



Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

KANSAS CORPORATION COMMISSION 1103645
OIL & GAS CONSERVATION DIVISION

Form CP-4
March 2009

Type or Print on this Form
Form must be Signed
All blanks must be Filled

WELL PLUGGING RECORD
K.A.R. 82-3-117

OPERATOR: License #: _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____
Type of Well: (Check one) Oil Well Gas Well OG D&A Cathodic
 Water Supply Well Other: _____ SWD Permit #: _____
 ENHR Permit #: _____ Gas Storage Permit #: _____
Is ACO-1 filed? Yes No If not, is well log attached? Yes No
Producing Formation(s): List All (If needed attach another sheet)
_____ Depth to Top: _____ Bottom: _____ T.D. _____
_____ Depth to Top: _____ Bottom: _____ T.D. _____
_____ Depth to Top: _____ Bottom: _____ T.D. _____

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 #: _____
Date Well Completed: _____
The plugging proposal was approved on: _____ (Date)
by: _____ (KCC District Agent's Name)
Plugging Commenced: _____
Plugging Completed: _____

Show depth and thickness of all water, oil and gas formations.

| Oil, Gas or Water Records | | Casing Record (Surface, Conductor & Production) | | | |
|---------------------------|---------|---|------|---------------|------------|
| Formation | Content | Casing | Size | Setting Depth | Pulled Out |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Plugging Contractor License #: _____ Name: _____
Address 1: _____ Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Phone: (_____) _____
Name of Party Responsible for Plugging Fees: _____
State of _____ County, _____, ss.

(Print Name) Employee of Operator or Operator on above-described well,

being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.

Submitted Electronically

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

SWIFT



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

RECEIVED

NOV 29 2012

Invoice

| | |
|------------|-----------|
| DATE | INVOICE # |
| 11/21/2012 | 22920 |

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

- Acidizing
- Cement
- Tool Rental

| TERMS | Well No. | Lease | County | Contractor | Well Type | Well Category | Job Purpose | Operator |
|------------|------------------------|-----------------|--------|----------------------|-----------|---------------|-------------|-----------|
| Net 30 | #1 | Pearson Fami... | Trego | Express Well Serv... | Oil | Workover | PTA | Josh |
| PRICE REF. | DESCRIPTION | | | | QTY | UM | UNIT PRICE | AMOUNT |
| 575W | Mileage - 1 Way | | | | 30 | Miles | 6.00 | 180.00T |
| 576W-P | Pump Charge - PTA | | | | 1 | Job | 1,000.00 | 1,000.00T |
| 290 | D-Air | | | | 3 | Gallon(s) | 35.00 | 105.00T |
| 279 | Bentonite Gel | | | | 21 | Sack(s) | 25.00 | 525.00T |
| 328-4 | 60/40 Pozmix (4% Gel) | | | | 250 | Sacks | 11.50 | 2,875.00T |
| 581W | Service Charge Cement | | | | 271 | Sacks | 2.00 | 542.00T |
| 583W | Drayage | | | | 346.12 | Ton Miles | 1.00 | 346.12T |
| | Subtotal | | | | | | | 5,573.12 |
| | Sales Tax Trego County | | | | | | 6.80% | 378.97 |

Thank You For Your Business & Best Wishes For A Wonderful Holiday Season!!

Total \$5,952.09

SWIFT



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

RECEIVED

NOV 29 2012

Invoice

| | |
|------------|-----------|
| DATE | INVOICE # |
| 11/21/2012 | 22920 |

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

- Acidizing
- Cement
- Tool Rental

| TERMS | Well No. | Lease | County | Contractor | Well Type | Well Category | Job Purpose | Operator |
|------------|------------------------|-----------------|--------|----------------------|-----------|---------------|-------------|-----------|
| Net 30 | #1 | Pearson Fami... | Trego | Express Well Serv... | Oil | Workover | PTA | Josh |
| PRICE REF. | DESCRIPTION | | | | QTY | UM | UNIT PRICE | AMOUNT |
| 575W | Mileage - 1 Way | | | | 30 | Miles | 6.00 | 180.00T |
| 576W-P | Pump Charge - PTA | | | | 1 | Job | 1,000.00 | 1,000.00T |
| 290 | D-Air | | | | 3 | Gallon(s) | 35.00 | 105.00T |
| 279 | Bentonite Gel | | | | 21 | Sack(s) | 25.00 | 525.00T |
| 328-4 | 60/40 Pozmix (4% Gel) | | | | 250 | Sacks | 11.50 | 2,875.00T |
| 581W | Service Charge Cement | | | | 271 | Sacks | 2.00 | 542.00T |
| 583W | Drayage | | | | 346.12 | Ton Miles | 1.00 | 346.12T |
| | Subtotal | | | | | | | 5,573.12 |
| | Sales Tax Trego County | | | | | | 6.80% | 378.97 |

Thank You For Your Business & Best Wishes For A Wonderful Holiday Season!!

