

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

10/30/09

OPERATOR: License # 30742  
Name: Palomino Petroleum, Inc.  
Address 1: 4924 SE 84th St.  
Address 2: \_\_\_\_\_  
City: Newton State: KS Zip: 67114 + 8 8 2 7  
Contact Person: Klee R. Watchous  
Phone: ( 316 ) 799-1000  
CONTRACTOR: License # 34233  
Name: Maverick Drilling, L.L.C.  
Wellsite Geologist: Nicholas P. Gerstner  
Purchaser: NCRA  
Designate Type of Completion:  
 New Well \_\_\_\_\_ Re-Entry \_\_\_\_\_ Workover  
 Oil \_\_\_\_\_ SWD \_\_\_\_\_ SLOW  
\_\_\_\_\_ Gas \_\_\_\_\_ ENHR \_\_\_\_\_ SIGW  
\_\_\_\_\_ CM (Coal Bed Methane) \_\_\_\_\_ Temp. Abd.  
\_\_\_\_\_ Dry \_\_\_\_\_ Other \_\_\_\_\_  
*(Core, WSW, Expl., Cathodic, 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  
\_\_\_\_\_ Plug Back: \_\_\_\_\_ Plug Back Total Depth  
\_\_\_\_\_ Commingled \_\_\_\_\_ Docket No.: \_\_\_\_\_  
\_\_\_\_\_ Dual Completion \_\_\_\_\_ Docket No.: \_\_\_\_\_  
\_\_\_\_\_ Other (SWD or Enhr.?) \_\_\_\_\_ Docket No.: \_\_\_\_\_  
7/31/09 8/10/09 8/10/09  
Spud Date or \_\_\_\_\_ Date Reached TD \_\_\_\_\_ Completion Date or  
Recompletion Date \_\_\_\_\_ Recompletion Date \_\_\_\_\_

API No. 15 - 135-24942-0000  
Spot Description: \_\_\_\_\_  
N/2 SE NE SE Sec. 15 Twp. 16 S. R. 26  East  West  
1890 Feet from  North /  South Line of Section  
330 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Ness  
Lease Name: Hagans Well #: 1  
Field Name: Unice NE Ext.  
Producing Formation: Mississippian  
Elevation: Ground: 2578 Kelly Bushing: 2584  
Total Depth: 4618 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at: 220 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: 1983 Feet  
If Alternate II completion, cement circulated from: 1983  
feet depth to: surface w/ 200 sx cmt.

Drilling Fluid Management Plan Att II NUR 11-5-09  
*(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 No.: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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.  
Signature: Klee R. Watchous  
Title: President Date: October 29, 2009

Subscribed and sworn to before me this 29th day of October,  
20 09.  
Notary Public: Carla R. Penwell  
Date Commission Expires: October 6, 2013

NOTARY PUBLIC - State of Kansas  
CARLA R. PENWELL  
My Appt. Expires 10-6-2013

**KCC Office Use ONLY**  
 Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
\_\_\_\_\_ UIC Distribution  
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OCT 30 2009  
KCC WICHITA

Operator Name: Palomino Petroleum, Inc. Lease Name: Hagans Well #: 1  
 Sec. 15 Twp. 16 S. R. 26  East  West County: Ness

**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 copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i>  List All E. Logs Run: <b>Radiation Guard</b>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Anhy.</td> <td>2000</td> <td>(+ 584)</td> </tr> <tr> <td>Base Anhy.</td> <td>2035</td> <td>(+ 549)</td> </tr> <tr> <td>Topeka</td> <td>3593</td> <td>(-1009)</td> </tr> <tr> <td>Heebner</td> <td>3864</td> <td>(-1280)</td> </tr> <tr> <td>Toronto</td> <td>3881</td> <td>(-1297)</td> </tr> <tr> <td>Lansing</td> <td>3905</td> <td>(-1321)</td> </tr> <tr> <td>Stark</td> <td>4145</td> <td>(-1561)</td> </tr> </table>	Name	Top	Datum	Anhy.	2000	(+ 584)	Base Anhy.	2035	(+ 549)	Topeka	3593	(-1009)	Heebner	3864	(-1280)	Toronto	3881	(-1297)	Lansing	3905	(-1321)	Stark	4145	(-1561)
Name	Top	Datum																							
Anhy.	2000	(+ 584)																							
Base Anhy.	2035	(+ 549)																							
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Heebner	3864	(-1280)																							
Toronto	3881	(-1297)																							
Lansing	3905	(-1321)																							
Stark	4145	(-1561)																							

