

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
October 2008
Form Must Be Typed

ORIGINAL

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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 # 5184
Name: Shields Drilling Company, Inc.
Wellsite Geologist: Sean P. Deenihan
Purchaser: NCRA

Designate Type of Completion:
 New Well _____ Re-Entry _____ Workover
 Oil _____ SWD _____ SIOW
_____ 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.: _____
3/3/10 3/12/10 3/12/10
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. ~~8~~ - 15-135-25032 - 00 - 00
Spot Description: _____
N/2 _NW _SW _SW Sec. 26 Twp. 18 S. R. 24 East West
1110 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: Fritzler Well #: 1
Field Name: None (Wildcat)
Producing Formation: Mississippian
Elevation: Ground: 2276 Kelly Bushing: 2281
Total Depth: 4421 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 217 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 1519 Feet
If Alternate II completion, cement circulated from: 1519
feet depth to: surface w/ 150 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: _____ ppm Fluid volume: _____ bbls
Dewatering method used: _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License 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: June 2, 2010

Subscribed and sworn to before me this 2nd day of June,

20 10
Notary Public: Carla R. Penwell

Date Commission Expires: October 6, 2011

NOTARY PUBLIC - State of Kansas
CARLA R. PENWELL
My Appt. Expires 10-6-13

KCC Office Use ONLY
 Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received

UIC Distribution
Alt 2 - Dlg - 6-14-10

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JUN 07 2010

KCC WICHITA

Operator Name: Palomino Petroleum, Inc. Lease Name: Fritzler Well #: 1
 Sec. 26 Twp. 18 S. R. 24 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: Radiation Guard	<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:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhy.</td> <td>1550</td> <td>(+ 731)</td> </tr> <tr> <td>Base Anhy.</td> <td>1582</td> <td>(+ 699)</td> </tr> <tr> <td>Topeka</td> <td>3358</td> <td>(-1077)</td> </tr> <tr> <td>Heebner</td> <td>3666</td> <td>(-1385)</td> </tr> <tr> <td>Lansing</td> <td>3686</td> <td>(-1405)</td> </tr> <tr> <td>BKC</td> <td>3996</td> <td>(-1715)</td> </tr> <tr> <td>Marmaton</td> <td>4034</td> <td>(-1753)</td> </tr> </table>	Name	Top	Datum	Anhy.	1550	(+ 731)	Base Anhy.	1582	(+ 699)	Topeka	3358	(-1077)	Heebner	3666	(-1385)	Lansing	3686	(-1405)	BKC	3996	(-1715)	Marmaton	4034	(-1753)
Name	Top	Datum																							
Anhy.	1550	(+ 731)																							
Base Anhy.	1582	(+ 699)																							
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Heebner	3666	(-1385)																							
Lansing	3686	(-1405)																							
BKC	3996	(-1715)																							
Marmaton	4034	(-1753)																							

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#	217'	Common	150	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4408'	SMD	50	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 <i>(Amount and Kind of Material Used)</i>	Depth
4	4318-4321	Acidized with 250 gal. 20% MCA (3% ms)	

TUBING RECORD:	Size: <u>2 7/8"</u>	Set At: <u>4376'</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. <u>4/26/10</u>		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. <u>3%</u> <u>15</u>	Gas Mcf	Water Bbls. <u>97%</u> <u>450</u>	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: <div style="text-align: right; font-weight: bold; font-size: 1.2em;">RECEIVED</div>
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JUN 07 2010

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LOGS

Pawnee	4121	(-1840)
Ft. Scott	4200	(-1919)
Cherokee	4224	(-1943)
Miss.	4300	(-2019)
LTD	4421	(-2140)

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JUN 07 2010
KCC WICHITA



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



Invoice

DATE	INVOICE #
3/30/2010	18496

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

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APR 03 2010

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1-26	Fritzler	Ness	DS&W Well Servi...	Oil	Development	Acidize	Dusty
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				10	Miles	5.00	50.00
501D	Acid Pump Charge				1	Job	600.00	600.00
303 - 20%	MCA Acid				250	Gallons	2.25	562.50
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00
232	Musal ESA-64				8	Gallon(s)	15.00	120.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
	Subtotal							1,417.50
	Sales Tax Ness County						5.30%	0.00

We Appreciate Your Business!

Total

\$1,417.50

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JUN 07 2010

KCC WICHITA



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

RECEIVED
 JUN 17 2010
 KCC WICHITA

TICKET
 18496

PAGE 1 OF 1

SERVICE LOCATIONS
 1. **NESS CITY KS.**
 WELL/PROJECT NO. **1-26** LEASE **FRETZLER** COUNTY/PARISH **NESS Co.** STATE **KS.** CITY **NESS CITY KS.** DATE **033010** OWNER
 2. TICKET TYPE SERVICE SALES CONTRACTOR **DS:W** RIG NAME/NO. **JEM** SHIPPED VIA **2 W. ROP, 4 IN 2 ENT** DELIVERED TO **2 W. ROP, 4 IN 2 ENT** ORDER NO.
 3. WELL TYPE **OIL WELL** WELL CATEGORY **DEVELOPMENT** JOB PURPOSE **ACIDEZE** WELL PERMIT NO. WELL LOCATION **sec 26-185-24W**
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
500		1			MILEAGE 107	1	@	10	ML	5.00	50.00
501		1			ACID Pump CHARGE	1	@			600.00	600.00
303		1			MCA ACID	250	gal	20	%	2.25	562.50
221		1			LIQUID KLL	2	gal			25.00	50.00
332		1			MUSAL	8	gal	3	%	15.00	120.00
235		1			INHIB-1	1	gal			35.00	35.00

