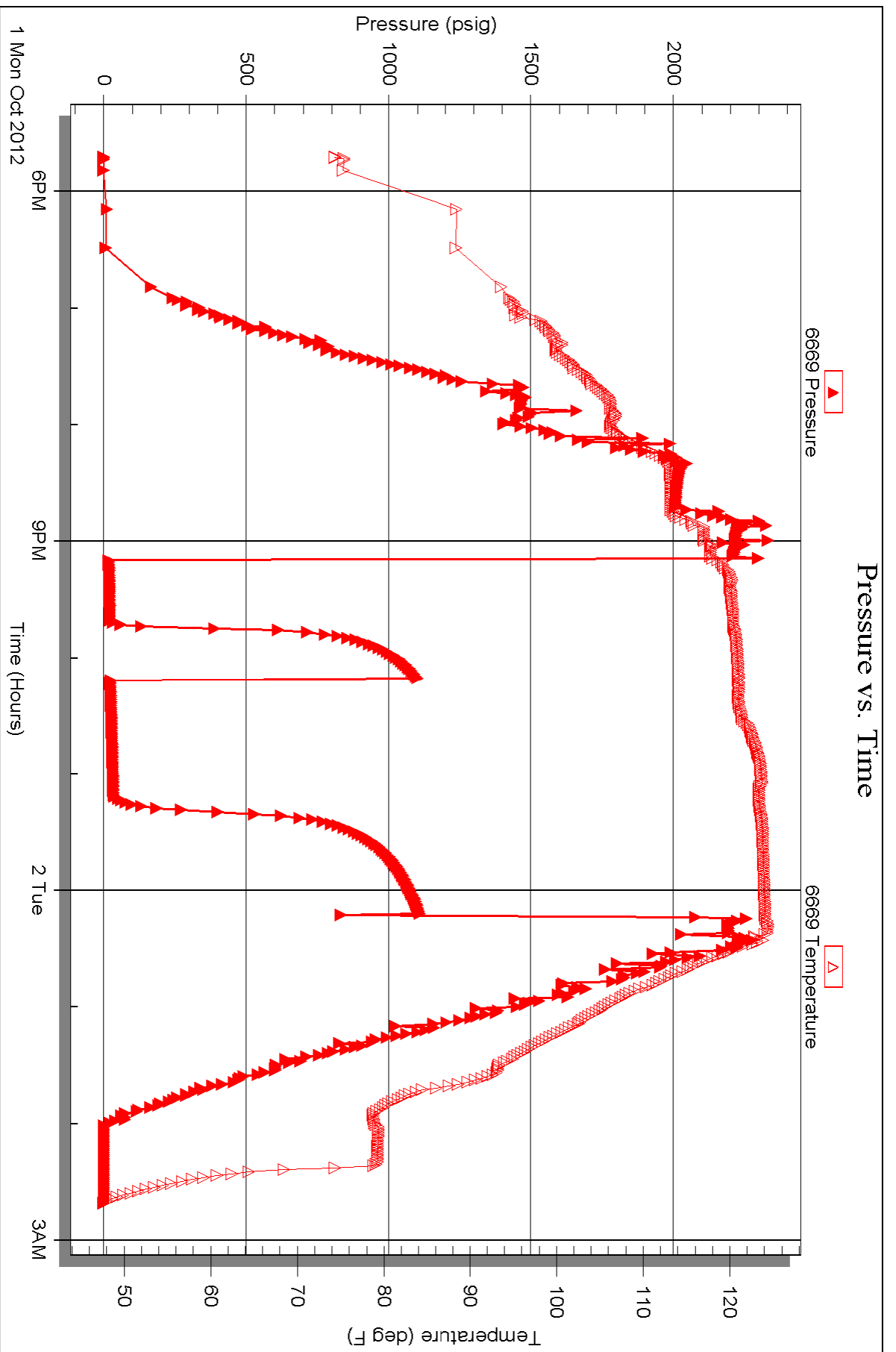


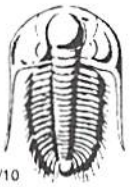
Serial #: 6669

Outside Palomino Petroleum, Inc.

Hagens #2

DST Test Number: 2





TRILOBITE TESTING INC.

1515 Commerce Parkway • Hays, Kansas 67601

Test Ticket

NO. 50150

4/10

Well Name & No. Hagens #2 Test No. 1 Date 10/1/12
 Company Palamino Petroleum, Inc Elevation 2585 KB 2574 GL
 Address 4924 SE 84th St Newton, KS 67114
 Co. Rep / Geo. Ryan Seib Rig Val # 2
 Location: Sec. 15 Twp. 16S Rge. 26W Co. Ness State KS

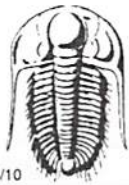
Interval Tested 4411 - 4514 Zone Tested Miss
 Anchor Length 73' Drill Pipe Run 4422 Mud Wt. 9.5
 Top Packer Depth 4437 Drill Collars Run Ø Vis 41
 Bottom Packer Depth 4441 Wt. Pipe Run Ø WL 8.0
 Total Depth 4514 Chlorides 2500 ppm System LCM 2
 Blow Description 3" blow.
No return.
3" blow
No return