CASING RECORD <input checked="" 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
Surface	12 1/4"	8 5/8"	20#	220'	Common	150	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4610'	SMD	45	500 gal. mud flush,
					EA-2	100	w/add., 20 bbls. KCL water

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	4523-4528		

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TUBING RECORD:	Size: 2 7/8"	Set At: 4598'	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	KCC WICHITA
Date of First, Resumed Production, SWD or Enhr. 9/15/09		Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls. 37% 107	Gas Mcf	Water Bbls. 63% 183	Gas-Oil Ratio	Gravity

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 checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
---	---	--

**LOGS**

BKC	4200	(-1616)
Marmaton	4242	(-1658)
Pawnee	4336	(-1752)
Ft. Scott	4401	(-1817)
Cherokee Sh.	4427	(-1843)
Miss.	4499	(-1915)
LTD	4618	(-2034)

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OCT 30 2009  
KCC WICHITA

# SWIFT



*Services, Inc.*

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



## Invoice

DATE	INVOICE #
8/13/2009	16701

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

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AUG 18 2009

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Hagans	Ness	DS&W Well Servi...	Oil	Development	Cement Port Collar	Don
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	5.00	200.00
576D-D	Pump Charge - Port Collar - 1983 Feet				1	Job	1,100.00	1,100.00
290	D-Air				2	Gallon(s)	35.00	70.00T
104	5 1/2" Port Collar Tool Rental				1	Each	200.00	200.00T
330	Swift Multi-Density Standard (MIDCON II)				200	Sacks	14.00	2,800.00T
276	Flocele				50	Lb(s)	1.50	75.00T
581D	Service Charge Cement				225	Sacks	1.50	337.50
583D	Drayage				447.8	Ton Miles	1.00	447.80
	Subtotal							5,230.30
	Sales Tax Ness County						5.30%	166.69

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**We Appreciate Your Business!**

**Total**

**\$5,396.99**



CHARGE TO: *Pelomino Petroleum*  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

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 OCT 30 2009  
 KCC WICHITA

TICKET  
 No 16701

PAGE 1 OF 1

SERVICE LOCATIONS  
 1. *Champs, Ks*  
 2. *Ness City, Ks*  
 3.  
 4.

WELL/PROJECT NO. *#1*  
 LEASE *Hogans*  
 COUNTY/PARISH *Ness*  
 STATE *Ks*  
 CITY  
 DATE *8-13-09*  
 OWNER

TICKET TYPE  
 SERVICE  
 SALES  
 CONTRACTOR *D.S & W*  
 RIG NAME/NO.  
 SHIPPED VIA *CT*  
 DELIVERED TO *Ness, Ks*  
 ORDER NO.

WELL TYPE *Dil*  
 WELL CATEGORY *in field*  
 JOB PURPOSE *Cement Port Collar @ 1983'*  
 WELL PERMIT NO.  
 WELL LOCATION *10/30/09*

REFERRAL LOCATION  
 INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
<i>575</i>		<i>1</i>			<i>MILEAGE #113</i>	<i>40</i>	<i>mi</i>			<i>500</i>	<i>20000</i>
<i>576 D</i>		<i>1</i>			<i>Pump Charge - Port Collar unit</i>	<i>1</i>	<i>ea</i>			<i>1100 DC</i>	<i>1100.00</i>
<i>290</i>		<i>1</i>			<i>D-Air</i>	<i>2</i>	<i>gal</i>			<i>3500</i>	<i>7000</i>
<i>104</i>		<i>2</i>			<i>Port Collar Tool Rental</i>	<i>1</i>	<i>ea</i>	<i>5 1/2</i>		<i>200.00</i>	<i>200.00</i>
<i>330</i>		<i>2</i>			<i>SMD Cement</i>	<i>200</i>	<i>SKS</i>			<i>1400</i>	<i>2800.00</i>
<i>276</i>		<i>2</i>			<i>Flange</i>	<i>50</i>	<i>lbs</i>			<i>1.50</i>	<i>75.00</i>
<i>1</i>		<i>2</i>			<i>Service Charge Cement</i>	<i>225</i>	<i>SKS</i>			<i>1.50</i>	<i>337.50</i>
<i>583</i>		<i>2</i>			<i>Drillage</i>	<i>447.8</i>	<i>TM</i>	<i>22390</i>	<i>lbs</i>	<i>1.00</i>	<i>4478.00</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

x *[Signature]*  
 DATE SIGNED *8-13-09* TIME SIGNED *15:30*  
 A.M.  
 P.M.

