

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



Invoice

DATE	INVOICE #
1/7/2013	23736

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

RECEIVED
 JAN 12 2013

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	H 2	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)				120	Sacks	16.50	1,980.00T
276	Flocele				25	Lb(s)	2.00	50.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
104	5 1/2" 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							4,620.00
	Sales Tax Ness County						6.30%	163.80

Thank You For Your Business In 2012!
We Look Forward To Serving You In 2013!

Total \$4,783.80



SWIFT Services, Inc.

CHARGE TO: Palawino
 ADDRESS
 CITY, STATE, ZIP CODE

TICKET No **23736**

PAGE 1 OF 1

SERVICE LOCATIONS: 1. New City KS WELL/PROJECT NO. #12 LEASE H-2 COUNTY/PARISH Ness STATE KS CITY LAIRD DATE Jan 7 13 OWNER
 2. TICKET TYPE SERVICE CONTRACTOR RIG NAME/NO. SHIPPED ORDER NO.
 SALES
 3. WELL TYPE WELL CATEGORY Cheyenne JOB PURPOSE Development DELIVERED TO location WELL PERMIT NO. WELL LOCATION
 4. REFERRAL LOCATION 0.7 INVOICE INSTRUCTIONS Development cement put collar

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.	UM	QTY.	UM	UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575					MILEAGE	40	mi			6.00	120.00
576D					Pump Charge	1	ea			1250.00	1250.00
330					SMB cement	120	mbk			16.50	1980.00
276					Fluxole	25	lb			2.00	50.00
290					D-AIR	2	gal			35.00	70.00
104					Post Collar Tool Rental	1	ea		5 1/2 in	250.00	250.00
107					STEPPER head rental	1	ea			250.00	250.00
582					Drugs (min)	1	ea			250.00	250.00
581					Service charge	2	sk			200	400.00

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 TIME SIGNED
 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 4620 00

Ness TAX 8% 163 80

TOTAL 4783 80

SWIFT OPERATOR 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 2/1/13 PAGE NO. 1

CUSTOMER Palomino WELL NO. 1 LEASE H2 JOB TYPE cement port collar TICKET NO. 23736

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								200 sks SMD w/ 1/2" floccle 2 3/8" x 5 1/2" port collar - 1803'
	0930							on loc TRK 114
	1038					1000	1000	test 1000 psi - held - open
	1045	3	2			400		inj rate 3 bpm @ 400 psi
	1050	3				400		0 mix SMD cement @ 11.2 ppg
		3	10			400		fluid to surface
	1105	3	62			450		— cement to surface —
								120 sks mix of 20 topit
	1120					1000	1000	close port collar test to 1000 psi - held
	1130		20					run 5 joints Reverse hole clean
	1135							wash truck
								Break up
	1230							job complete
								Thanks Blaine Dave TJ & Rob



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

RECEIVED

DEC 29 2012

Invoice

DATE	INVOICE #
12/21/2012	23781

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	H2	Ness	Val Energy #2	Oil	Development	5-1/2" LongString	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				15	Miles	6.00	90.00
578D-L	Pump Charge - Long String				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 - 1845 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
582D	Minimum Drayage Charge				1	Each	250.00	250.00
Subtotal								11,486.50
Sales Tax Ness County							6.30%	579.38

Thank You For Your Business In 2012!
We Look Forward To Serving You In 2013!

Total

\$12,065.88

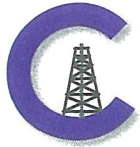
JOB LOG

SWIFT Services, Inc.

DATE 21 Dec 12 PAGE NO.