Total \$5,952.09



Services, Inc.

TICKET
No 22920

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

PAGE 1 OF 1

| | | | | | | | |
|----------------------|---------------------------|----------------------------|-----------------|-----------------|-----------|-----------------|-------|
| 1. SERVICE LOCATIONS | WELL/PROJECT NO. <u>1</u> | LEASE | COUNTY/PARISH | STATE | CITY | DATE | OWNER |
| | | <u>Person Family Trust</u> | <u>Trego</u> | <u>Ks</u> | | <u>11-21-12</u> | |
| 2. TICKET TYPE | CONTRACTOR | RIG NAME/NO. | SHIPPED VIA | DELIVERED TO | ORDER NO. | WELL LOCATION | |
| <u>Ness City</u> | <u>Express</u> | | <u>4</u> | <u>Location</u> | | | |
| 3. WELL TYPE | WELL CATEGORY | JOB PURPOSE | WELL PERMIT NO. | | | | |
| | <u>0-1</u> | <u>Abandon</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 | | 1 | | | MILEAGE #112 | 30 | mi | | | 6.00 | 180.00 |
| 576 P | | 1 | | | Pump Charge PTA | 1 | ea | | | 1000.00 | 1000.00 |
| 290 | | 1 | | | O.A.S | 3 | gal | | | 35.00 | 105.00 |
| 279 | | 2 | | | Bentonite Gel | 21 | SKS | | | 25.00 | 525.00 |
| 328-1 | | 2 | | | 60/40 Pozmix 4% Gel | 250 | SKS | | | 11.50 | 2875.00 |
| 581 | | 2 | | | Service Charge Cement | 271 | SKS | | | 2.00 | 542.00 |
| 583 | | 2 | | | Drayage | 346 | 112 Tm | | | 1.00 | 346.12 |

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: 11-21-12 TIME SIGNED: 10:00

SWIFT OPERATOR: [Signature]

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 | 5573.12 |
| TOTAL | 5952.00 |

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket

SWIFT OPERATOR: [Signature] APPROVAL: _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 11-21-12 PAGE NO.

CUSTOMER Palomino WELL NO. 1 LEASE Pearson Family Trust JOB TYPE PTA TICKET NO. 22920

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL) (GAL) | PUMPS | | PRESSURE (PSI) | | DESCRIPTION OF OPERATION AND MATERIALS |
|-----------|------|------------|--------------------|-------|---|----------------|--------|--|
| | | | | T | C | TUBING | CASING | |
| | 1000 | | | | | | | on location 2 7/8 x 5 1/2 Perfs 4194 |
| | 1030 | 4 | 63 | | ✓ | 300 | | TBg @ 4190 Pump 21 sks Gel |
| | | 4 | 13 | | ✓ | 300 | | Pump 50 sks Cement |
| | 1145 | 4 | 47 | ✓ | | 300 | | TBg @ 1657 Pump 178 sks Cement CIRCULATE TO SURFACE |
| | | | | | | | | PULL TUBING OUT WELL |
| | 1315 | 1/2 | 2 1/2 | ✓ | | 500 | | PUMP 10 ^{ENT} SKS DOWN BRASS HEAD - HEAD |
| | 1330 | | 3 1/4 | ✓ | | | | PUMP 12 SKS CEMENT - TOP OFF 5/2 CSG |
| | | | | | | | | WASH TRUCK |
| | 1430 | | | | | | | JOB COMPLETE |
| | | | | | | | | THANK YOU JOSH B., JON, FLINT, WAYNE |

SWIFT



Services, Inc.

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



RECEIVED

NOV 21 2012

Invoice

| | |
|------------|-----------|
| DATE | INVOICE # |
| 11/19/2012 | 22919 |

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

- Acidizing
- Cement
- Tool Rental

| TERMS | Well No. | Lease | County | Contractor | Well Type | Well Category | Job Purpose | Operator |
|------------|------------------------|---------------|--------|------------|-----------|---------------|-------------|-----------|
| Net 30 | #1 | Pearson Trust | Trego | | Oil | Workover | PTA | Josh |
| PRICE REF. | DESCRIPTION | | | | QTY | UM | UNIT PRICE | AMOUNT |
| 575W | Mileage - 1 Way | | | | 30 | Miles | 6.00 | 180.00T |
| 576W-P | Pump Charge - PTA | | | | 1 | Job | 1,000.00 | 1,000.00T |
| 290 | D-Air | | | | 3 | Gallon(s) | 35.00 | 105.00T |
| 275 | Cotton Seed Hulls | | | | 2 | Sack(s) | 25.00 | 50.00T |
| 279 | Bentonite Gel | | | | 21 | Sack(s) | 25.00 | 525.00T |
| 328-4 | 60/40 Pozmix (4% Gel) | | | | 50 | Sacks | 11.50 | 575.00T |
| 581W | Service Charge Cement | | | | 250 | Sacks | 2.00 | 500.00T |
| 583W | Drayage | | | | 346.12 | Ton Miles | 1.00 | 346.12T |
| | Subtotal | | | | | | | 3,281.12 |
| | Sales Tax Trego County | | | | | | 6.80% | 223.12 |

We Appreciate Your Business!