**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
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				<i>5230.30</i>
WE UNDERSTOOD AND MET YOUR NEEDS?				<i>2355.30</i>
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				
ARE YOU SATISFIED WITH OUR SERVICE?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO		
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				
<b>TOTAL</b>				<i>7.55 TAX 5.3%</i> <i>166.69</i> <i>5396.99</i>

**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 9-13-09 PAGE NO. 1

CUSTOMER Palmaria Ref. WELL NO. #1 LEASE Hagan JOB TYPE Concrete Port Cement TICKET NO. 110701

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1315					2 3/8	5 1/2	On location to cement P.C @ 1983'
								Set up trucks
	1330					closed	800	P.C @ 1983' - Test closed - OK
		3	3				150	Dpe P.C & inj rate 3 @ 150 <u>130</u>
		3	4			200	closed	Hook to tbg - close fan - inj rate
		3						start mixing sued cement 1/4 #5k flocculant
			7					mixed @ 11.2 #/gal. At 7 BBI cement
								have returns to Pit
			97					cut air @ 125 SKS @ 11.2
			105					Mix 25 SKS @ 13 #/gal
			5					Fin cement - Displ 5 BBI H <sub>2</sub> O
						800	800	Close P.C & test - OK
								Rig run 4 hrs -
			25					Re-cement - 2 flags (25 BBI)
								Fin re-cement
								Rig pull tbg & test
								Wash up & Lock up
	1530							Job complete
								<i>Hagan</i> Hagan, Dong & Lane
								30 SKS cement @ 11.2 to Pit

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



# Invoice

DATE	INVOICE #
8/10/2009	16564

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

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AUG 13 2009

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Hagans	Ness	Maverick Drilling ...	Oil	Development	5-1/2" LongString	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	5.00	200.00
578D-L	Pump Charge - Long String - 4610 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
402-5	5 1/2" Centralizer				10	Each	55.00	550.00T
403-5	5 1/2" Cement Basket				3	Each	180.00	540.00T
404-5	5 1/2" Port Collar - Top Joint #65 - 1983 Feet				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)				75	Sacks	14.00	1,050.00T
276	Flocele				44	Lb(s)	1.50	66.00T
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
290	D-Air				2	Gallon(s)	35.00	70.00T
581D	Service Charge Cement				175	Sacks	1.50	262.50
583D	Drayage				357.48	Ton Miles	1.00	357.48
	Subtotal							9,120.98
	Sales Tax Ness County						5.30%	365.75
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<b>OCT 30 2009</b>								
<b>KCC WICHITA</b>								
<b>We Appreciate Your Business!</b>							<b>Total</b>	<b>\$9,486.73</b>



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

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TICKET No 16564

PAGE 1 OF 2

SERVICE LOCATIONS: 1. **Ness City, Ks**

WELL/PROJECT NO. #1 LEASE **HAGANS** COUNTY/PARISH **Ness** STATE **Ks** CITY DATE **8-10-09** OWNER **SAME**

TICKET TYPE  SERVICE  SALES CONTRACTOR **MAVEATCK DRILLING #102** RIG NAME/NO. SHIPPED VIA **CT** DELIVERED TO **LOCATION** ORDER NO.

WELL TYPE **OIL** WELL CATEGORY **DEVELOPMENT** JOB PURPOSE **5 1/2" LONGSTRENG** WELL PERMIT NO. WELL LOCATION **UTZAKS - W/EDGE 1 1/2W, WS**

REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #114	40	ME			5.00	200.00
578		1			PUMP CHARGE	1	JOB	4610	FT	1400.00	1400.00
221		1			LIQUID KCL	2	GA			25.00	50.00
281		1			MUD FLUSH	500	GA			1.00	500.00
402		1			CENTRALIZAS	10	EA	5 1/2"		55.00	550.00
403		1			CEMENT BASKETS	3	EA			180.00	540.00
404		1			PORT COLLAR TIGHT #65	1	EA	1983	FT	1900.00	1900.00
406		1			CATCH DOWN PLUG - RAFFLE	1	EA			225.00	225.00
407		1			INSERT FLOAT SHOE W/ AUTO FILL	1	EA			275.00	275.00
419		1			ROTATING HEAD RENTAL	1	JOB			150.00	150.00

**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 **8-10-09** TIME SIGNED **1330**  
 A.M.  P.M.

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	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				#1	5790.00
WE UNDERSTOOD AND MET YOUR NEEDS?				#2	3330.98
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal	9120.98
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX	
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		Ness 5.3%	365.75
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	9486.73

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

SWIFT OPERATOR **Wayne Wilson**

APPROVAL **[Signature]**

Thank You!





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

TICKET CONTINUATION

TICKET No. 16564

CUSTOMER PALOMINO PETROLEUM WELL HAGANS #1 DATE 8-10-09 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF								
325		1				STANDARD CEMENT EA-2	100		SKS		11.00	1100.00
330		1				SWIFT MULIZ-DENSITY STANDARD	75		SKS		14.00	1050.00
276		1				FLOCELE	44		lbs		1.50	66.00
283		1				SALT	500		lbs		.15	75.00
284		1				CALSEAL	5	500	SKS lbs		30.00	150.00
285		1				CFR-1	50		lbs		4.00	200.00
290		1				D-ADR	2		gal		35.00	70.00
581		1				SERVICE CHARGE				CUBIC FEET	1.50	262.50
583		1				MILEAGE CHARGE				TOTAL WEIGHT	175	357.48
										LOADED MILES	40	357.48
										TON MILES		

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CONTINUATION TOTAL 3330.98

**JOB LOG**

**SWIFT Services, Inc.**

DATE 8-10-09 PAGE NO. 7

CUSTOMER PALOMENO PETROLEUM WELL NO. P1 LEASE HAGANS JOB TYPE 5 1/2" LONGSTRENG TICKET NO. 16564

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1300							ON LOCATION
	1415							START 5 1/2" CASING IN WELL
								TD-4620 SET= 4610
								TP-4610 5 1/2" #14
								ST-20'
								CSJRADEXAS-1,2,3,4,6,8,10,12,15,64
								CMT BSRS-3,7,65
								PORT COLLAR=1983' TOP JOINT #65
	1620							DROP BALL - CALCULATE ROTATE
	1755	6	12		✓		450	PUMP 500 GAL MUD FLUSH "
	1757	6	20		✓		450	PUMP 20 BBL KCL-FLUSH "
	1803		7					PLUG RH (30s)
	1805	4 1/2	18		✓		250	MAX CMNT WD-45' SKS SMD = 12.5 PPG
		4 1/2	24		✓		100	TL-100 SKS EA-2 = 15.5 PPG "
	1817							WASH OUT PUMP - LEVER
	1818							RELEASE LATCH DOWN PLUG
	1820	7	0		✓			DISPARE PLUG "
		7	102				750	SHUT OFF ROTATING
	1835	6 1/2	112				1500	PLUG DOWN - PSE UP LATCH IN PLUG
	1837						OK	RELEASE PSI - HELD RECEIVED
								WASH TRUCK OCT 30 2009
	1930							JOB COMPLETE KCC WICHITA
								THANK YOU WAGG, BESTT, ROB

Quality Oilwell Cementing Inc.

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

# Invoice

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AUG 05 2009

Date	Invoice #
8/3/2009	1788

<b>Bill To</b>
Palomino Petroleum Inc 4924 SE 84th Newton Ks 67114

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
150	common	9.00	1,350.00T
3	GEL	17.00	51.00T
5	Calcium	42.00	210.00T
158	handling	1.75	276.50
1	MILEAGE CHARGE	250.00	250.00
1	surface pipes 0-500ft	400.00	400.00
29	pump truck mileage charge	6.00	174.00
322	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-322.00T
220	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-220.00
	LEASE: HAGANS WELL #1 Ness county Sales Tax	5.30%	68.32