CUSTOMER PALOMINO PETROLEUM	WELL NO.	LEASE H2 #1	JOB TYPE 5 1/2 LONG STRING	TICKET NO. 23781
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CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0830							ON LOCATION
								START PIPE 5 1/2" 14 #
								RTD @ 4620 LTD @ 4627
								SHOE JT. 30.46
								CENTRALIZERS 1,2,3,4,5,6,7,8,10, 166
								BASKETS 2, 67
								PORT COLLAR TOP OF 67 @ 1800
	1232							DROP BALL - CIRCULATE
	1324	6 1/2	12				300	Pump 500 gal MUD FLUSA
		6 1/2	20				300	Pump 20 Bbl KCL FLUSA
	1328		7.5					PLUGRA-MH (30sx-20sx)
	1332	4 1/2	27					MIX 75sx SMD
		4 1/2	24					MIX 100sx EA2
	1351							WASH OUT OF PUMP & LINES
	1353	6 1/2						START DISPLACING PLUG
	1410	Ø	112				1500	PLUG DOWN PSI UP LATCH PLUG IN
	1413							RELEASE PSI - DRY
	1425							WASH TRUCK
	1445							JOB COMPLETE
								THANKS #115
								JASON JEFF JEREMY



CONSOLIDATED
Oil Well Services, LLC

RECEIVED

DEC 19 2012

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

INVOICE

Invoice # 255356

Invoice Date: 12/17/2012 Terms: 10/10/30,n/30

Page 1

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

H2 #1
39220
8-19-25
12-13-2012
KS

Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	165.00	17.6500	2912.25
1118B	PREMIUM GEL / BENTONITE	465.00	.2500	116.25
1102	CALCIUM CHLORIDE (50#)	310.00	.8900	275.90

Sublet Performed	Description	Total
9996-130	CEMENT MATERIAL DISCOUNT	-330.44
9995-130	CEMENT EQUIPMENT DISCOUNT	-159.50

	Description	Hours	Unit Price	Total
463	CEMENT PUMP (SURFACE)	1.00	1085.00	1085.00
463	EQUIPMENT MILEAGE (ONE WAY)	20.00	5.00	100.00
566	MIN. BULK DELIVERY	1.00	410.00	410.00

Amount Due 5107.57 if paid after 01/16/2013

Parts:	3304.40	Freight:	.00	Tax:	187.35	AR	4596.81
Labor:	.00	Misc:	.00	Total:	4596.81		
Sublt:	-489.94	Supplies:	.00	Change:	.00		

Signed _____ Date _____



CONSOLIDATED
Oil Well Services, LLC

TICKET NUMBER 39220
LOCATION Oakley #5
FOREMAN Fuzzz

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
12-13-12	6285	H2 #1	8	19	25	Nuss
CUSTOMER Palomino Petroleum		Land 15-16 15- 5- WSEW 20	TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS			463	COMP		
CITY			566	Jordan L		
STATE						
ZIP CODE						

JOB TYPE Surface HOLE SIZE 12 1/4 HOLE DEPTH 225' CASING SIZE & WEIGHT 8 5/8
CASING DEPTH 225' DRILL PIPE _____ TUBING _____ OTHER _____
SLURRY WEIGHT 14.7 SLURRY VOL 1.36 WATER gal/sk 6.5 CEMENT LEFT in CASING 20'
DISPLACEMENT 13 BBL DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting on Ual #2. Pick up and circulate
mix 165 lbs class A 300cc 290 gal. Displace 13 BBL and shut in.
cement did circulate approx 4 BBL to pit

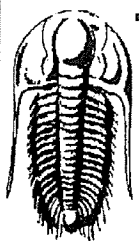
ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
54015	1	PUMP CHARGE	1085 ⁰⁰	1085 ⁰⁰
5406	20	MILEAGE	5 ⁰⁰	100 ⁰⁰
5407	7.8 dol	Ten mileage Delivery (min)	410 ⁰⁰	410 ⁰⁰
11045	165 gals	Class 'A' cement	17 ⁶⁵	2912 ²⁵
1118B	465 #	Bentonite	.25	116 ²⁵
1102	310 #	Calcium chloride	.89	275 ⁹⁰
		subtotal		4899.40
		less 1000		489.94
		subtotal		4409.46
		SALES TAX		187.35
		ESTIMATED TOTAL		4596.81

Revin 3737

AUTHORIZATION Rich Smith TITLE _____ DATE _____

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

2553520



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Palomino Petroleum Inc.

