TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

McKinnie #1

29 16s 26w Ness, KS

Start Date: 2012.09.01 @ 05:36:00
End Date: 2012.09.01 @ 11:36:15
Job Ticket #: 48294 DST #: 1

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

Printed: 2012.09.11 @ 08:33:52

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48294 **DST#: 1**

Test Start: 2012.09.01 @ 05:38:00

GENERAL INFORMATION:

Formation: **Lansing**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 07:48:30
Time Test Ended: 11:36:15

Test Type: Conventional Bottom Hole (Initial)
Tester: Bradley Walker
Unit No: 55

Interval: 4118.00 ft (KB) To 4227.00 ft (KB) (TVD)
Total Depth: 4227.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

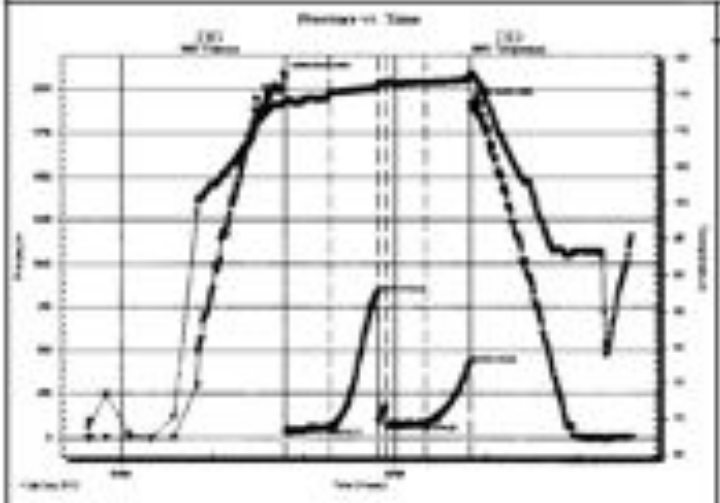
Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
KB to GR/CF: 10.00 ft

Serial #: 6667 **Inside**

Press@RunDepth: 78.06 psig @ 4119.00 ft (KB)
Start Date: 2012.09.01 End Date: 2012.09.01
Start Time: 05:38:15 End Time: 11:36:15

Capacity: 8000.00 psig
Last Calib.: 2012.09.01
Time On Btm: 2012.09.01 @ 07:48:00
Time Off Btm: 2012.09.01 @ 09:49:45

TEST COMMENT: IF: 3 1/2" blow.
ISI: No return.
FF: 1" blow.
FSI: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2066.94	113.89	Initial Hydro-static
1	29.12	113.70	Open To Flow (1)
30	56.12	114.89	Shut-In(1)
61	835.16	115.84	End Shut-In(1)
67	68.16	116.67	Open To Flow (2)
92	78.06	116.66	Shut-In(2)
122	428.72	117.05	End Shut-In(2)
122	1918.96	117.64	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
60.00	ow cm 10o 20w 70m	0.30
62.00	socm 2o 98m	0.32

Gas Rates

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

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48294 **DST#: 1**

Test Start: 2012.09.01 @ 05:38:00

GENERAL INFORMATION:

Formation: Lansing
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 07:48:30
Time Test Ended: 11:36:15

Test Type: Conventional Bottom Hole (Initial)
Tester: Bradley Walter
Unit No: 55

Interval: 4116.00 ft (KB) To 4227.00 ft (KB) (TVD)
Total Depth: 4227.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

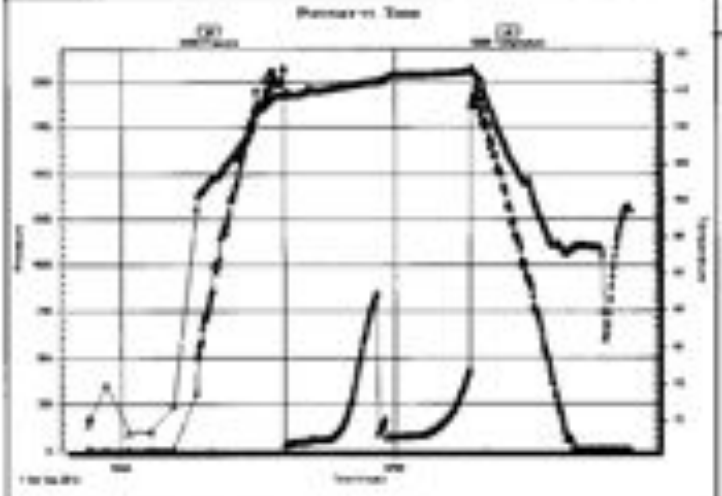
Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
KB to GR/CF: 10.00 ft

Serial #: 8368 **Inside**

Press@RunDepth: psig @ 4119.00 ft (KB)
Start Date: 2012.09.01 End Date: 2012.09.01
Start Time: 05:38:15 End Time: 11:36:15

Capacity: 8000.00 psig
Last Calib.: 2012.09.01
Time On Btm:
Time Off Btm:

TEST COMMENT: IF: 3 1/2" blow.
ISI: No return.
FF: ½" blow.
FSI: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
60.00	cw cm 10o 20w 70m	0.30
62.00	socm 2o 98m	0.32

Gas Rates

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

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McGinnis #1

Job Ticket: 48294 **DST#: 1**

Test Start: 2012.09.01 @ 05:38:00

Tool Information

Drill Pipe:	Length:	3978.00 ft	Diameter:	3.80 inches	Volume:	55.86 bbl	Tool Weight:	2500.00 lb
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl	Weight set on Packer:	25000.00 lb
Drill Collar:	Length:	120.00 ft	Diameter:	2.25 inches	Volume:	0.59 bbl	Weight to Pull Loose:	88000.00 lb
					Total Volume:	56.39 bbl	Tool Chased	0.00 ft
Drill Pipe Above KB:		7.00 ft					String Weight: Initial	78000.00 lb
Depth to Top Packer:		4118.00 ft					Final	78000.00 lb
Depth to Bottom Packer:		ft						
Interval between Packers:		109.00 ft						
Tool Length:		136.00 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			4092.00		
Shut In Tool	5.00			4097.00		
Hydraulic tool	5.00			4102.00		
Jars	5.00			4107.00		
Safety Joint	2.00			4109.00		
Packer	5.00			4114.00	27.00	Bottom Of Top Packer
Packer	4.00			4118.00		
Stubb	1.00			4119.00		
Recorder	0.00	6771	Outside	4119.00		
Recorder	0.00	6667	Inside	4119.00		
Perforations	7.00			4126.00		
Change Over Sub	1.00			4127.00		
Drill Pipe	94.00			4221.00		
Change Over Sub	1.00			4222.00		
Bullnose	5.00			4227.00	109.00	Bottom Packers & Anchor
Total Tool Length:	**136.00**					

TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48294 **DST#: 1**

Test Start: 2012.09.01 @ 05:38:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	0 deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	0 ppm
Viscosity:	55.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	9.94 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psig		
Salinity:	1800.00 ppm				
Filter Cake:	1.00 inches				