Total

\$3,504.24



Services, Inc.

CHARGE TO: Pelomns Per.
 ADDRESS _____
 CITY, STATE, ZIP CODE _____

TICKET
 No. **22919**

PAGE 1 OF 1

| | | | | | | | |
|----------------------|---------------------------|----------------------|-----------------|------------------------|-----------|-----------------|-------|
| 1. SERVICE LOCATIONS | WELL/PROJECT NO. <u>1</u> | LEASE | COUNTY/PARISH | STATE | CITY | DATE | OWNER |
| | <u>Hays</u> | <u>Pearson Trust</u> | <u>Trego</u> | <u>KS</u> | | <u>11-19-12</u> | |
| 2. TICKET TYPE | CONTRACTOR | RIG NAME/NO. | SHPD VIA | DELIVERED TO | ORDER NO. | | |
| <u>Ness City</u> | | | <u>CT</u> | <u>Location</u> | | | |
| 3. WELL TYPE | WELL CATEGORY | JOB PURPOSE | WELL PERMIT NO. | WELL LOCATION | | | |
| | <u>D-1</u> | <u>ATA workover</u> | | <u>Play to Abandon</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 | | 1 | | | MILEAGE #112 | 30 | m. | | | 6.00 | 180.00 |
| 576A | | 1 | | | Pump Charge PTA | 1 | ea | | | 180.00 | 180.00 |
| 290 | | 1 | | | O Air | 3 | gal | | | 35.00 | 105.00 |
| 275 | | 1 | | | Cotton seed hulls | 2 | SKS | | | 25.00 | 50.00 |
| 279 | | 2 | | | Bentonite Gel | 21 | SKS | | | 25.00 | 525.00 |
| 328-4 | | 2 | | | 60/40 Poz mix 4 3/4 Gel | 50 | SKS | | | 11.50 | 575.00 |
| 581 | | 2 | | | Service Charge Lencer | 250 | SKS | | | 2.00 | 500.00 |
| 583 | | 2 | | | Drayage | 346 | 12 Tm | | | 1.00 | 346.12 |

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 11-14-12 TIME SIGNED 10:00
 A.M. P.M.

SWIFT OPERATOR Josh Conroy APPROVAL _____

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 3281 12

Tax 223 12

TOTAL 3504 2

Thank You!

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket

JOB LOG

SWIFT Services, Inc.

DATE 11-19-12 PAGE NO.

CUSTOMER Palomino Pet WELL NO. 1 LEASE Pearson Trust JOB TYPE PTA TICKET NO. 22919

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL/GAL) | PUMPS | | PRESSURE (PSI) | | DESCRIPTION OF OPERATION AND MATERIALS |
|-----------|------|------------|------------------|-------|---|----------------|-------------|---|
| | | | | T | C | TUBING | CASING | |
| | 1000 | | | | | | | on location |
| | | | | | | | | sets TO 4290 |
| | 1100 | 3 | 13 | | ✓ | | | Start cement 50 sks 200# Halls |
| | 1110 | | | | | | | Start gel |
| | | 2 | 40 | | ✓ | | 1000 | Caught Pressure |
| | | .5 | 50 | | ✓ | | 2200 | |
| | 1204 | | 76 | | ✓ | | 2800 700 | 50 sks cement 21 sks gel mixed shot down 5 min shut in |
| | | | | | | | | Release PSI |
| | | | | | | | | Back up |
| | | | | | | | | wash up |
| | | | | | | | | Job complete |
| | | | | | | | | Thank You |
| | | | | | | | | Josh, Roger, Jon, Isaac |