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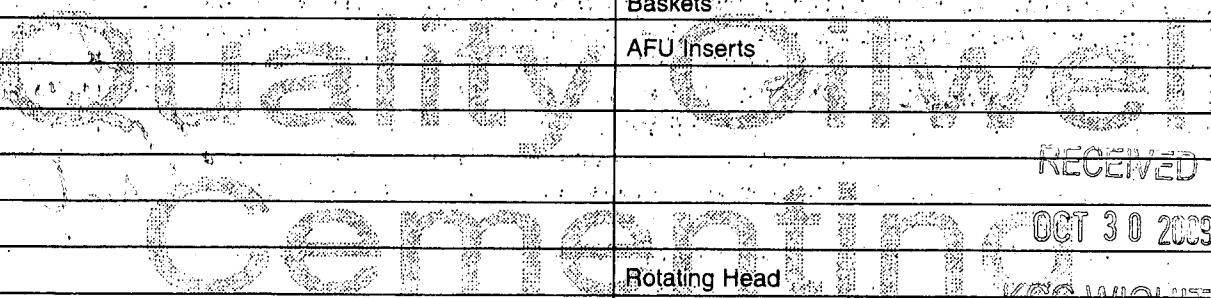
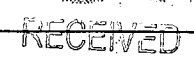
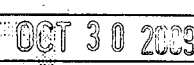
Thank you for your business. Dave	<b>Total</b>	\$2,237.82
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# QUALITY OILWELL CEMENTING, INC.

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

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

No. 0513

Date	7/1/09	Sec.	15	Twp.	16	Range	26-W	County	NEC	State	Ks	On Location		Finish	2:00 PM	
Lease	day	Well No.	1	Location	KCC WICHITA											
Contractor	Mudrock Services 108							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	Sulfur							Charge To	Mudrock Services, Inc.							
Hole Size	12"							T.D.	221'							
Csg.	2 3/4" 100'							Depth	270'							
Tbg. Size								Depth								
Drill Pipe								Depth								
Tool								Depth								
Cement Left in Csg.	10'							Shoe Joint								
Press Max.								Minimum								
Meas Line								Displace	24.00							
Perf.																
<b>EQUIPMENT</b>								<b>CEMENT</b>								
Pumptrk	No.	Cementer						Amount Ordered	150 @ 9.00							
		Helper						Common	150 @ 9.00							
Bulktrk	No.	Driver						Poz. Mix								
		Driver						Gel.	3 @ 17.00							
Bulktrk	No.	Driver						Calcium	5 @ 42.00							
		Driver						Mills								
Bulktrk	No.	Driver						Salt								
		Driver						Flowseal								
<b>JOB SERVICES &amp; REMARKS</b>																
Pumptrk Charge	SFC							400.00								
Mileage	29 @ 6.00							174.00								
Footage																
	Total							574.00								
Remarks:								Handling	158 @ 1.75							
								Mileage	250.00							
								Pump Truck Charge	574.00							
<b>FLOAT EQUIPMENT</b>																
								Guide Shoe								
								Centralizer								
								Baskets								
								AFU Inserts								
																
																
																
								Rotating Head								
								Squeez Mainfold								
												Tax	68.32			
												Discount	(542.00)			
												Total Charge	2237.52			
X	Signature															

Company **Palomino Petroleum, Inc.**  
 Address **4924 SE 84th St.**  
 CSZ **Newton, KS 67114**  
 Attn. **Nick Gerstner**

Lease Name **Hagans**  
 Lease # **1**  
 Legal Desc **See Comments** Job Ticket **2082**  
 Section **15** Range **26W**  
 Township **16S**  
 County **Ness** State **KS**  
 Drilling Cont **Maverick Drlg. LLC Rig # 102**

Comments **Legal Description: 1890' FSL & 330' FEL**

**GENERAL INFORMATION**

Test # **1** Test Date **8/8/2009**  
 Tester **Tim Venters**  
 Test Type **Conventional Bottom Hole Successful Test**

# of Packers **2.0** Packer Size **6 3/4**

Mud Type **Gel Chem**  
 Mud Weight **9.3** Viscosity **53.0**  
 Filtrate **9.2** Chlorides **1800**

Drill Collar Len **0**  
 Wght Pipe Len **0**

Formation **Mississippian**  
 Interval Top **4445.0** Bottom **4509.0**  
 Anchor Len Below **64.0** Between **0**  
 Total Depth **4509.0**