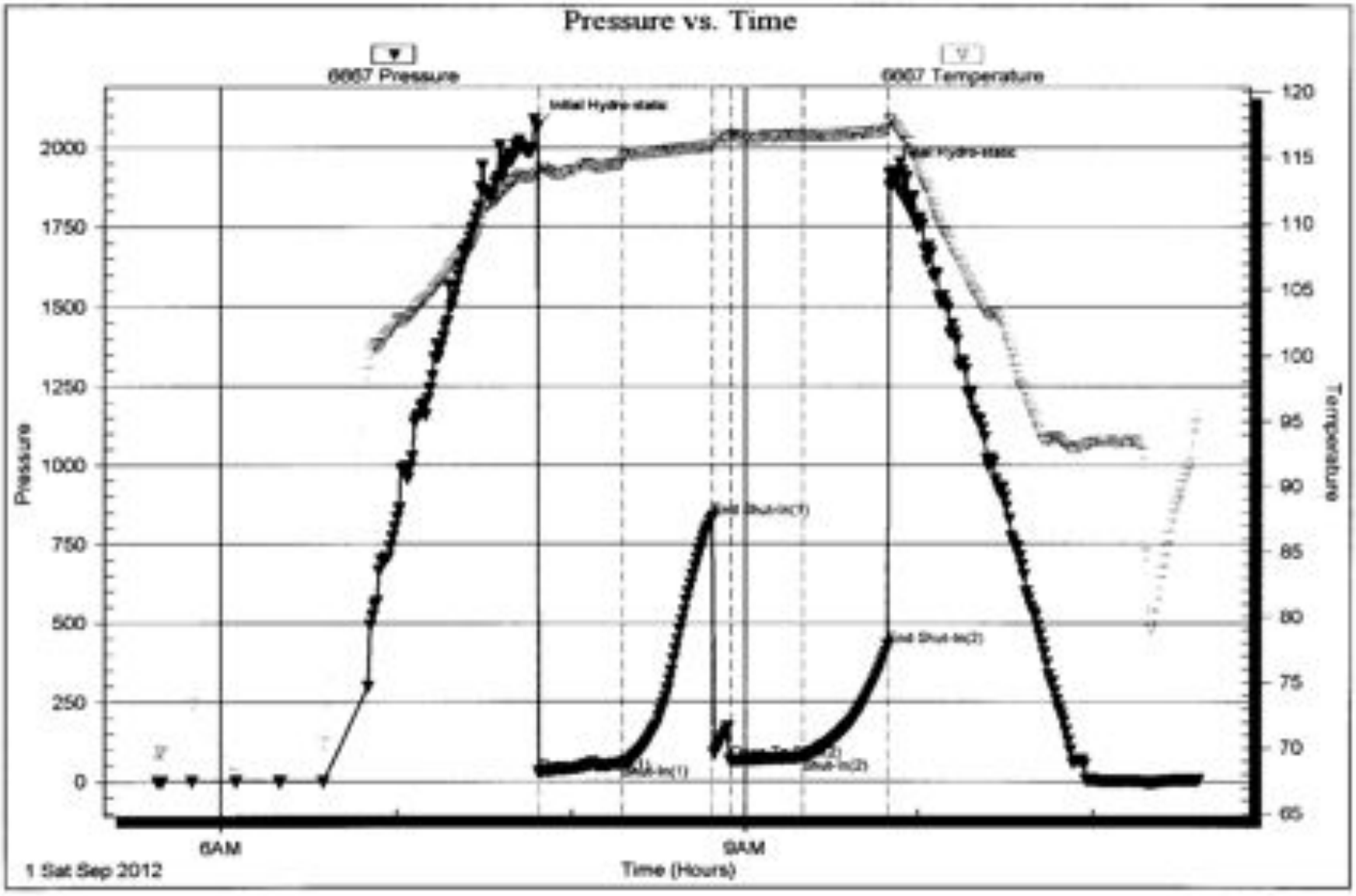
Recovery Information

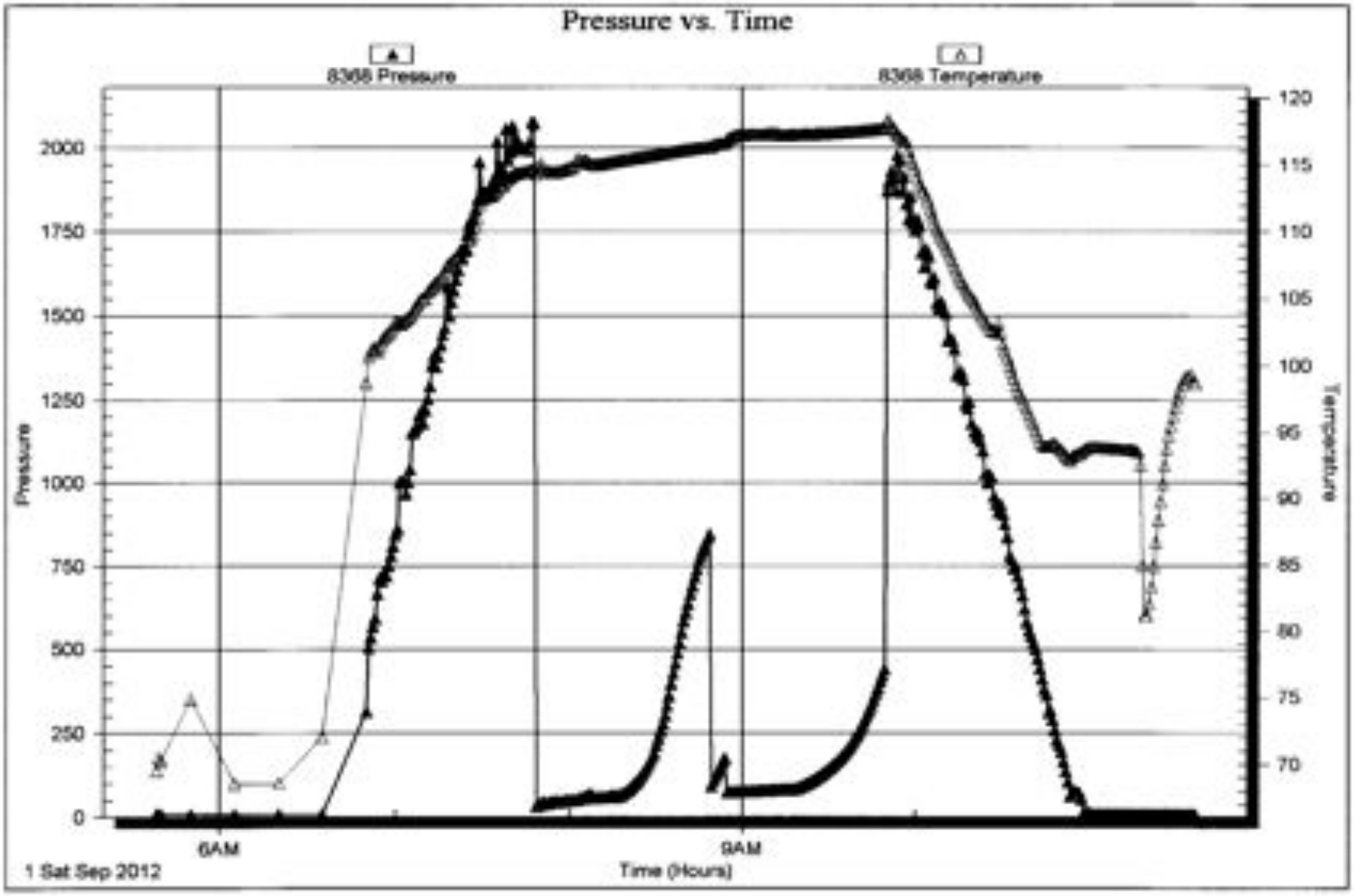
Recovery Table

Length ft	Description	Volume bbl
60.00	ow cm 10o 20w 70m	0.295
62.00	socm 2o 98m	0.323

Total Length: 122.00 ft Total Volume: 0.618 bbl

Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:


Pressure vs. Time
6667 Pressure
6667 Temperature
Initial Hydro-static
Final Hydro-static
Initial Shut-in(1)
Final Shut-in(2)
Pressure
Temperature
2000
1750
1500
1250
1000
750
500
250
0
120
115
110
105
100
95
90
85
80
75
70
65
6AM
9AM
1 Sat Sep 2012
Time (Hours)


Pressure vs. Time
8368 Pressure
8368 Temperature
Pressure
Temperature
2000
1750
1500
1250
1000
750
500
250
0
120
115
110
105
100
95
90
85
80
75
70
6AM
9AM
1 Sat Sep 2012
Time (Hours)

TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

McKinnie #1

29 16s 26w Ness, KS

Start Date: 2012.09.02 @ 07:48:00
End Date: 2012.09.02 @ 13:47:45
Job Ticket #: 48295 DST #: 2

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

Printed: 2012.09.11 @ 08:32:28

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McGinnie #1

Job Ticket: 48295 **DST#: 2**

Test Start: 2012.09.02 @ 07:48:00

GENERAL INFORMATION:

Formation: **Lansing**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 09:45:15
Time Test Ended: 13:47:45

Test Type: Conventional Bottom Hole (Reset)
Tester: Bradley Walter
Unit No: 55

Interval: 4215.00 ft (KB) To 4300.00 ft (KB) (TVD)
Total Depth: 4300.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

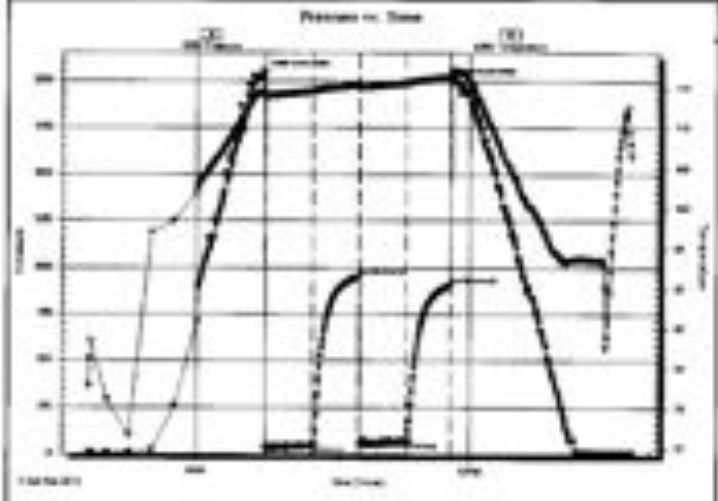
Reference Elevations: 2852.00 ft (KB)
2842.00 ft (CF)
KB to GR/CF: 10.00 ft

Serial #: 8368 **Inside**

Press@RunDepth: 63.01 psig @ 4216.00 ft (KB)
Start Date: 2012.09.02 End Date: 2012.09.02
Start Time: 07:48:15 End Time: 13:47:45

Capacity: 8000.00 psig
Last Calib.: 2012.09.02
Time On Btm: 2012.09.02 @ 09:45:00
Time Off Btm: 2012.09.02 @ 11:46:15

TEST COMMENT: IF: 2" blow.
ISI: No return.
FF: 1/2" blow.
FSI: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2032.46	114.54	Initial Hydro-static
1	27.25	113.66	Open To Flow (1)
32	45.43	114.55	Shut-In(1)
63	952.41	115.33	End Shut-In(1)
63	48.19	115.02	Open To Flow (2)
93	63.01	115.56	Shut-In(2)
123	907.13	116.35	End Shut-In(2)
124	1993.67	116.91	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
75.00	Mud 100m (oil spots)	0.37

Gas Rates

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

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48295 **DST#: 2**

Test Start: 2012.09.02 @ 07:48:00

GENERAL INFORMATION:

Formation: **Lansing**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 09:45:15
Time Test Ended: 13:47:45

Test Type: Conventional Bottom Hole (Reset)
Tester: Bradley Walter
Unit No: 55

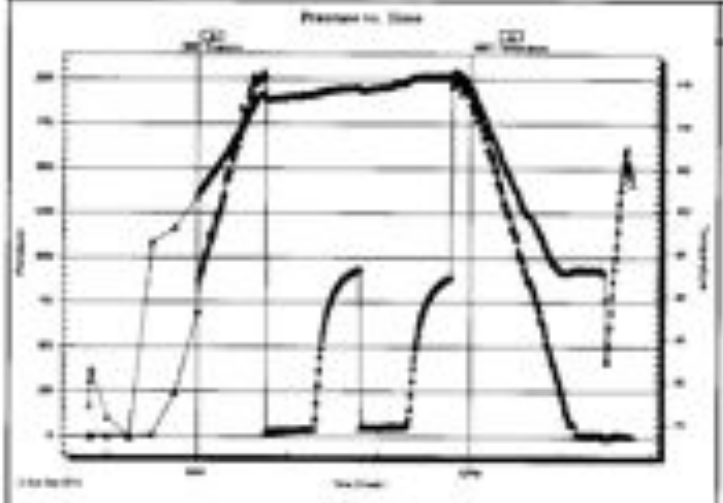
Interval: 4215.00 ft (KB) To 4300.00 ft (KB) (TVD)
Total Depth: 4300.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
KB to GR/CF: 10.00 ft