SWIFT



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



Invoice

| | |
|-----------|-----------|
| DATE | INVOICE # |
| 12/5/2009 | 16809 |

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

RECEIVED
DEC 11 2009

- Acidizing
- Cement
- Tool Rental

| TERMS | Well No. | Lease | County | Contractor | Well Type | Well Category | Job Purpose | Operator |
|------------|--|---------------|--------|-----------------------|-----------|---------------|-------------|-----------|
| Net 30 | #1 | Pearson Trust | Trego | Pickrell Drilling #10 | Oil | Development | LongString | Nick |
| PRICE REF. | DESCRIPTION | | | | QTY | UM | UNIT PRICE | AMOUNT |
| 575D | Mileage - 1 Way | | | | 30 | Miles | 5.00 | 150.00 |
| 578D-L | Pump Charge - Long String - 4300 Feet | | | | 1 | Job | 1,400.00 | 1,400.00 |
| 221 | Liquid KCL (Clayfix) | | | | 2 | Gallon(s) | 25.00 | 50.00T |
| 281 | Mud Flush | | | | 500 | Gallon(s) | 1.00 | 500.00T |
| 290 | D-Air | | | | 2 | Gallon(s) | 35.00 | 70.00T |
| 402-5 | 5 1/2" Centralizer | | | | 11 | Each | 55.00 | 605.00T |
| 403-5 | 5 1/2" Cement Basket | | | | 3 | Each | 180.00 | 540.00T |
| 404-5 | 5 1/2" Port Collar | | | | 1 | Each | 1,900.00 | 1,900.00T |
| 406-5 | 5 1/2" Latch Down Plug & Baffle | | | | 1 | Each | 225.00 | 225.00T |
| 407-5 | 5 1/2" Insert Float Shoe With Auto Fill | | | | 1 | Each | 275.00 | 275.00T |
| 419-5 | 5 1/2" Rotating Head Rental | | | | 1 | Each | 150.00 | 150.00T |
| 325 | Standard Cement | | | | 100 | Sacks | 11.00 | 1,100.00T |
| 330 | Swift Multi-Density Standard (MIDCON II) | | | | 100 | Sacks | 14.00 | 1,400.00T |
| 276 | Flocele | | | | 50 | Lb(s) | 1.50 | 75.00T |
| 283 | Salt | | | | 500 | Lb(s) | 0.15 | 75.00T |
| 284 | Calseal | | | | 5 | Sack(s) | 30.00 | 150.00T |
| 285 | CFR-1 | | | | 50 | Lb(s) | 4.00 | 200.00T |
| 581D | Service Charge Cement | | | | 200 | Sacks | 1.50 | 300.00 |
| 583D | Drayage | | | | 304 | Ton Miles | 1.00 | 304.00 |
| | Subtotal | | | | | | | 9,469.00 |
| | Sales Tax Trego County | | | | | | 5.80% | 424.27 |

Thank You For Your Business & Best Wishes For A Wonderful Holiday Season!!

Total \$9,893.27



Services, Inc.

CHARGE TO: *Palomina Petroleum*

ADDRESS

CITY, STATE, ZIP CODE

TICKET

No. **16809**

PAGE 1 OF 2

| | | | | | | | |
|-------------------------|--|-------------------------|--------------------|-----------------|-----------------|----------------|-------------|
| SERVICE LOCATIONS | WELL/PROJECT NO. | LEASE | COUNTY/PARISH | STATE | CITY | DATE | OWNER |
| 1. <i>Hays, KS</i> | <i>#1</i> | <i>Pearson Trust</i> | <i>Trego</i> | <i>Ks</i> | | <i>12-5-09</i> | <i>same</i> |
| 2. <i>Ness City, KS</i> | TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES | CONTRACTOR | RIG NAME NO. | SHIPPED VIA | DELIVERED TO | ORDER NO. | |
| | | <i>Pickeral Dlg #10</i> | | <i>ET</i> | <i>Location</i> | | |
| 3. | WELL TYPE | WELL CATEGORY | JOB PURPOSE | WELL PERMIT NO. | WELL LOCATION | | |
| | | <i>oil</i> | <i>Development</i> | | | | |
| 4. | REFERRAL LOCATION | INVOICE INSTRUCTIONS | | | | | |