Blow Type **Weak surface blow at the start of the initial flow period, building to 1/4 inch in 1 1/2 minutes, holding there the rest of the period. Weak surface blow througout the final flow period. Times: 30, 30, 30, 30. Oil Gravity: 39.**

Chokes **3/4** Hole Size **7 7/8**  
 Top Recorder # **W1119**  
 Mid Recorder #  
 Bott Recorder # **13565**  
 Mileage **184** Approved By  
 Standby Time **0**  
 Extra Equipmnt **Jars & Safety joint**  
 Time on Site **9:15 AM**  
 Tool Picked Up **1:10 PM**  
 Tool Layed Dwn **8:00 PM**  
 Elevation **2577.00** Kelley Bushings **2583.00**

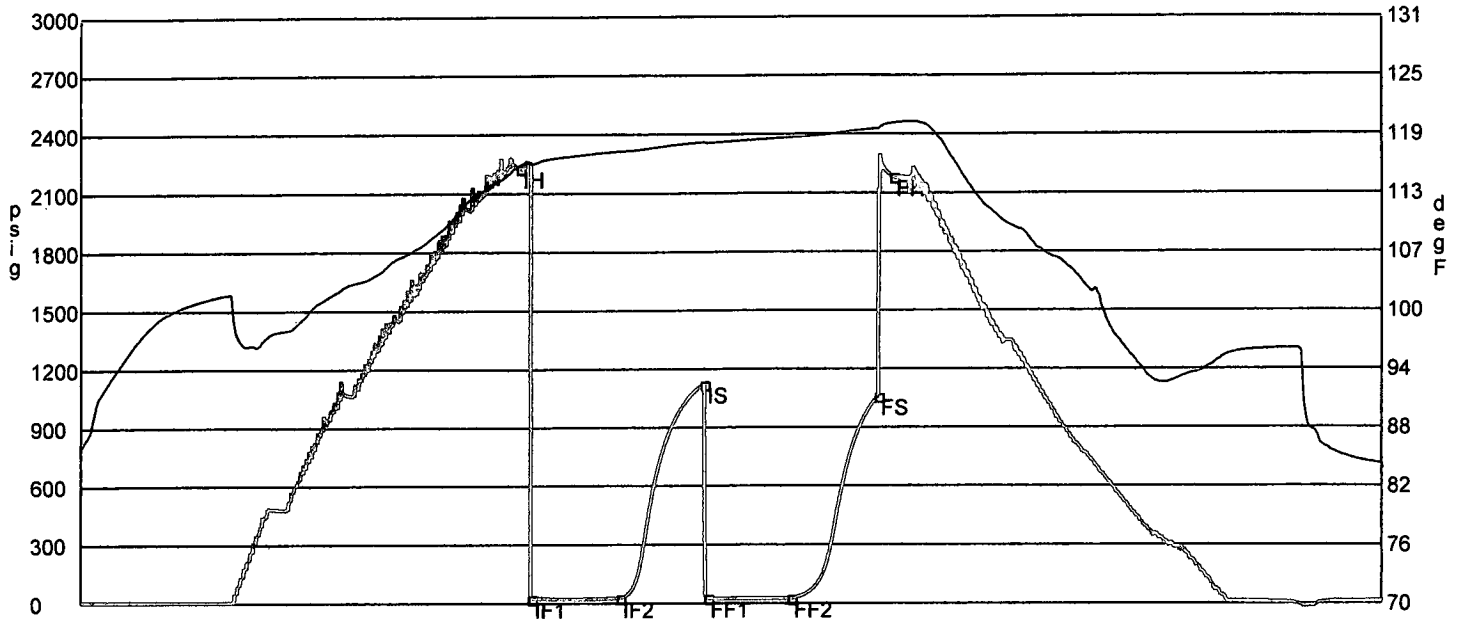
Start Date/Time **8/8/2009 12:36 PM**  
 End Date/Time **8/8/2009 8:07 PM**

**RECOVERY**

Feet	Description	Gas	Oil	Water	Mud
25	Heavy oil cut mud	0% 0ft	33% 8.2ft	0% 0ft	67% 16.8ft
5	Clean oil	0% 0ft	100% 5ft	0% 0ft	0% 0ft