Serial #: 6667 **Outside**
Press@RunDepth: psig @ 4215.00 ft (KB)
Start Date: 2012.09.02 End Date: 2012.09.02
Start Time: 07:48:15 End Time: 13:47:45

Capacity: 8000.00 psig
Last Calib.: 2012.09.02
Time On Btm:
Time Off Btm:

TEST COMMENT: IF: 2" blow .
ISI: No return.
FF: 1/2" blow .
FSI: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
75.00	Mud 100m (oil spots)	0.37

Gas Rates

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

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McGinnie #1

Job Ticket: 48295 **DST#: 2**

Test Start: 2012.09.02 @ 07:48:00

Tool Information

Drill Pipe:	Length:	4073.00 ft	Diameter:	3.80 inches	Volume:	57.13 bbl		
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl		
Drill Collar:	Length:	120.00 ft	Diameter:	2.25 inches	Volume:	0.59 bbl		
					Total Volume:	57.72 bbl		

Drill Pipe Above KB:	5.00 ft
Depth to Top Packer:	4215.00 ft
Depth to Bottom Packer:	ft
Interval between Packers:	85.00 ft
Tool Length:	112.00 ft
Number of Packers:	2 Diameter: 6.75 inches

Tool Weight:	2500.00 lb
Weight set on Packer:	25000.00 lb
Weight to Pull Loose:	90000.00 lb
Tool Chased	0.00 ft
String Weight: Initial	80000.00 lb
Final	80000.00 lb

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Change Over Sub	1.00			4189.00		
Shut In Tool	5.00			4194.00		
Hydraulic tool	5.00			4199.00		
Jars	5.00			4204.00		
Safety Joint	2.00			4206.00		
Packer	5.00			4211.00	27.00	Bottom Of Top Packer
Packer	4.00			4215.00		
Stubb	1.00			4216.00		
Recorder	0.00	6667	Outside	4216.00		
Recorder	0.00	8368	Inside	4216.00		
Perforations	14.00			4230.00		
Change Over Sub	1.00			4231.00		
Drill Pipe	63.00			4294.00		
Change Over Sub	1.00			4295.00		
Bullnose	5.00			4300.00	85.00	Bottom Packers & Anchor
Total Tool Length:	**112.00**					

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48295 **DST#: 2**

Test Start: 2012.09.02 @ 07:48:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	0 deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	0 ppm
Viscosity:	42.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	7.96 in³	Gas Cushion Type:			
Resistivity:	ohm-m	Gas Cushion Pressure:	psig		
Salinity:	1500.00 ppm				
Filter Cake:	1.00 inches				

Recovery Information

Recovery Table

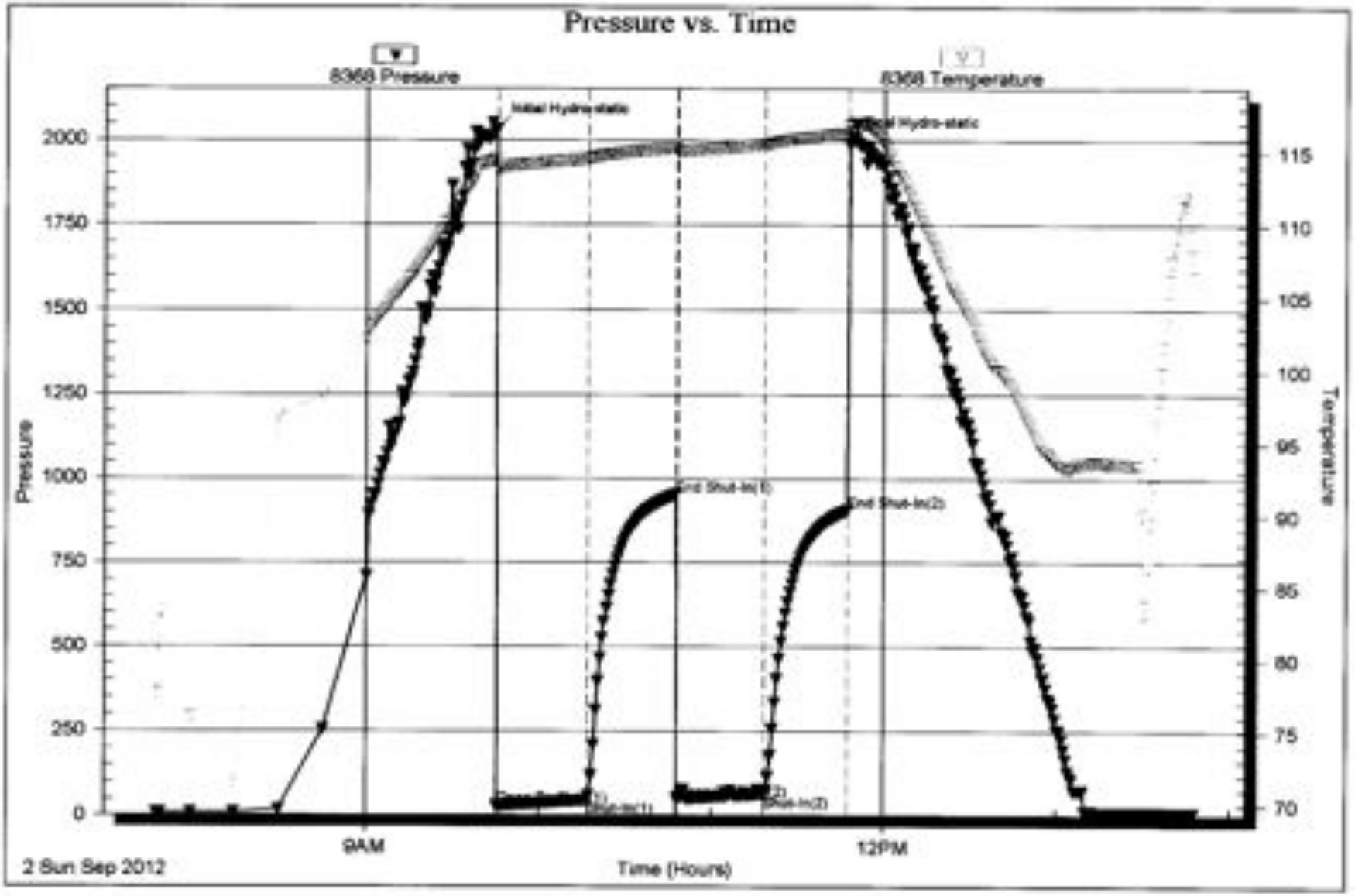
Length ft	Description	Volume bbl
75.00	Mud 100m (oil spots)	0.369

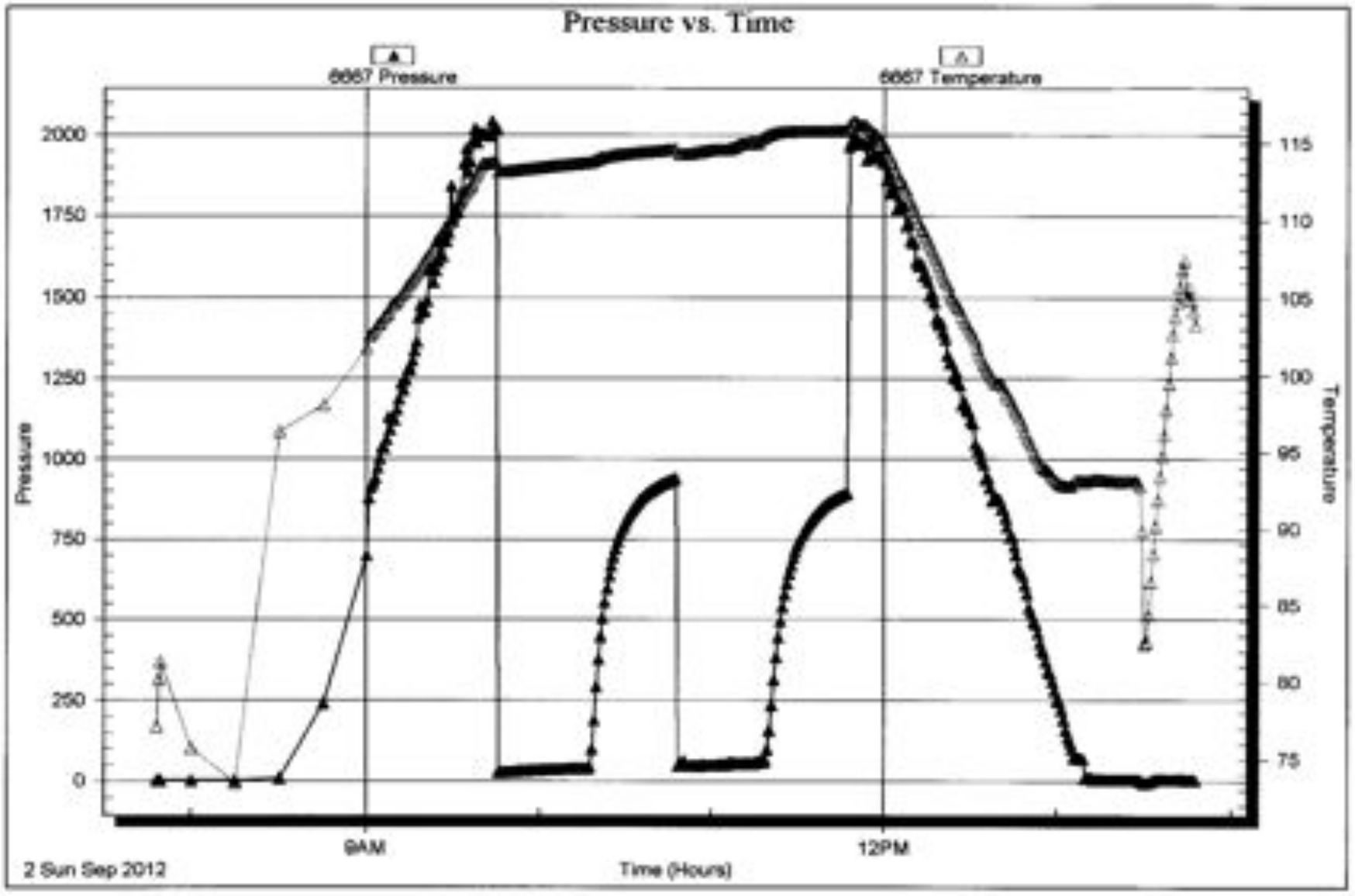
Total Length: 75.00 ft Total Volume: 0.369 bbl