| PRICE REFERENCE | SECONDARY REFERENCE/ PART NUMBER | ACCOUNTING | | | DESCRIPTION | MILEAGE | | | UNIT PRICE | AMOUNT |
|--------------------|-------------------------------------|------------|------|----|----------------------------------|------------|------------|--------------|----------------|----------------|
| | | LOC | ACCT | DF | | QTY. | UM | QTY. | | |
| <i>575</i> | | | | | <i>#111</i> | <i>30</i> | <i>mi</i> | | <i>5.00</i> | <i>150.00</i> |
| <i>578</i> | | | | | <i>Pump Charge (Leagstring)</i> | <i>1</i> | <i>ra</i> | <i>4300</i> | <i>1400.00</i> | <i>1400.00</i> |
| <i>221</i> | | | | | <i>KCL</i> | <i>2</i> | <i>gal</i> | | <i>250.00</i> | <i>500.00</i> |
| <i>281</i> | | | | | <i>Mud Plush</i> | <i>500</i> | <i>gal</i> | | <i>1.00</i> | <i>500.00</i> |
| <i>290</i> | | | | | <i>D-Air</i> | <i>2</i> | <i>gal</i> | | <i>35.00</i> | <i>70.00</i> |
| <i>402</i> | | | | | <i>Centralizers</i> | <i>11</i> | <i>ra</i> | <i>5 1/2</i> | <i>55.00</i> | <i>605.00</i> |
| <i>403</i> | | | | | <i>Baskets</i> | <i>3</i> | <i>ra</i> | | <i>150.00</i> | <i>540.00</i> |
| <i>404</i> | | | | | <i>Port Collar</i> | <i>1</i> | <i>ra</i> | | <i>1900.00</i> | <i>1900.00</i> |
| <i>406</i> | | | | | <i>L D Plug & Baffle</i> | <i>1</i> | <i>ra</i> | | <i>225.00</i> | <i>225.00</i> |
| <i>407</i> | | | | | <i>Insert Flat Shoe w/ S, 11</i> | <i>1</i> | <i>ra</i> | | <i>275.00</i> | <i>275.00</i> |
| <i>417</i> | | | | | <i>Rotating Head</i> | | | | <i>150.00</i> | <i>150.00</i> |

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 *12-5-09* TIME SIGNED *1115*

SWIFT OPERATOR *Michelle* APPROVAL *Mr. Brown*

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? | | | | <i>1</i> | <i>5865.00</i> |
| WE UNDERSTOOD AND MET YOUR NEEDS? | | | | <i>page 2</i> | <i>3609.00</i> |
| OUR SERVICE WAS PERFORMED WITHOUT DELAY? | | | | <i>sub total</i> | <i>9469.00</i> |
| WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY? | | | | <i>1900 TAX</i> | <i>424.27</i> |
| ARE YOU SATISFIED WITH OUR SERVICE? | <input type="checkbox"/> YES | <input type="checkbox"/> NO | | <i>5.8%</i> | <i>27</i> |
| <input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND | | | | TOTAL | <i>9893.27</i> |

Thank You!

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.



PO Box 466
Ness City, KS 67560
Ofc: 785-798-2300

TICKET CONTINUATION

TICKET No. 16809

CUSTOMER *Palmiro Pet* WELL # *1 Pearson Trust* DATE *12-5-09* PAGE *2* OF *2*

| PRICE REFERENCE | SECONDARY REFERENCE/ PART NUMBER | ACCOUNTING | | | TIME | DESCRIPTION | WELL # | | DATE | UNIT PRICE | AMOUNT |
|-----------------|-------------------------------------|------------|------|----|------|-----------------|--------|----|------|------------|---------|
| | | LOC | ACCT | DF | | | QTY | UM | | | |
| 325 | | | | | | Standard Cement | | | | 11.00 | 1100.00 |
| 330 | | | | | | SMD Cement | | | | 14.00 | 1400.00 |
| 276 | | | | | | Floccle | | | | 1.50 | 75.00 |
| 283 | | | | | | Sq 1ft | | | | 1.50 | 75.00 |
| 284 | | | | | | Colseal | | | | 30.00 | 150.00 |
| 285 | | | | | | CFR-1 | | | | 4.00 | 200.00 |
| 581 | | | | | | SERVICE CHARGE | | | | 1.50 | 300.00 |
| 583 | | | | | | MILEAGE CHARGE | | | | 1.00 | 309.00 |

CONTINUATION TOTAL 3604.00

JOB LOG

SWIFT Services, Inc.

DATE 12-5-09 PAGE NO. 9

CUSTOMER *Palestine Petroleum* WELL NO. *#1* LEASE *Pearson Trust* JOB TYPE *Longstring* TICKET NO. *16809*