Rec	Feet of	%gas	%oil	%water	%mud
<u>30</u>	<u>60CM</u>	<u>10</u>	<u>35</u>	<u>55</u>	<u>55</u>
<u>60</u>	<u>60CM</u>	<u>10</u>	<u>20</u>	<u>70</u>	<u>70</u>
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 90' BHT 123 Gravity — API RW — @ — °F Chlorides — ppm

(A) Initial Hydrostatic <u>2214</u>	<input checked="" type="checkbox"/> Test <u>1250</u>	T-On Location <u>2:30</u>
(B) First Initial Flow <u>24</u>	<input checked="" type="checkbox"/> Jars <u>250</u>	T-Started <u>4:33</u>
(C) First Final Flow <u>37</u>	<input checked="" type="checkbox"/> Safety Joint <u>75</u>	T-Open <u>6:37</u>
(D) Initial Shut-In <u>1091</u>	<input checked="" type="checkbox"/> Circ Sub <u>N/C</u>	T-Pulled <u>8:38</u>
(E) Second Initial Flow <u>47</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>10:42</u>
(F) Second Final Flow <u>55</u>	<input checked="" type="checkbox"/> Mileage <u>108 R/T</u> 167.40	Comments <u>Stuck in Mud Wait on cat.</u>
(G) Final Shut-In <u>1044</u>	<input type="checkbox"/> Sampler	
(H) Final Hydrostatic <u>2199</u>	<input type="checkbox"/> Straddle	<input type="checkbox"/> Ruined Shale Packer
	<input type="checkbox"/> Shale Packer	<input type="checkbox"/> Ruined Packer
Initial Open <u>30</u>	<input type="checkbox"/> Extra Packer	<input type="checkbox"/> Extra Copies
Initial Shut-In <u>30</u>	<input type="checkbox"/> Extra Recorder	Sub Total <u>0</u>
Final Flow <u>30</u>	<input type="checkbox"/> Day Standby	Total <u>1742.40</u>
Final Shut-In <u>30</u>	<input checked="" type="checkbox"/> Accessibility <u>No steps on V-Door</u>	MP/DST Disc't
	Sub Total <u>1742.40</u>	

Approved By _____ Our Representative [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 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.

1515 Commerce Parkway • Hays, Kansas 67601

Test Ticket

NO. **49801**

Well Name & No. Hayas #2 Test No. 2 Date 10/1/12
 Company Palomino Petroleum, Inc. Elevation 2585 KB 2574 GL
 Address 4924 SE 84th St Newton, KS 67114
 Co. Rep / Geo. Ryan Seib Rig Val #2
 Location: Sec. 15 Twp. 16S Rge. 26W Co. Ness State KS

Interval Tested 4511-4523 Zone Tested Miss
 Anchor Length 12' Drill Pipe Run 4512 Mud Wt. 9.4
 Top Packer Depth 4507 Drill Collars Run Ø Vis 54
 Bottom Packer Depth 4511 Wt. Pipe Run Ø WL 7.2
 Total Depth 4523 Chlorides 2600 ppm System LCM 2
 Blow Description 1 3/4" blow.
No return.
3" blow.
No return.

Rec	Feet of	%gas	%oil	%water	%mud
<u>20'</u>	<u>GO</u>	<u>15</u>	<u>85</u>		
<u>10'</u>	<u>Goam</u>	<u>10</u>	<u>20</u>		<u>70</u>
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 30' BHT 124 Gravity 37 API RW - @ - °F Chlorides - ppm

(A) Initial Hydrostatic <u>2277</u>	<input checked="" type="checkbox"/> Test 1250	T-On Location <u>17:10</u>
(B) First Initial Flow <u>18</u>	<input checked="" type="checkbox"/> Jars 250	T-Started <u>17:42</u>
(C) First Final Flow <u>22</u>	<input checked="" type="checkbox"/> Safety Joint 75	T-Open <u>21:10</u>
(D) Initial Shut-In <u>1100</u>	<input checked="" type="checkbox"/> Circ Sub <u>N/C</u>	T-Pulled <u>00:12</u>
(E) Second Initial Flow <u>28</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>2:42</u>
(F) Second Final Flow <u>34</u>	<input checked="" type="checkbox"/> Mileage <u>108 R/T X 2</u> ^{334.80}	Comments <u>Loaded tools @</u>
(G) Final Shut-In <u>1107</u>	<input type="checkbox"/> Sampler	<u>7:30 10/3/12</u>
(H) Final Hydrostatic <u>2263</u>	<input type="checkbox"/> Straddle	<input type="checkbox"/> Ruined Shale Packer
Initial Open <u>30</u>	<input type="checkbox"/> Shale Packer	<input type="checkbox"/> Ruined Packer
Initial Shut-In <u>30</u>	<input type="checkbox"/> Extra Packer	<input type="checkbox"/> Extra Copies
Final Flow <u>60</u>	<input type="checkbox"/> Extra Recorder	Sub Total <u>800</u>
Final Shut-In <u>60</u>	<input type="checkbox"/> Day Standby <u>1d 4.75hrs</u>	Total <u>2709.80</u>
	<input checked="" type="checkbox"/> Accessibility	MP/DST Disc't
	Sub Total <u>1909.80</u>	

Approved By _____ Our Representative [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 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.