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

Laboratory Name: Laboratory Location:

Recovery Comments:


Pressure vs. Time
8368 Pressure
8368 Temperature
Initial Hydro-static
Final Hydro-static
Initial Shut-In(1)
Final Shut-In(2)
Pressure
Temperature
2000
1750
1500
1250
1000
750
500
250
0
115
110
105
100
95
90
85
80
75
70
9AM
12PM
2 Sun Sep 2012
Time (Hours)


Pressure vs. Time
6667 Pressure
6667 Temperature
Pressure
Temperature
2000
1750
1500
1250
1000
750
500
250
0
115
110
105
100
95
90
85
80
75
9AM
12PM
2 Sun Sep 2012
Time (Hours)

TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

McKinnie #1

29 16s 26w Ness, KS

Start Date: 2012.09.03 @ 16:33:30
End Date: 2012.09.04 @ 00:25:00
Job Ticket #: 48296 DST #: 3

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

Printed: 2012.09.11 @ 08:31:40

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48296 **DST#: 3**

Test Start: 2012.09.03 @ 16:33:30

GENERAL INFORMATION:

Formation: **Mississippian**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 19:22:45
Time Test Ended: 00:25:00

Test Type: Conventional Bottom Hole (Reset)
Tester: Bradley Walter
Unit No: 55

Interval: 4578.00 ft (KB) To 4595.00 ft (KB) (TVD)
Total Depth: 4595.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

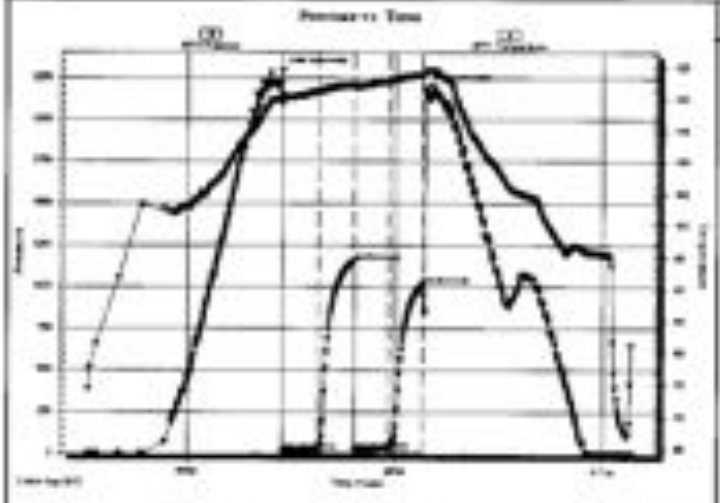
Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
KB to GRCF: 10.00 ft

Serial #: 6771 **Outside**

Press@RunDepth: 31.82 psig @ 4579.00 ft (KB)
Start Date: 2012.09.03 End Date: 2012.09.04
Start Time: 16:33:45 End Time: 00:25:00

Capacity: 8000.00 psig
Last Calib.: 2012.09.04
Time On Btm: 2012.09.03 @ 19:22:30
Time Off Btm: 2012.09.03 @ 21:26:00

TEST COMMENT: IF: Surface blow.
ISI: No return.
FF: No blow.
FSI: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2293.47	120.71	Initial Hydro-static
1	20.37	119.24	Open To Flow (1)
32	26.43	121.15	Shut-In(1)
62	1151.53	122.28	End Shut-In(1)
63	27.99	121.86	Open To Flow (2)
93	31.82	122.61	Shut-In(2)
121	1009.51	123.79	End Shut-In(2)
124	2187.24	124.45	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
20.00	mud 100m (6" oil on top)	0.10

Gas Rates

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

DRILL STEM TEST REPORT

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 18s 26w Ness, KS

McGinnie #1

Job Ticket: 48296 **DST#: 3**

Test Start: 2012.09.03 @ 16:33:30

GENERAL INFORMATION:

Formation: **Mississippian**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 19:22:45
Time Test Ended: 00:25:00

Test Type: Conventional Bottom Hole (Resct)
Tester: Bradley Walter
Unit No: 55

Interval: 4578.00 ft (KB) To 4595.00 ft (KB) (TVD)
Total Depth: 4595.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

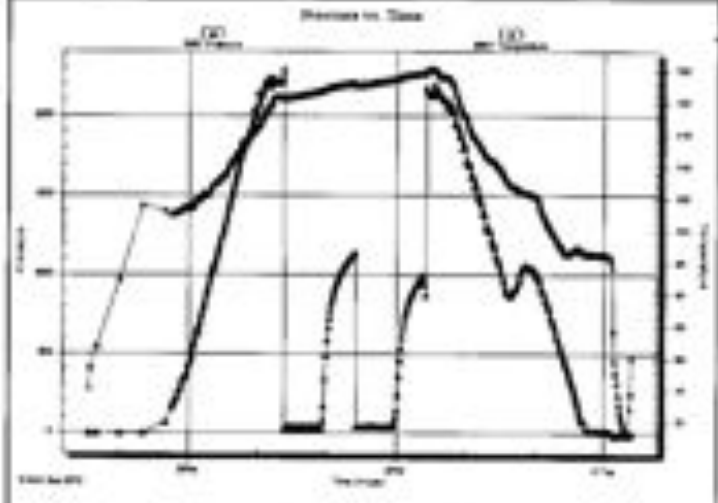
Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
KB to GR/CF: 10.00 ft

Serial #: 6667 **Inside**

Press@RunDepth: psig @ 4579.00 ft (KB)
Start Date: 2012.09.03 End Date: 2012.09.04
Start Time: 16:33:45 End Time: 00:25:00

Capacity: 8000.00 psig
Last Calib.: 2012.09.04
Time On Btm:
Time Off Btm:

TEST COMMENT: IF: Surface blow.
ISI: No return.
FF: No blow.
FSI: No return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
20.00	mud: 100m (0° oil on top)	0.10

* Recovery from multiple tests

Gas Rates

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

DRILL STEM TEST REPORT

TOOL DIAGRAM

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48296 **DST#: 3**

Test Start: 2012.09.03 @ 16:33:30

Tool Information

Drill Pipe:	Length:	4451.00 ft	Diameter:	3.80 inches	Volume:	62.44 bbl	
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl	
Drill Collar:	Length:	120.00 ft	Diameter:	2.25 inches	Volume:	0.59 bbl	
					Total Volume:	63.03 bbl	

Drill Pipe Above KB:	20.00 ft
Depth to Top Packer:	4578.00 ft
Depth to Bottom Packer:	ft
Interval between Packers:	17.00 ft
Tool Length:	44.00 ft
Number of Packers:	2 Diameter: 6.75 inches

Tool Weight:	2500.00 lb
Weight set on Packer:	25000.00 lb
Weight to Pull Loose:	95000.00 lb
Tool Chased	0.00 ft
String Weight: Initial	82000.00 lb
Final	82000.00 lb

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Change Over Sub	1.00			4552.00		
Shut In Tool	5.00			4557.00		
Hydraulic tool	5.00			4562.00		
Jars	5.00			4567.00		
Safety Joint	2.00			4569.00		
Packer	5.00			4574.00	27.00	Bottom Of Top Packer
Packer	4.00			4578.00		
Stubb	1.00			4579.00		
Recorder	0.00	6771	Outside	4579.00		
Recorder	0.00	6667	Inside	4579.00		
Perforations	11.00			4590.00		
Bullnose	5.00			4595.00	17.00	Bottom Packers & Anchor
Total Tool Length:	**44.00**					

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48296 **DST#: 3**

Test Start: 2012.09.03 @ 16:33:30

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	0 deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	0 ppm
Viscosity:	49.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	11.16 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psig		
Salinity:	1400.00 ppm				
Filter Cake:	1.00 inches				

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
20.00	mud 100m (5' oil on top)	0.098