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL) (GAL) | PUMPS | | PRESSURE (PSI) | | DESCRIPTION OF OPERATION AND MATERIALS |
|-----------|-----------------|------------|--------------------|-------|---|-------------------------------|--------|---|
| | | | | T | C | TUBING | CASING | |
| | 0430 | | | | | | | 00100 set <i>FE</i> |
| | | | | | | | | <i>RTD 4300'</i> <i>5 1/2" x 4290' x 14# x 18'</i> <i>Cent. 1, 2, 4, 6, 7, 8, 10, 13, 16, 19, 64</i> <i>Base. 3, 8, 65</i> <i>PC 65 @ 1611"</i> |
| | <i>0700</i> | | | | | | | <i>Start FE.</i> |
| | <i>0900</i> | | | | | | | <i>Break Circ.</i> |
| | <i>1015</i> | <i>2.5</i> | 7 | | | | | <i>Plug RH 4 30sk SMD</i> |
| | <i>1020</i> | <i>3.5</i> | <i>0</i> | | | <i>150</i> | | <i>Start Mud Flush 500gal</i> |
| | | <i>3.5</i> | <i>12/0</i> | | | <i>150</i> | | <i>Start KCL Flush 20 bbl</i> |
| | | <i>5.5</i> | <i>20/0</i> | | | <i>200</i> | | <i>Start SMD Cement 700sk @ 12.2th</i> |
| | | <i>5.5</i> | <i>29/0</i> | | | <i>200</i> | | <i>Start EA-2 Cement 100sk @ 15.5th</i> |
| | <i>1040</i> | | <i>24</i> | | | | | <i>End Cement</i> <i>Wash Pump Line</i> <i>Drop L.D. Plug</i> |
| | <i>1043</i> | <i>6.5</i> | <i>0</i> | | | <i>150</i> | | <i>Start Displacement</i> |
| | <i>1054</i> | <i>5</i> | <i>76</i> | | | <i>200</i> | | <i>Catch Cement</i> |
| | <i>1100</i> | | <i>104</i> | | | 650 <i>1400</i> | | <i>Land Plug</i> <i>Release Pressure</i> <i>Float Held</i> |
| | | | | | | | | <i>Thank you</i> |
| | | | | | | | | <i>Nick, Josh F. & Blaine</i> |

Quality Oilwell Cementing Inc.

740 W WICHITA
P.O. Box 32
Russell, KS 67665

Invoice

RECEIVED

DEC 03 2009

| Date | Invoice # |
|------------|-----------|
| 11/30/2009 | 2125 |

| |
|---|
| Bill To |
| Palomino Petroleum Inc 4924 SE 84th Newton Ks 67114 |

| P.O. No. | Terms | Project |
|----------|--------|---------|
| | Net 30 | |

| Quantity | Description | Rate | Amount |
|----------|--|--------|-----------|
| 150 | common | 10.00 | 1,500.00T |
| 3 | GEL | 17.00 | 51.00T |
| 5 | Calcium | 42.00 | 210.00T |
| 158 | handling | 2.00 | 316.00 |
| 1 | MILEAGE CHARGE | 350.00 | 350.00 |
| 1 | surface pipes 0-500ft | 450.00 | 450.00 |
| 30 | pump truck mileage charge | 7.00 | 210.00 |
| 352 | discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED | -1.00 | -352.00T |
| 265 | discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED | -1.00 | -265.00 |
| | LEASE: PEARSON TRUST WELL #1 | | |
| | Trego county Sales Tax | 5.80% | 81.72 |

| | | |
|-----------------------------------|--------------|------------|
| Thank you for your business. Dave | Total | \$2,551.72 |
|-----------------------------------|--------------|------------|