8 19s 25w Ness

4924 SE 84th St
New ton KS 67114-8827

H2 Unit # 1

Job Ticket: 51542

DST#: 1

ATTN: Ryan Seib 785 798 53

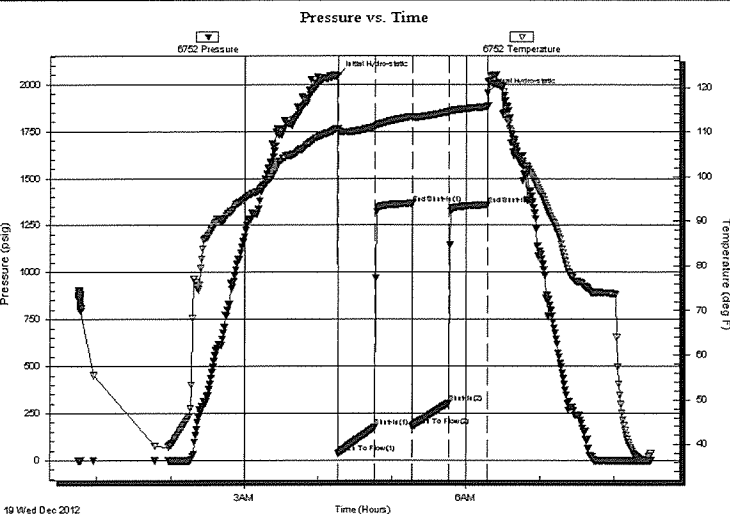
Test Start: 2012.12.19 @ 00:45:00

GENERAL INFORMATION:

Formation: **Marmaton**
 Deviated: No Whipstock: 2534.00 ft (KB)
 Time Tool Opened: 04:16:20
 Time Test Ended: 08:30:00
 Test Type: Conventional Bottom Hole (Initial)
 Tester: Jim Svaty
 Unit No: 41
 Interval: **4212.00 ft (KB) To 4350.00 ft (KB) (TVD)**
 Total Depth: 4350.00 ft (KB) (TVD)
 Reference Elevations: 2534.00 ft (KB)
 2524.00 ft (CF)
 Hole Diameter: 7.88 inches Hole Condition: Fair
 KB to GR/CF: 10.00 ft

Serial #: 6752 Inside
 Press@RunDepth: 305.49 psig @ 4221.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2012.12.19 End Date: 2012.12.19 Last Calib.: 2012.12.19
 Start Time: 00:45:01 End Time: 08:29:30 Time On Btm: 2012.12.19 @ 04:16:00
 Time Off Btm: 2012.12.19 @ 06:17:10

TEST COMMENT: 30-IFP- BOB in 8 min.
 30-ISIP- No Blow
 30-FFP- BOB in 11 min.
 30-FSIP- No Blow



PRESSURE SUMMARY

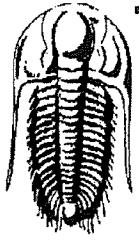
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2048.01	110.67	Initial Hydro-static
1	35.17	110.32	Open To Flow (1)
31	174.62	111.16	Shut-In(1)
61	1363.10	113.42	End Shut-In(1)
61	179.89	113.23	Open To Flow (2)
91	305.49	114.44	Shut-In(2)
121	1358.01	115.64	End Shut-In(2)
122	1954.84	115.83	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
598.00	MCW 10% m 90% w	8.39

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum Inc.

8 19s 25w Ness

4924 SE 84th St
New ton KS 67114-8827

H2 Unit # 1

Job Ticket: 51542

DST#: 1

ATTN: Ryan Seib 785 798 53

Test Start: 2012.12.19 @ 00:45:00

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

125000 ppm

Viscosity: 46.00 sec/qt

Cushion Volume:

bbl

Water Loss: 5.60 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 4400.00 ppm

Filter Cake: 4.00 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
598.00	MCW 10% m 90% w	8.388

Total Length: 598.00 ft

Total Volume: 8.388 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments: .130 @ 37