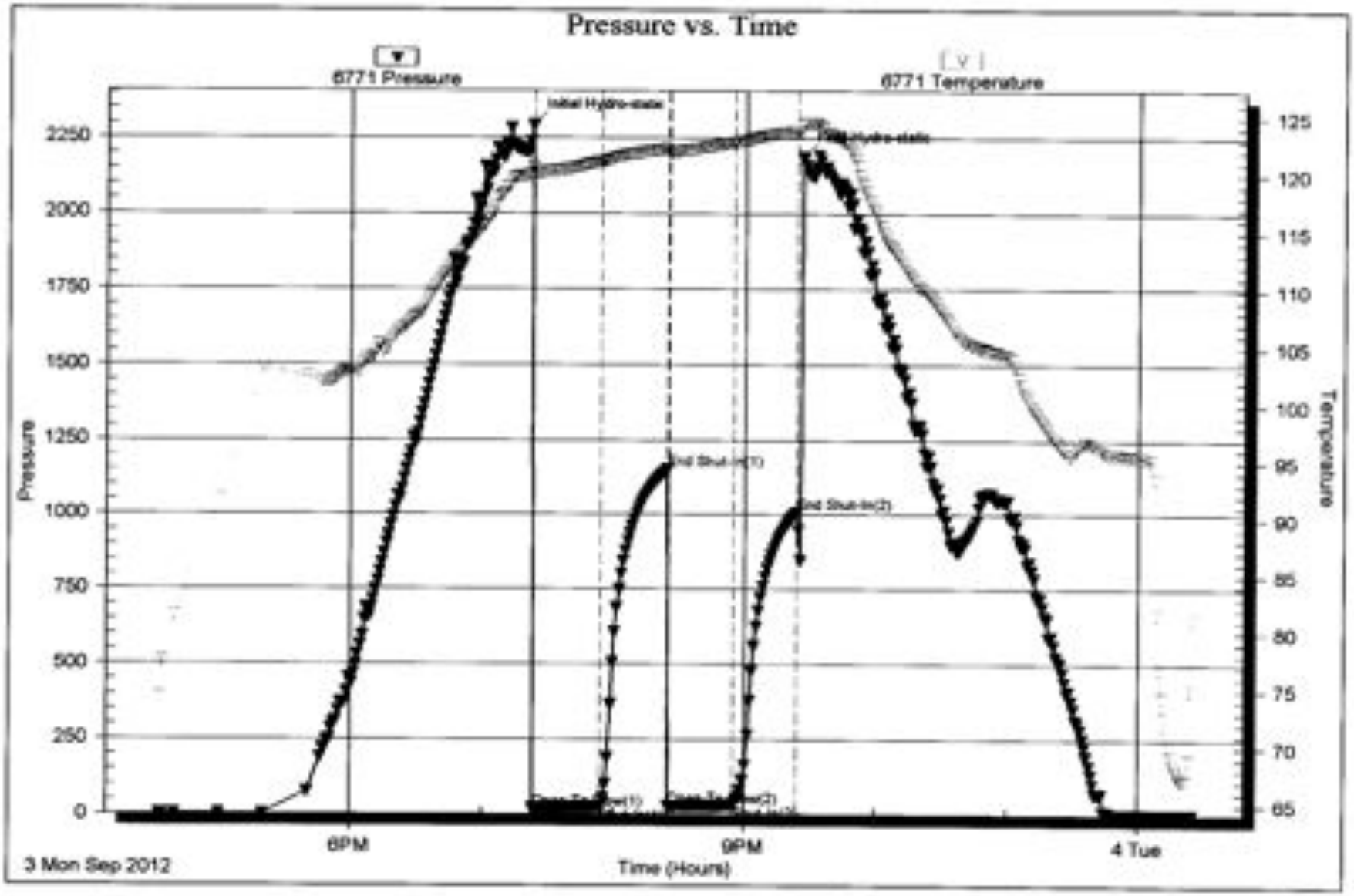
Total Length: 20.00 ft Total Volume: 0.098 bbl

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

Laboratory Name: Laboratory Location:

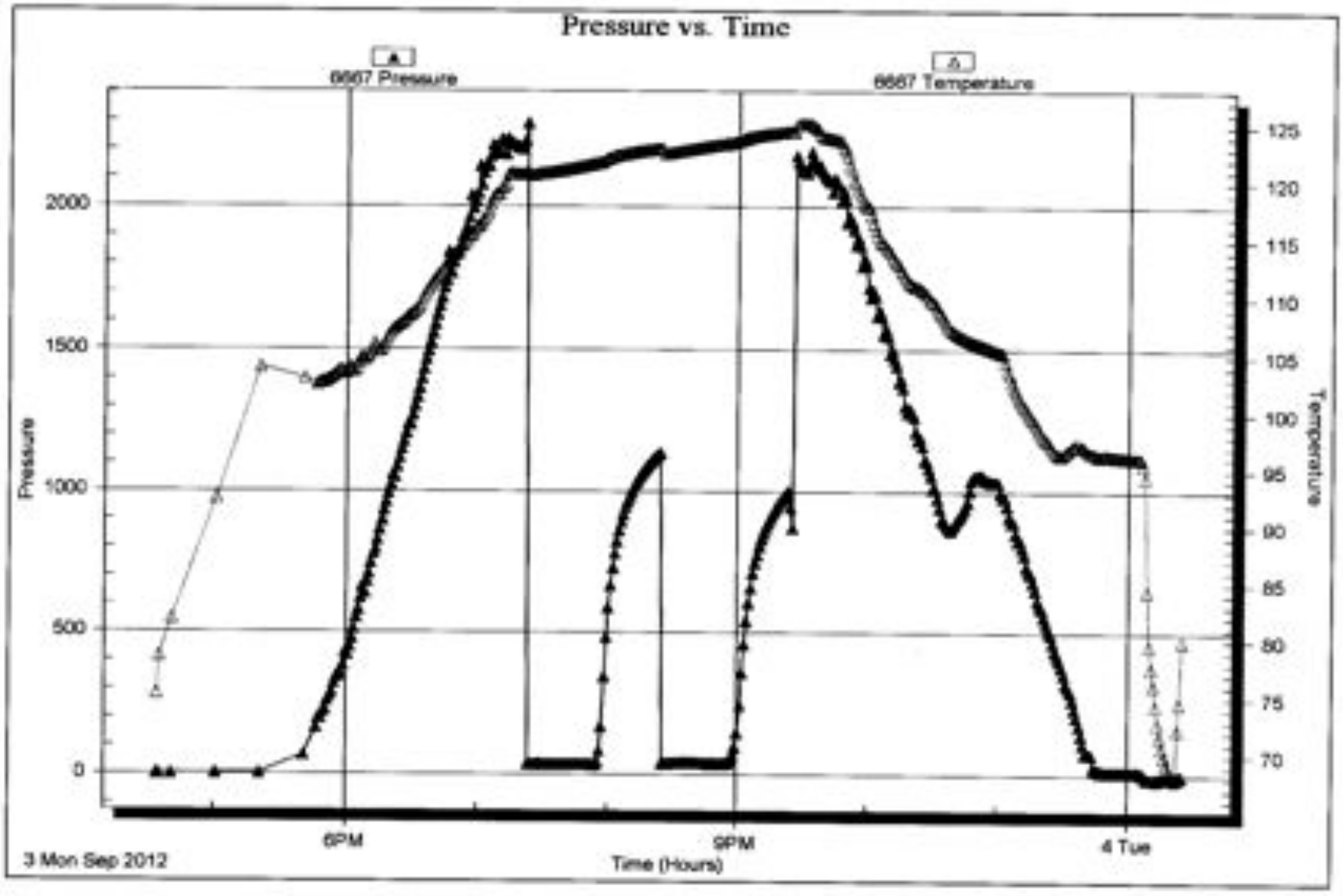
Recovery Comments:

Serial #: 6771 Outside Palomino Petroleum, Inc McKissie #1 DST Test Number: 3



Tribble Testing, Inc Ref. No: 46296 Printed: 2012.09.11 @ 08:31:45

Serial #: 6667 Inside Palomino Petroleum, Inc McGinnis #1 DST Test Number: 3



Tribble Testing, Inc Ref. No: 48296 Printed: 2012.09.11 @ 08:31:45

TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Prepared For: **Palomino Petroleum, Inc**

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

McKinnie #1

29 16s 26w Ness, KS

Start Date: 2012.09.04 @ 16:33:00
End Date: 2012.09.05 @ 04:47:15
Job Ticket #: 48297 DST #: 4

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

Printed: 2012.09.11 @ 08:30:10

DRILL STEM TEST REPORT

TRILOBITE TESTING, INC

Palomino Petroleum, Inc

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48297 **DST#: 4**

Test Start: 2012.09.04 @ 16:33:00

GENERAL INFORMATION:

Formation: **Ft Scott - Mississip**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 19:50:00
Time Test Ended: 04:47:15

Test Type: Conventional Bottom Hole (Reset)
Tester: Bradley Walton
Unit No: 55

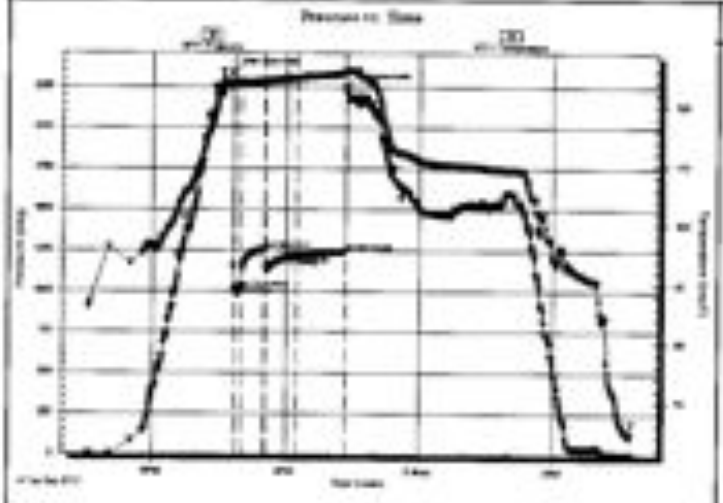
Interval: 4445.00 ft (KB) To 4615.00 ft (KB) (TVD)
Total Depth: 4670.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
KB to GR/CF: 10.00 ft

Serial #: 6771 **Outside**
Press@RunDepth: 1221.84 psig @ 4446.00 ft (KB)
Start Date: 2012.09.04 End Date: 2012.09.05
Start Time: 16:33:15 End Time: 04:47:15

Capacity: 8000.00 psig
Last Calib.: 2012.09.05
Time On Btm: 2012.09.04 @ 19:48:15
Time Off Btm: 2012.09.04 @ 22:22:00

TEST COMMENT: IF: BOB @ 20 seconds.
IS: BOB @ 1 minute.
FF: BOB @ 45 seconds.
FS: BOB@ 1 min.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2332.54	123.78	Initial Hydro-static
2	1016.76	124.21	Open To Flow (1)
12	1034.30	123.91	Shut-In(1)
43	1259.01	124.17	End Shut-In(1)
44	1150.24	124.15	Open To Flow (2)
87	1221.84	124.72	Shut-In(2)
152	1249.27	125.48	End Shut-In(2)
154	2246.57	125.86	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
120.00	gocm 30g 30o 40m	0.59
2840.00	go 50g 50o	39.84
315.00	gmco 50g 10m 40o	4.42
0.00	1145' GIP	0.00