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

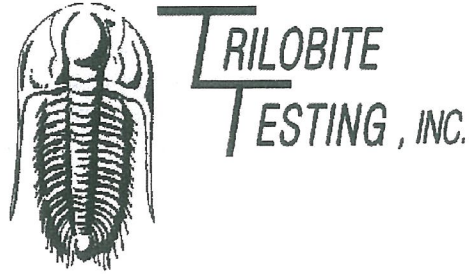
No. 3974

| | | | | | | | | | | | | | | | |
|-----------------------------------|---------------------------|------|----------|------------|------|-------|------|----------------|--|-------|----|-------------|--|--------|---------|
| Date | 11/28/09 | Sec. | 15 | Twp. | 15 | Range | 22 W | County | Trego | State | KS | On Location | | Finish | 6:00 AM |
| Lease | Pearson Trust | | | Well No. | 1 | | | Location | Cedar Bluff Dam, S to CC rd, NW, N into | | | | | | |
| Contractor | Pickrell Drilling Rig #10 | | | | | | | Owner | To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed. | | | | | | |
| Type Job | Well Surface | | | | | | | Charge To | Palamino Petroleum, Inc. | | | | | | |
| Hole Size | 12 1/4" | | | T.D. | 221' | | | Depth | 216' | | | | | | |
| Csg. | 8 3/8" 20# | | | Depth | | | | | | | | | | | |
| Tbg. Size | | | | | | | | Street | | | | | | | |
| Tool | | | | | | | | City | State | | | | | | |
| Cement Left in Csg. | 15' | | | Shoe Joint | | | | | | | | | | | |
| Meas Line | | | | | | | | Displace | 13 1/4 Bbls. | | | | | | |
| EQUIPMENT | | | | | | | | CEMENT | | | | | | | |
| Pumptrk | 9 | No. | Cementer | Paul | | | | Amount Ordered | 150 sx Com 3% Cu 2% gel | | | | | | |
| | | | Helper | | | | | Common | 150 @ 10.00 | | | | | | |
| Bulktrk | 10 | No. | Driver | Rocky | | | | Poz. Mix | | | | | | | |
| | | | Driver | | | | | Gel. | 3 @ 17.00 | | | | | | |
| Bulktrk | PJ | No. | Driver | Darin | | | | Calcium | 5 @ 42.00 | | | | | | |
| | | | Driver | | | | | Hulls | | | | | | | |
| JOB SERVICES & REMARKS | | | | | | | | | | | | | | | |
| Remarks: | Cement circulated | | | | | | | | | | | | | | |
| | | | | | | | | Flowseal | | | | | | | |
| | | | | | | | | Handling | 158 @ 2.00 | | | | | | |
| | | | | | | | | Mileage | 350.00 | | | | | | |
| FLOAT EQUIPMENT | | | | | | | | | | | | | | | |
| | | | | | | | | Guide Shoe | | | | | | | |
| | | | | | | | | Centralizer | | | | | | | |
| | | | | | | | | Baskets | | | | | | | |
| | | | | | | | | AFU Inserts | | | | | | | |
| | | | | | | | | Pumptrk Charge | SFC | | | | | | |
| | | | | | | | | Mileage | 30 @ 7.00 | | | | | | |
| | | | | | | | | Tax | 86.72 | | | | | | |
| | | | | | | | | Discount | (612.00) | | | | | | |
| | | | | | | | | Total Charge | 2551.72 | | | | | | |

Thank You!!

Mike Kern

X Signature



DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum Inc**

4924 SE 84th St
Newton KS 7114

ATTN: Sean

15 15s 22w Trego KS

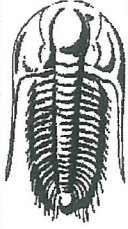
Pearson Trust #1

Start Date: 2009.12.03 @ 20:04:11

End Date: 2009.12.04 @ 04:37:41

Job Ticket #: 36617 DST #: 1

Trilobite Testing, Inc
PO Box 1733 Hays, KS 67601
ph: 785-625-4778 fax: 785-625-5620



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Palomino Petroleum Inc
4924 SE 84th St
New ton KS 7114
ATTN: Sean

Pearson Trust #1
15 15s 22w Trego KS
Job Ticket: 36617 **DST#: 1**
Test Start: 2009.12.03 @ 20:04:11

GENERAL INFORMATION:

Formation: **Cherokee Sd.**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 23:40:11
Time Test Ended: 04:37:41
Interval: **4116.00 ft (KB) To 4204.00 ft (KB) (TVD)**
Total Depth: 4204.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: KB to GR/CF: 5.00 ft
Test Type: Conventional Bottom Hole
Tester: Brett Dickinson
Unit No:
Reference Elevations: 2262.00 ft (KB)
2257.00 ft (CF)

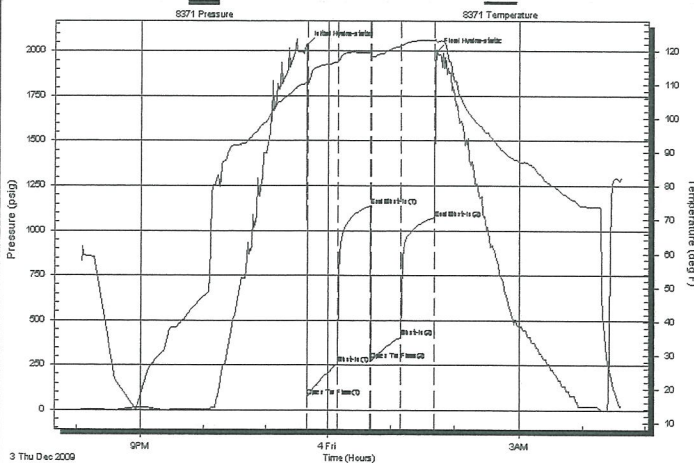
Serial #: 8371

Inside

Press@RunDepth: 406.91 psig @ 4121.00 ft (KB)
Start Date: 2009.12.03 End Date: 2009.12.04
Start Time: 20:04:16 End Time: 04:37:41
Capacity: 8000.00 psig
Last Calib.: 2009.12.04
Time On Btm: 2009.12.03 @ 23:39:11
Time Off Btm: 2009.12.04 @ 01:42:40