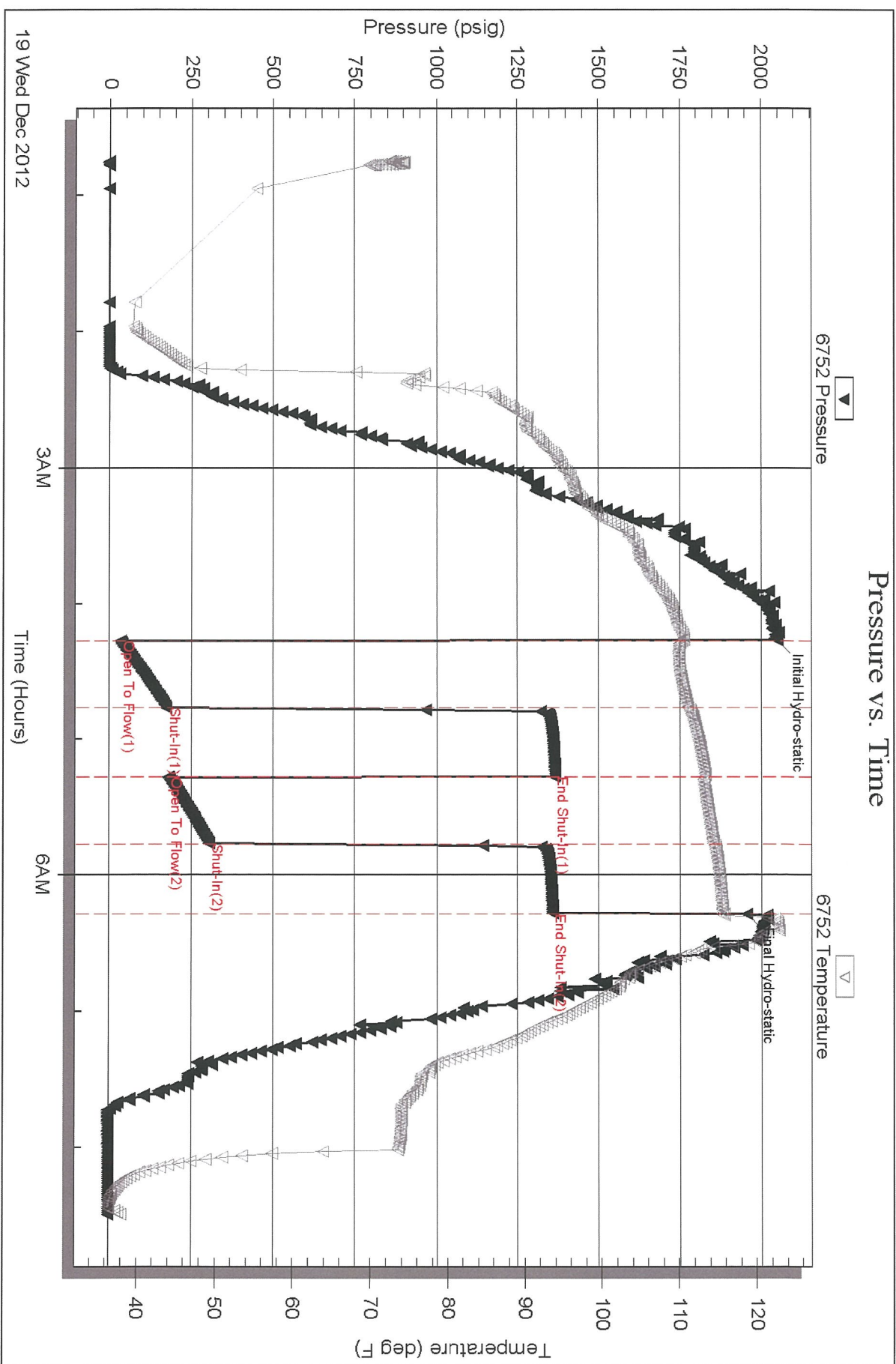
Serial #: 6752

Inside

Palomiro Petroleum Inc.

H2 Unit # 1

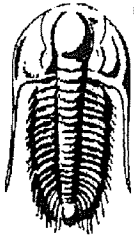
DST Test Number: 1



Trilobe Testing, Inc

Ref. No: 51542

Printed: 2012.12.19 @ 09:02:10



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Palomino Petroleum Inc.