* Recovery from multiple tests

Gas Rates

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

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48297 **DST#: 4**

Test Start: 2012.09.04 @ 16:33:00

GENERAL INFORMATION:

Formation: **Ft Scott - Mississip**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 19:50:00
Time Test Ended: 04:47:15

Test Type: Conventional Bottom Hole (Reset)
Tester: Bradley Walter
Unit No: 55

Interval: 4445.00 ft (KB) To 4615.00 ft (KB) (TVD)
Total Depth: 4670.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

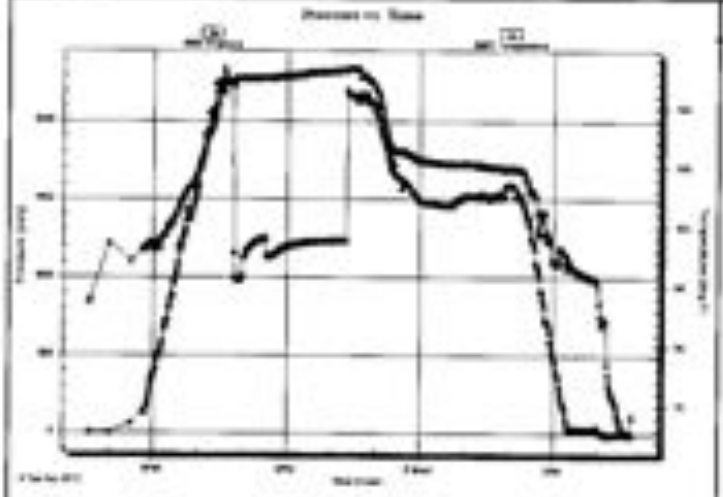
Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
KB to GR/CF: 10.00 ft

Serial #: 6667 **Inside**

Press@RunDepth: psig @ 4446.00 ft (KB)
Start Date: 2012.09.04 End Date: 2012.09.05
Start Time: 16:33:15 End Time: 04:47:15

Capacity: 8000.00 psig
Last Calib.: 2012.09.05
Time On Btm:
Time Off Btm:

TEST COMMENT: F: BOB @ 20 seconds.
IS: BOB @ 1 minute.
FF: BOB @ 45 seconds.
FS: BOB@ 1 min.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
120.00	gocm 30g 30o 40m	0.59
2640.00	go 90g 50o	39.84
315.00	gmco 50g 10m 40o	4.42
0.00	1145' GIP	0.00

* Recovery from multiple tests

Gas Rates

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

DRILL STEM TEST REPORT

Palomino Petroleum, Inc.

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Solb

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48297 **DST#: 4**

Test Start: 2012.09.04 @ 16:33:00

GENERAL INFORMATION:

Formation: **Ft Scott - Mississip**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 19:50:00
Time Test Ended: 04:47:15

Test Type: Conventional Bottom Hole (Reset)
Tester: Bradley Walter
Unit No: 55

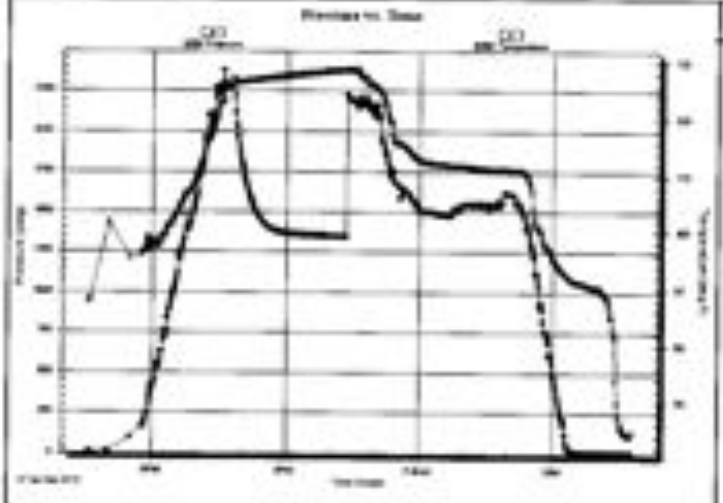
Interval: 4445.00 ft (KB) To 4615.00 ft (KB) (TVD)
Total Depth: 4670.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2652.00 ft (KB)
2642.00 ft (CF)
KB to GR/CF: 10.00 ft

Serial #: 8368 **Below (Straddle)**
Press@RunDepth: psig @ 4631.00 ft (KB)
Start Date: 2012.09.04 End Date: 2012.09.05
Start Time: 16:33:15 End Time: 04:47:30

Capacity: 8000.00 psig
Last Calib.: 2012.09.05
Time On Btm:
Time Off Btm:

TEST COMMENT: IF: BOB @ 20 seconds.
ISI: BOB @ 1 minute.
FF: BOB @ 45 seconds.
FSI: BOB@ 1 min.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
120.00	gocm 30g 30o 40m	0.59
2840.00	go 50g 50o	39.84
315.00	gmco 50g 10m 40o	4.42
0.00	1145' 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

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McKinnie #1

Job Ticket: 48297 **DST#: 4**

Test Start: 2012.09.04 @ 16:33:00

Tool Information

Drill Pipe:	Length:	4328.00 ft	Diameter:	3.80 inches	Volume:	60.71 bbl	
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl	
Drill Collar:	Length:	120.00 ft	Diameter:	2.25 inches	Volume:	0.59 bbl	
					Total Volume:	61.30 bbl	

Drill Pipe Above KB:	23.00 ft
Depth to Top Packer:	4445.00 ft
Depth to Bottom Packer:	ft
Interval between Packers:	224.00 ft
Tool Length:	244.00 ft
Number of Packers:	2 Diameter: 6.75 inches

Tool Weight:	2500.00 lb
Weight set on Packer:	25000.00 lb
Weight to Pull Loose:	99000.00 lb
Tool Chased	0.00 ft
String Weight: Initial	86000.00 lb
Final	87000.00 lb

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Change Over Sub	1.00			4426.00		
Shut In Tool	5.00			4431.00		
Hydraulic tool	5.00			4436.00		
Packer	5.00			4441.00	20.00	Bottom Of Top Packer
Packer	4.00			4445.00		
Stubb	1.00			4446.00		
Recorder	0.00	6771	Outside	4446.00		
Recorder	0.00	6667	Inside	4446.00		
Perforations	3.00			4449.00		
Change Over Sub	1.00			4450.00		
Drill Pipe	156.00			4606.00		
Change Over Sub	1.00			4607.00		
Perforations	5.00			4612.00		
Blank Off Sub	1.00			4613.00		
top of a packer	3.00			4616.00	224.00	Tool Interval
Packer	1.00			4617.00		
Perforations	13.00			4630.00		
Change Over Sub	1.00			4631.00		
Recorder	0.00	8368	Below	4631.00		
Drill Pipe	32.00			4663.00		
Change Over Sub	1.00			4664.00		
Bullnose	5.00			4669.00	1000243.00	Bottom Packers & Anchor
Total Tool Length:	**244.00**					

TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

FLUID SUMMARY

Palomino Petroleum, Inc.

4924 SE 84th St
Newton, KS 67114

ATTN: Ryan Seib

29 16s 26w Ness, KS

McGinnie #1

Job Ticket: 48297 **DST#: 4**

Test Start: 2012.09.04 @ 16:33:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	38 deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	0 ppm
Viscosity:	60.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	11.97 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psig		
Salinity:	1600.00 ppm				
Filter Cake:	1.00 inches				

Recovery Information

Recovery Table

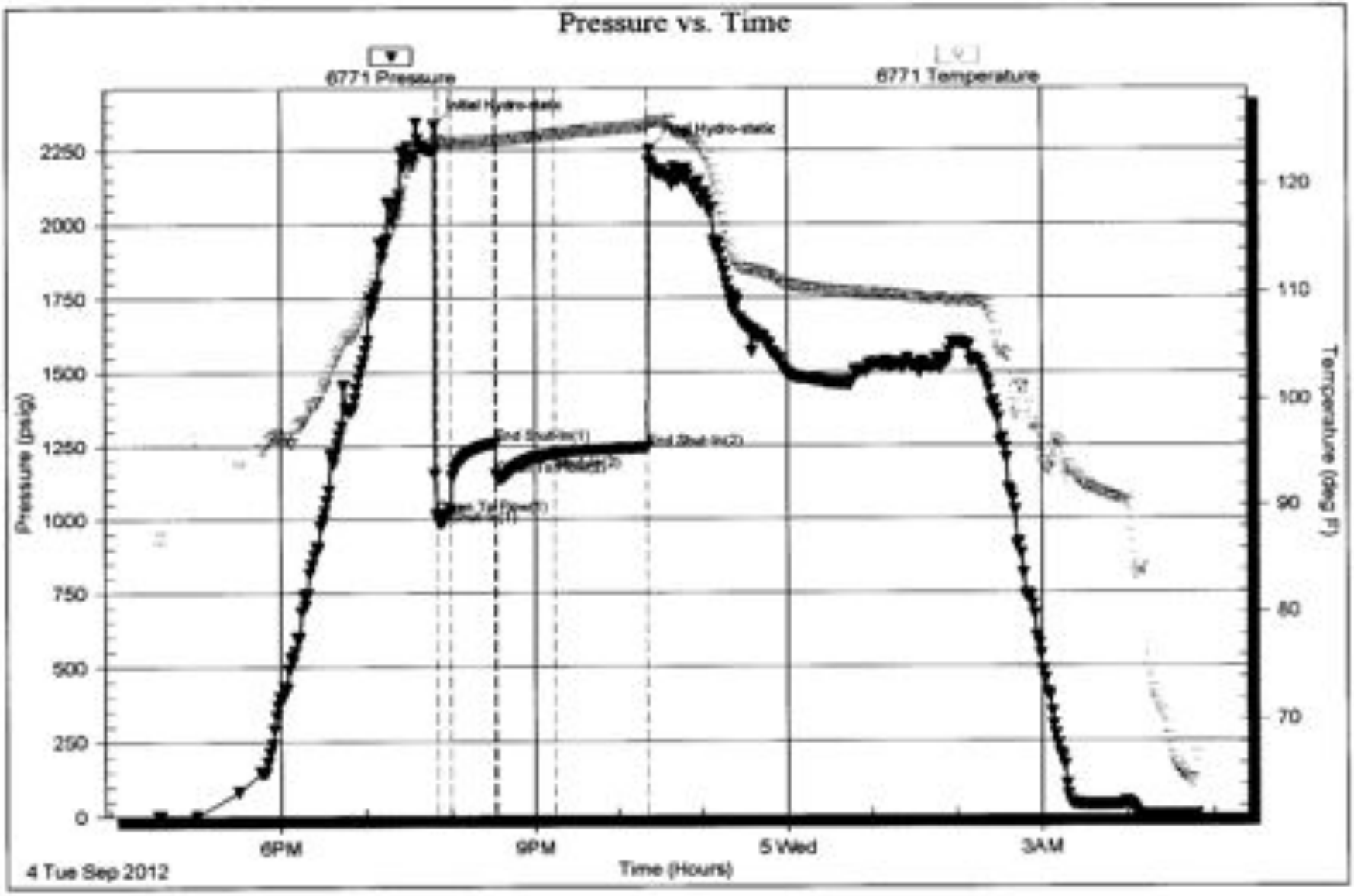
Length ft	Description	Volume bbl
120.00	gocm 30g 30o 40m	0.590
2840.00	go 50g 50o	39.838
315.00	gmco 50g 10m 40o	4.419
0.00	1145' GIP	0.000