TEST COMMENT: IF-BOB in 3min
IS-3/4in blow
FF-BOB in 4min
FSI-1in blow

Pressure vs. Time



PRESSURE SUMMARY

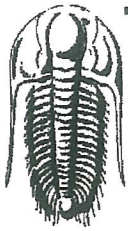
| Time (Min.) | Pressure (psig) | Temp (deg F) | Annotation |
|-------------|-----------------|--------------|----------------------|
| 0 | 2033.83 | 110.82 | Initial Hydro-static |
| 1 | 72.75 | 110.48 | Open To Flow (1) |
| 30 | 256.65 | 116.87 | Shut-In(1) |
| 61 | 1137.25 | 119.52 | End Shut-In(1) |
| 62 | 279.19 | 118.98 | Open To Flow (2) |
| 90 | 406.91 | 121.47 | Shut-In(2) |
| 122 | 1068.84 | 123.20 | End Shut-In(2) |
| 124 | 1998.39 | 122.97 | Final Hydro-static |

Recovery

| Length (ft) | Description | Volume (bbl) |
|-------------|---------------------|--------------|
| 255.00 | GO 20%G 80%O | 3.58 |
| 300.00 | GSMCO 20%G 75%O 5%M | 4.21 |
| 360.00 | SMCO 10%G 75%O 15%M | 5.05 |
| 0.00 | 45ft GIP | 0.00 |
| | | |
| | | |

Gas Rates

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



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum Inc

Pearson Trust #1

4924 SE 84th St
New ton KS 7114

15 15s 22w Trego KS

Job Ticket: 36617

DST#: 1

ATTN: Sean

Test Start: 2009.12.03 @ 20:04:11

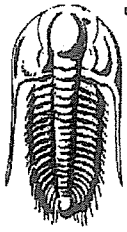
Tool Information

| | | | | |
|----------------------------|--------------------|-------------------------|-------------------|------------------------------------|
| Drill Pipe: | Length: 4093.00 ft | Diameter: 3.80 inches | Volume: 57.41 bbl | Tool Weight: 2500.00 lb |
| Heavy Wt. Pipe: | Length: 0.00 ft | Diameter: 2.70 inches | Volume: 0.00 bbl | Weight set on Packer: 25000.00 lb |
| Drill Collar: | Length: 0.00 ft | Diameter: 2.25 inches | Volume: 0.00 bbl | Weight to Pull Loose: 70000.00 lb |
| | | Total Volume: 57.41 bbl | | Tool Chased ft |
| Drill Pipe Above KB: | 4.00 ft | | | String Weight: Initial 56000.00 lb |
| Depth to Top Packer: | 4116.00 ft | | | Final 60000.00 lb |
| Depth to Bottom Packer: | ft | | | |
| Interval betw een Packers: | 88.00 ft | | | |
| Tool Length: | 115.00 ft | | | |
| Number of Packers: | 2 | Diameter: 6.75 inches | | |

Tool Comments:

| Tool Description | Length (ft) | Serial No. | Position | Depth (ft) | Accum. Lengths |
|------------------|-------------|------------|----------|------------|-------------------------------|
| Shut In Tool | 5.00 | | | 4094.00 | |
| Hydraulic tool | 5.00 | | | 4099.00 | |
| Jars | 5.00 | | | 4104.00 | |
| Safety Joint | 2.00 | | | 4106.00 | |
| Packer | 5.00 | | | 4111.00 | 27.00 Bottom Of Top Packer |
| Packer | 5.00 | | | 4116.00 | |
| Stubb | 1.00 | | | 4117.00 | |
| Perforations | 4.00 | | | 4121.00 | |
| Recorder | 0.00 | 8018 | Inside | 4121.00 | |
| Recorder | 0.00 | 8371 | Inside | 4121.00 | |
| Change Over Sub | 1.00 | | | 4122.00 | |
| Blank Spacing | 63.00 | | | 4185.00 | |
| Change Over Sub | 1.00 | | | 4186.00 | |
| Perforations | 15.00 | | | 4201.00 | |
| Bullnose | 3.00 | | | 4204.00 | 88.00 Bottom Packers & Anchor |

Total Tool Length: 115.00



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc

Pearson Trust #1

4924 SE 84th St
New ton KS 7114

15 15s 22w Trego KS

Job Ticket: 36617

DST#: 1

ATTN: Sean

Test Start: 2009.12.03 @ 20:04:11

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

33 deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 43.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 7.59 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 3500.00 ppm

Filter Cake: inches

Recovery Information

Recovery Table

| Length ft | Description | Volume bbl |
|--------------|---------------------|---------------|
| 255.00 | GO 20%G 80%O | 3.577 |
| 300.00 | GSMCO 20%G 75%O 5%M | 4.208 |
| 360.00 | SMCO 10%G 75%O 15%M | 5.050 |
| 0.00 | 45ft GIP | 0.000 |

Total Length: 915.00 ft

Total Volume: 12.835 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:

Serial #: 8371

Inside

Palomino Petroleum Inc

15 15s 22w Trego KS

DST Test Number: 1

Pressure vs. Time