DST Fluids **0**

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	Date	Time	Pressure	Temp	
IH	8/8/2009 3:06:45 PM	2.5125	2228.16	115.563	Initial Hydro-static
IF1	8/8/2009 3:11:00 PM	2.583333	24.888	115.729	Initial Flow (1)
IF2	8/8/2009 3:41:45 PM	3.095833	26.929	117.036	Initial Flow (2)
IS	8/8/2009 4:11:00 PM	3.583333	1123.165	117.98	Initial Shut-In
FF1	8/8/2009 4:12:15 PM	3.604167	26.988	117.871	Final Flow (1)
FF2	8/8/2009 4:41:15 PM	4.0875	25.968	118.457	Final Flow (2)
FS	8/8/2009 5:11:30 PM	4.591667	1059.284	119.34	Final Shut-In
FH	8/8/2009 5:16:45 PM	4.679167	2181.485	119.926	Final Hydro-static

**GAS FLOWS**

Min Into IFP   Min Into FFP   Gas Flows   Pressure   Choke

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Company	<b>Palomino Petroleum, Inc.</b>	Lease Name	<b>Hagans</b>
Address	<b>4924 SE 84th St.</b>	Lease #	<b>1</b>
CSZ	<b>Newton, KS 67114</b>	Legal Desc	<b>See Comments</b>
Attn.	<b>Nick Gerstner</b>	Section	<b>15</b>
		Township	<b>16S</b>
		County	<b>Ness</b>
		Drilling Cont	<b>Maverick Drlg. LLC Rig # 102</b>
Job Ticket		Range	<b>2082</b>
		State	<b>KS</b>

Comments    **Legal Description: 1890' FSL & 330' FEL**

**GENERAL INFORMATION**

Test # 2	Test Date	<b>8/9/2009</b>	Chokes	<b>3/4</b>	Hole Size	<b>7 7/8</b>
Tester	<b>Tim Venters</b>		Top Recorder #	<b>W1119</b>		
Test Type	<b>Conventional Bottom Hole</b>		Mid Recorder #			
	<b>Successful Test</b>		Bott Recorder #	<b>13565</b>		
# of Packers	<b>2.0</b>	Packer Size	<b>6 3/4</b>	Mileage	<b>60</b>	Approved By
				Standby Time	<b>0</b>	
Mud Type	<b>Gel Chem</b>			Extra Equipmnt	<b>Jars &amp; Safety joint</b>	
Mud Weight	<b>9.2</b>	Viscosity	<b>55.0</b>	Time on Site	<b>2:00 AM</b>	
Filtrate	<b>8.4</b>	Chlorides	<b>1900</b>	Tool Picked Up	<b>4:00 AM</b>	
				Tool Layed Dwn	<b>11:50 AM</b>	
Drill Collar Len	<b>0</b>			Elevation	<b>2577.00</b>	Kelley Bushings <b>2583.00</b>
Wght Pipe Len	<b>0</b>					
Formation	<b>Mississippian</b>			Start Date/Time	<b>8/9/2009 3:12 AM</b>	
Interval Top	<b>4444.0</b>	Bottom	<b>4523.0</b>	End Date/Time	<b>8/9/2009 12:30 PM</b>	
Anchor Len Below	<b>79.0</b>	Between	<b>0</b>			
Total Depth	<b>4523.0</b>					
Blow Type	<b>Strong blow throughout the initial flow period, reaching the bottom of the bucket in 9 1/2 minutes. Weak surface blow back throughout the initial shut-in period. Strong blow throughout the final flow period, reaching the bottom of the bucket in 9 minutes. Weak surface blow back throughout the final shut-in period. Times: 30, 30, 30, 30. Oil Gravity: 36.</b>					