Total Length: 3275.00 ft Total Volume: 44.847 bbl

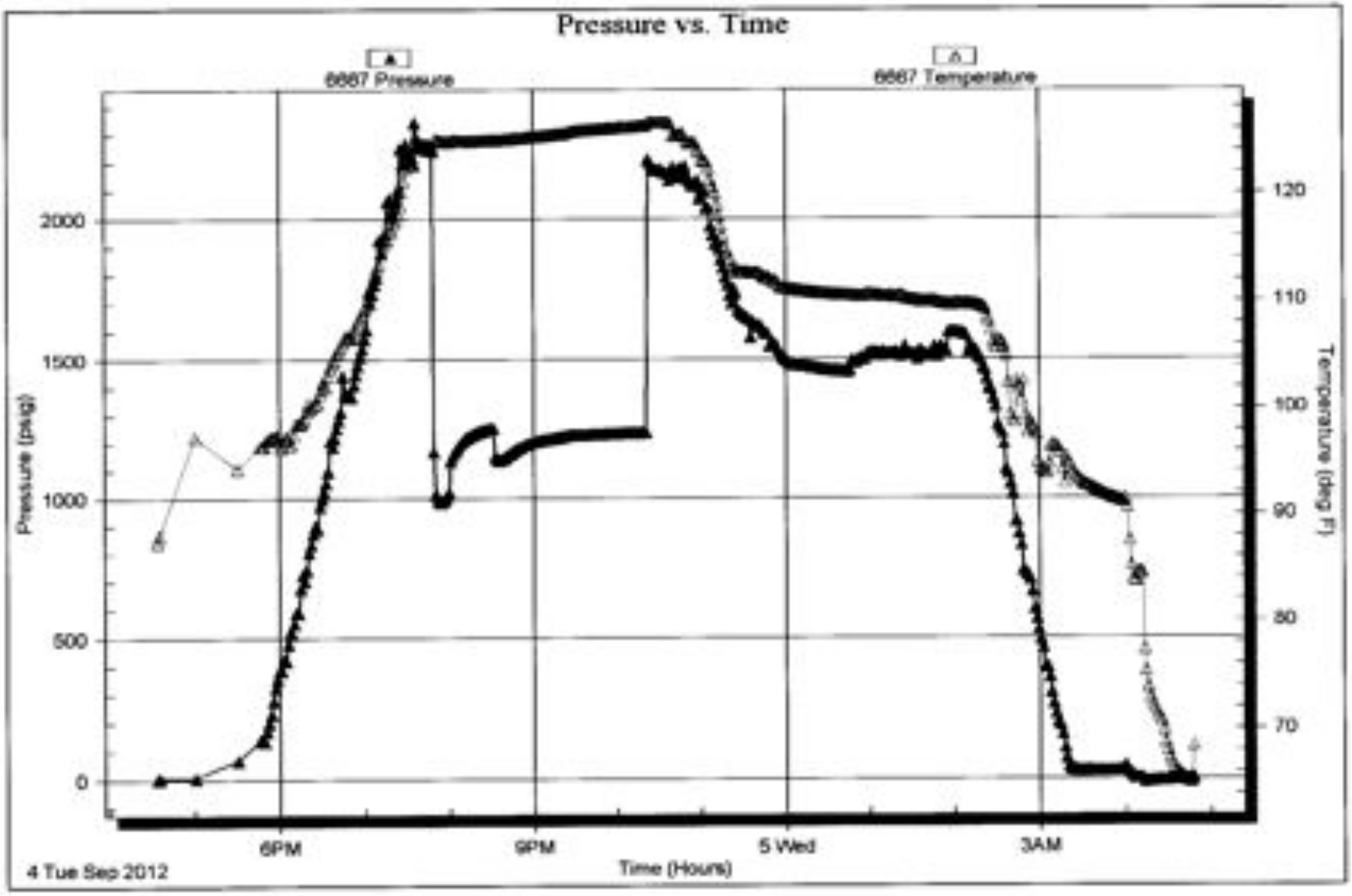
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:

Laboratory Name: Laboratory Location:

Recovery Comments:

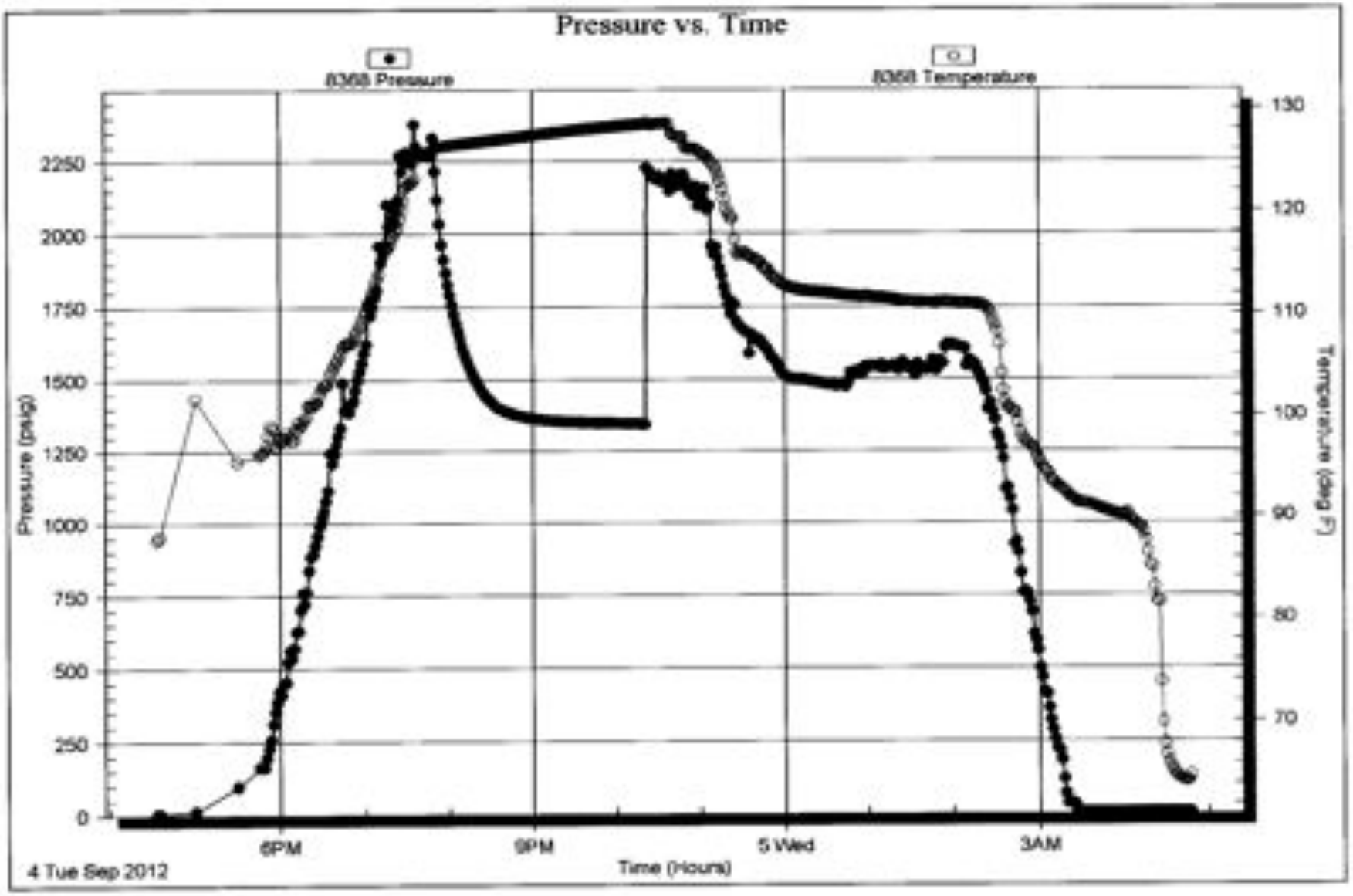

Pressure vs. Time
6771 Pressure
6771 Temperature
Initial Hydro-static
Final Hydro-static
2250
2000
1750
1500
1250
1000
750
500
250
0
120
110
100
90
80
70
Pressure (psig)
Temperature (deg F)
6PM
9PM
5 Wed
3AM
Time (Hours)
4 Tue Sep 2012