8 19s 25w Ness

4924 SE 84th St
New ton KS 67114-8827

H2 Unit # 1

ATTN: Ryan Seib 785 798 53

Job Ticket: 51569

DST#: 2

Test Start: 2012.12.20 @ 14:55:00

GENERAL INFORMATION:

Formation: **Miss**

Deviated: No Whipstock: 2534.00 ft (KB)

Time Tool Opened: 18:17:30

Time Test Ended: 00:07:19

Test Type: Conventional Straddle (Reset)

Tester: Cody Bloedorn

Unit No: 41

Interval: 4430.00 ft (KB) To 4529.00 ft (KB) (TVD)

Reference Elevations: 2534.00 ft (KB)

Total Depth: 4620.00 ft (KB) (TVD)

2524.00 ft (CF)

Hole Diameter: 7.88 inches Hole Condition: Fair

KB to GR/CF: 10.00 ft

Serial #: 8322 Inside

Press@RunDepth: 706.09 psig @ 4500.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.12.20

End Date:

2012.12.21

Last Calib.: 2012.12.21

Start Time: 14:55:01

End Time:

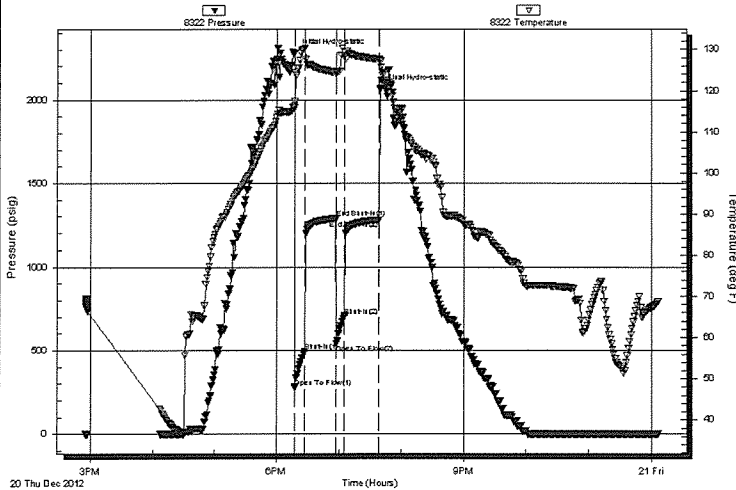
00:07:19

Time On Btm: 2012.12.20 @ 18:17:00

Time Off Btm: 2012.12.20 @ 19:39:39

TEST COMMENT: 10 - IF- B.O.B. in 1 Minute
30 - IS- Surface blow back after 6 Minutes
10 - FF- B.O.B. in 1 Minute
30 - FS- Surface blow back at 3 Minutes

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2279.51	115.84	Initial Hydro-static
1	275.08	116.47	Open To Flow (1)
10	494.23	130.38	Shut-In(1)
40	1288.39	124.41	End Shut-In(1)
41	537.99	124.04	Open To Flow (2)
49	706.09	128.65	Shut-In(2)
82	1276.60	127.57	End Shut-In(2)
83	2064.89	127.02	Final Hydro-static

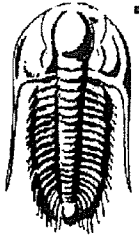
Recovery

Length (ft)	Description	Volume (bbl)
124.00	OCWM, 5%W, 15%O, 80%M	1.74
975.00	GHOCMW, 10%M, 15%W, 25%G, 50%O	13.68
248.00	GSOCM, 10%G, 10%O, 80%M	3.48
0.00	186' of G.I.P.	0.00

* 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.

8 19s 25w Ness

4924 SE 84th St
New ton KS 67114-8827

H2 Unit # 1

Job Ticket: 51569

DST#: 2

ATTN: Ryan Seib 785 798 53

Test Start: 2012.12.20 @ 14:55:00

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 60.00 sec/qt

Cushion Volume:

bbl

Water Loss: 7.99 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 4500.00 ppm

Filter Cake: inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
124.00	OCWM, 5%W, 15%O, 80%M	1.739
975.00	GHOCMW, 10%M, 15%W, 25%G, 50%O	13.677
248.00	GSOCM, 10%G, 10%O, 80%M	3.479
0.00	186' of G.I.P.	0.000

Total Length: 1347.00 ft

Total Volume: 18.895 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:

Serial #: 8322

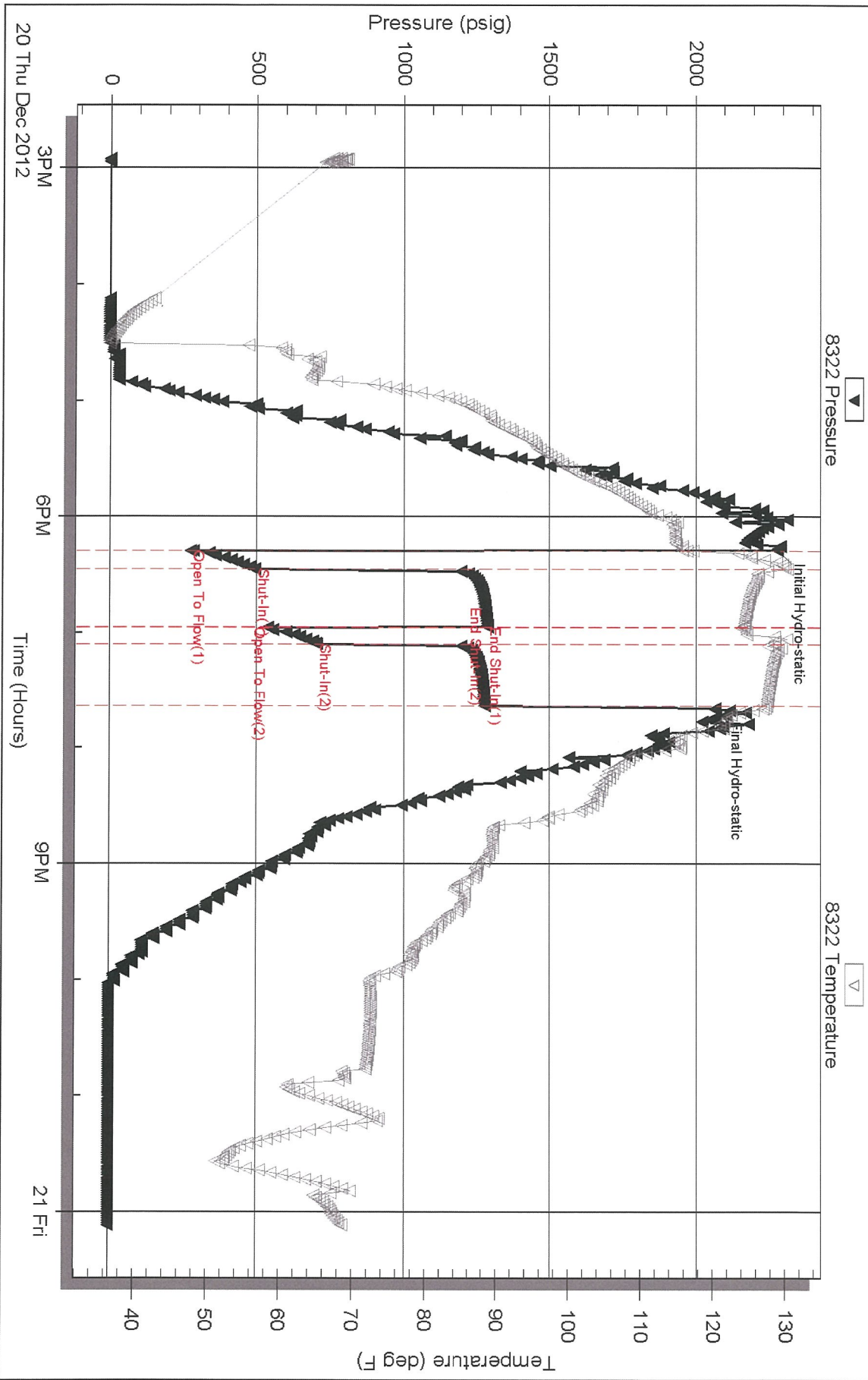
Inside

Palomino Petroleum Inc.

H2 Unit # 1

DST Test Number: 2

Pressure vs. Time



Trilobite Testing, Inc

Ref. No: 51569

Printed: 2012.12.21 @ 06:35:14