**RECOVERY**

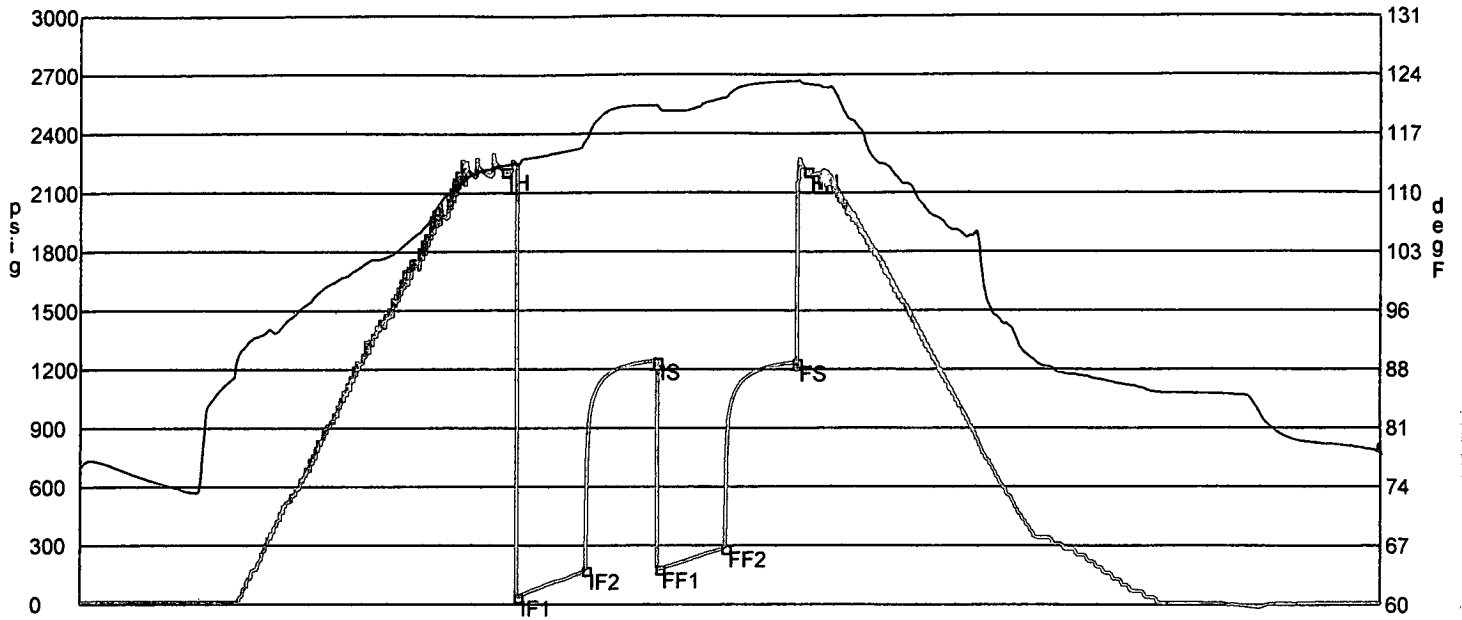
Feet	Description	Gas	Oil	Water	Mud
205	Gassy oil	0% 0ft	100% 205ft	0% 0ft	0% 0ft
110	Slight gas, mud cut oil	10% 11ft	67% 73.7ft	0% 0ft	23% 25.3ft
250	Heavy gas, heavy mud cut oil	22% 55ft	45% 112.5ft	0% 0ft	33% 82.5ft
75	Gassy, very slight mud cut oil	0% 0ft	97% 72.8ft	0% 0ft	3% 2.2ft
50	Gas & mud cut oil	17% 8.5ft	65% 32.5ft	0% 0ft	18% 9ft
120	Gas in Pipe	100% 120ft	0% 0ft	0% 0ft	0% 0ft

DST Fluids    **0**

RECEIVED

OCT 30 2009

KCC WICHITA



	Date	Time	Pressure	Temp	
IH	8/9/2009 6:12:45 AM	3.0125	2212.88	113.014	Initial Hydro-static
IF1	8/9/2009 6:18:30 AM	3.108333	39.401	113.08	Initial Flow (1)
IF2	8/9/2009 6:48:00 AM	3.6	175.81	116.106	Initial Flow (2)
IS	8/9/2009 7:18:15 AM	4.104167	1244.831	120.187	Initial Shut-in
FF1	8/9/2009 7:19:30 AM	4.125	182.193	119.751	Final Flow (1)
FF2	8/9/2009 7:48:00 AM	4.6	287.654	121.14	Final Flow (2)
FS	8/9/2009 8:18:15 AM	5.104167	1236.952	123.102	Final Shut-In
FH	8/9/2009 8:23:00 AM	5.183333	2209.966	122.796	Final Hydro-static

**GAS FLOWS**

<u>Min Into IFP</u>	<u>Min Into FFP</u>	<u>Gas Flows</u>	<u>Pressure</u>	<u>Choke</u>
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RECEIVED  
 OCT 30 2009  
 KCC WICHITA