Serial #: 6667 Inside Palomino Petroleum, Inc McKinnie #1 DST Test Number: 4



Tribble Testing, Inc Ref. No: 45297 Printed: 2012.09.11 @ 08:30:16

Serial #: 8368 Below (Straddle) Petroleum, Inc McKinnie #1 DST Test Number: 4



Tribble Testing, Inc Ref. No: 48287 Printed: 2012.09.11 @ 08:30:16

TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 4829

Well Name & No. M. Krause #1 Test No. 1 Date 9/6/12

Company Palomino Petroleum, Inc. Elevation 2652 KB 2642 GL

Address 4924 SE 84th Street Newton, KS 67114

Co. Rep / Geo. Ryan Seib Rig Rig #1

Location: Sec. 29 Twp. 16S Rge. 21W Co. Ness State KS

Interval Tested 4118 - 4227 Zone Tested Lansing

Anchor Length 109' Drill Pipe Run 3974 Mud Wt. 9.3

Top Packer Depth 4113 Drill Collars Run 126 Vis 55

Bottom Packer Depth 4118 Wt. Pipe Run 0 WL 16.0

Total Depth 4227 Chlorides 1800 ppm System LCM 1#

Blow Description IF: 3¼" Blow

ISI: No return

FF: 1" Blow

FSI: No return

Rec 62	Feet of SOCM	%gas	2 %oil		%water 98	%mud
Rec 60	Feet of OCWM 30	%gas	10 %oil	20	%water 70	%mud
Rec	Feet of	%gas	%oil		%water	%mud
Rec	Feet of	%gas	%oil		%water	%mud
Rec	Feet of	%gas	%oil		%water	%mud

Rec Total 122 BHT 118 Gravity — API RW — @ — °F Chlorides — ppm

(A) Initial Hydrostatic	2667	☒ Test		T-On Location	0330
(B) First Initial Flow	29	☒ Jars	250	T-Started	0535
(C) First Final Flow	68	☒ Safety Joint	75	T-Open	0749
(D) Initial Shut-In	835	☒ Circ Sub	n/c	T-Pulled	0949
(E) Second Initial Flow	68	☐ Hourly Standby		T-Out	1136
(F) Second Final Flow	78	☒ Mileage	95 rt. 142.25	Comments	
(G) Final Shut-In	429	☐ Sampler			
(H) Final Hydrostatic	1917	☐ Straddle		☐ Ruined Shale Packer	
		☐ Shale Packer		☐ Ruined Packer	
Initial Open	30	☐ Extra Packer		☐ Extra Copies	
Initial Shut-In	30	☐ Extra Recorder		Sub Total	0
Final Flow	30	☐ Day Standby		Total	1722.25
Final Shut-In	30	☐ Accessibility		MP/DST Disc't	
		Sub Total	1722.25		

Approved By _____ Our Representative _____

Trilobite Testing Inc. shall not be liable for damages of any kind of the property or personnel of the one for whom a test is made, or for any loss sustained or sustained, directly or indirectly, through the use of its equipment or its statements or opinions 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. 4829

Well Name & No.	McKinnie #1
Test No.	2
Date	9/22/12
Company	Palomino Petroleum, Inc.
Elevation	2652 KB 2642 GL
Address	4924 SE 84th street Newton, Ks 67114
Co. Rep / Geo.	Ryan Seib
Rig	Pickrell #1
Location: Sec.	29 Twp. 16s Rge. 26w Co. Ness State Ks

Interval Tested: 4215 - 4300
Zone Tested: Lansing L
Anchor Length: 85'
Drill Pipe Run: 4073
Mud Wt.: 9.2
Top Packer Depth: 4210
Drill Collars Run: 120
Vis: 42
Bottom Packer Depth: 4215
Wt. Pipe Run: Ø
WL: 8.2
Total Depth: 4300
Chlorides: 1500 ppm System
LCM: 4

Blow Description: IF: 2" blow
ISI: No return
FF: ½" blow
FSI: No return

Rec	Feet of		%gas	%oil	%water	%mud
75	mud (oil spots)					

Rec Total: 75 BHT: 117 Gravity: — API RW: — @ — °F Chlorides: — ppm

(A) Initial Hydrostatic	2072	☒ Test 1250	T-On Location 0700
(B) First Initial Flow	27	☒ Jars 250	T-Started 0748
(C) First Final Flow	45	☒ Safety Joint 75	T-Open 0946
(D) Initial Shut-In	952	☒ Circ Sub	T-Pulled 1146
(E) Second Initial Flow	48	☒ Hourly Standby 7.0	T-Out 1344
(F) Second Final Flow	63	☒ Mileage 35 x 2 394.50	Comments: on location 2 hrs
(G) Final Shut-In	907	☐ Sampler	[illegible]
(H) Final Hydrostatic	1994	☐ Straddle	[illegible]
		☒ Shale Packer 250	☐ Ruined Shale Packer
Initial Open	30	☐ Extra Packer	☐ Ruined Packer
Initial Shut-In	30	☐ Extra Recorder	☐ Extra Copies
Final Flow	30	☐ Day Standby	Sub Total 0
Final Shut-In	30	☐ Accessibility	Total
		Sub Total 2119.50	MP/DST Disc't

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.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 4821

Well Name & No. McKinnis #1 Test No. 3 Date 09/03/12

Company Palomino Petroleum, Inc Elevation 2652 KB 2642 GL

Address 4924 SE 84th St. Newton, KS 67114

Co. Rep / Geo. Ryan Seib Rig Pickrell #2

Location: Sec. 29 Twp. 16S Rge. 26W Co. Ness State KS

Interval Tested 4578 - 4595 Zone Tested Mississippian

Anchor Length 17' Drill Pipe Run 4451 Mud Wt. 9.2

Top Packer Depth 4573 Drill Collars Run 120 Vis 49

Bottom Packer Depth 4578 Wt. Pipe Run 0 Wl. 11.2

Total Depth 4595 Chlorides 1400 ppm System LCM T-

Blow Description IF: Surface blow

IBI: No return

FF: No blow

FSI: No return.

Rec 2.0 Feet of mud (trace oil on tip) %gas %oil %water 100 %mud

Rec ____ Feet of ____ %gas %oil %water ____ %mud

Rec ____ Feet of ____ %gas %oil %water ____ %mud

Rec ____ Feet of ____ %gas %oil %water ____ %mud

Rec ____ Feet of ____ %gas %oil %water ____ %mud

Rec Total 2.0 BHT 124 Gravity ____ API RW ____ @ ____ °F Chlorides ____ ppm

(A) Initial Hydrostatic	2193	Test 1250	T-On Location 1600
(B) First Initial Flow	26	Jars 250	T-Started 1633
(C) First Final Flow	26	Safety Joint 75	T-Open 1924
(D) Initial Shut-In	1152	Circ Sub n/c	T-Pulled 2124
(E) Second Initial Flow	28	☐ Hourly Standby	T-Out 0025 09/04/12
(F) Second Final Flow	73	Mileage 95 R/T 142.25	Comments
(G) Final Shut-In	1010	☐ Sampler	
(H) Final Hydrostatic	2187	☐ Straddle	☐ Ruined Shale Packer
		Shale Packer 250	☐ Ruined Packer
Initial Open	30	☐ Extra Packer	☐ Extra Copies
Initial Shut-In	30	☐ Extra Recorder	Sub Total 0
Final Flow	30	☐ Day Standby	Total
Final Shut In	30	☐ Accessibility	MP/DST Disc't
		Sub Total 1372.25	

Approved By ____ Our Representative [signature]

Trilobite Testing Inc. shall not be liable for damages of any kind of the property or personnel of the one for whom a test is made, or for any loss sustained 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. 4827

Well Name & No. McKenzie #1 Test No. 4 Date 09/3/12

Company Palomino Petroleum, Inc. Elevation 2652 KB 2642 GL

Address 4924 SE 84th St. Newton, KS 67114

Co. Rep / Geo. Ryan Seib Rig Pickrell #1

Location: Sec. 29 Twp. 16S Rge. 24W Co. Ness State KS

Interval Tested 4445 - 4615 Zone Tested Ft. Scott - Mississippian

Anchor Length 170' Drill Pipe Run 4328 Mud Wt. 9.3

Top Packer Depth 4440 Drill Collars Run 120 Vis 60

Bottom Packer Depth 4445 Wt. Pipe Run 0 WL 12

Total Depth 4615 Chlorides 1600 ppm System LCM 0

Blow Description IF: BOB @ 20 sec

ISI: BOBC 1 min Gas to surface @ 3 min.

FF: BOB @ 45 sec

FSI: BOB @ ~~40 min~~ 1 min.

Rec 315	Feet of GMCO	%gas 50	%oil 40	%water 10	%mud
Rec 2840	Feet of go	%gas 50	%oil 60	%water	%mud
Rec 120	Feet of GOCM	%gas 30	%oil 30	%water 40	%mud
Rec	Feet of 1145 GIP	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 3275 BHT 126 Gravity 38 API RW — @ — °F Chlorides — ppm

(A) Initial Hydrostatic	2333	X Test 1250	T-On Location 1600
(B) First Initial Flow	1017	X Jars 250	T-Started 1635
(C) First Final Flow	1034	X Safety Joint 75	T-Open 1949
(D) Initial Shut-In	1259	X Circ Sub pool 50	T-Pulled 2214
(E) Second Initial Flow	1150	☐ Hourly Standby	T-Out 0447
(F) Second Final Flow	1222	X Mileage 95 mi 247.25	Comments
(G) Final Shut-In	1243	☐ Sampler	
(H) Final Hydrostatic	2244	X Straddle 600	☐ Ruined Shale Packer
		X Shale Packer 350	☐ Ruined Packer
Initial Open	10	☐ Extra Packer	☐ Extra Copies
Initial Shut-In	30	☐ Extra Recorder	Sub Total 0
Final Flow	45	☐ Day Standby	Total 2697.25
Final Shut-In	60	☐ Accessibility	MP/DST Disc't
		Sub Total 2697.25	

Approved By _____ Our Representative _____

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