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 **033010** TIME SIGNED **1600** 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
 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	1417.50
TOTAL	1417.50

ness TAX 5.3%

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

SWIFT OPERATOR **DUSTY D. FULL**

APPROVAL **Job Done By Jeff**

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 033010 PAGE NO. 7

CUSTOMER PALMWOOD PETR. EX. WELL NO. 1-26 LEASE FRETZLER JAMES JOB TYPE ACIDEZE TICKET NO. 18496

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1446							DN LOCATED
								PERFS 4315-4318 S 1/2 14# .0244
	1502		.1		✓		0	START PUMP IN
	1530		102		✓		VAC	SITUT DOWN LET LOAD 313bl SITORT
			107		✓		VAC	1 Bbl @ 45 sec.
	1535	1					500	
	1536	.5			✓			
		.75	109.5		✓		300	
		.75	110		✓		400	FEED
	1539		115		✓		300	BREAK @ 111.75 Bbl, ACID DONE
							VAC	1 Bbl OVER FLUSH, SITUT DOWN
								30 sec.
								REN DOWN
								THANK YOU JEFF & SITANE

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KCC WICHITA

SWIFT



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



Invoice

DATE	INVOICE #
3/26/2010	18429

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

RECEIVED

MAR 27 2010

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fritzler	Ness	DS&W Well Servi...	Oil	Development	Cement Top Stage	Brett

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	5	Miles	5.00	25.00
576D-D	Pump Charge	1	Job	1,100.00	1,100.00
581D	Service Charge Cement	200	Sacks	1.50	300.00
582D	Minimum Drayage Charge	1	Each	250.00	250.00
330	Swift Multi-Density Standard (MIDCON II)	150	Sacks	14.00	2,100.00T
276	Flocele	50	Lb(s)	1.50	75.00T
290	D-Air	2	Gallon(s)	35.00	70.00T
105	Port Collar Tool Rental With Man	1	Each	300.00	300.00T
	Subtotal				4,220.00
	Sales Tax Ness County			5.30%	134.89

We Appreciate Your Business!

Total

\$4,354.89

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JUN 07 2010
KCC WICHITA



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

RECEIVED
 JUN 17 2010

TICKET
 18429

PAGE 1 OF 1

SERVICE LOCATIONS
 1. Ness City KS WELL/PROJECT NO. 1 LEASE Fritzler COUNTY/PARISH Ness STATE KS CITY Ness City DATE 3-26-10 OWNER
 2. TICKET TYPE SALES CONTRACTOR DSTW Well Service RIG NAME/NO. SHIPPED VIA DELIVERED TO Ness City ORDER NO.
 3. WELL TYPE Oil WELL CATEGORY Development JOB PURPOSE Cement Top Stage WELL PERMIT NO. WELL LOCATION Ness City 2W, Ninte
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

KCC WICHITA

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			U/M			
575		1			MILEAGE <u>Trk # 114</u>		<u>5</u>	<u>mi</u>	<u>5.00</u>	<u>25.00</u>
576D		1			<u>Pump Charge Port Collar</u>		<u>1</u>	<u>lea</u>	<u>1100.00</u>	<u>1100.00</u>
581		1			<u>Service Charge Cement</u>		<u>200</u>	<u>skb</u>	<u>1.50</u>	<u>300.00</u>
582		1			<u>Minimum Drayage Charge</u>		<u>1</u>	<u>lea</u>	<u>250.00</u>	<u>250.00</u>
330		1			<u>Swift Multi-Density Standard</u>		<u>150</u>	<u>skb</u>	<u>14.00</u>	<u>2100.00</u>
276		1			<u>Floccle</u>		<u>50</u>	<u>lbs</u>	<u>1.50</u>	<u>75.00</u>
290		1			<u>D-Air</u>		<u>2</u>	<u>gal</u>	<u>35.00</u>	<u>70.00</u>
105		1			<u>Port Collar Tool Rental w/man</u>		<u>1</u>	<u>lea</u>	<u>300.00</u>	<u>300.00</u>

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 3-26-10 TIME SIGNED 1100 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	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				4220	00
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				<u>Ness</u>	
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		<u>5.3%</u>	<u>TAX</u>
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	4354.89

JOB LOG

SWIFT Services, Inc.

DATE 3-26-10 PAGE NO.

CUSTOMER Palomira Petra. WELL NO. 1 LEASE Fritzier JOB TYPE Cement Top Stage TICKET NO. 18429

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1100							On Location 2 7/8 x 5 1/2 PC @ 1519'
	1115			✓			1000	Pressure Test - Held
	1120	3 1/2		✓		400		Open Tool Injection Rate
	1125	3 1/2		✓		400		Start Cement 11.2 ppg
		4	75	✓		500		Cement to Surface 150 sks Total 15 sks to pit
			83	✓				Shut Down Cement - Start Displace
			5			200		Shut Down - Shut in
	1145							Close Tool
							1000	Pressure Test - Held
								Run 4 Jts
	1155		20	✓				Reverse Clean
								Wash Truck
	1230							Job Complete
								Thank you Brett, Dave + Rob

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SWIFT



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



Invoice

DATE	INVOICE #
3/12/2010	18458

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

RECEIVED

MAR 16 2010

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Fritzler	Ness	Shields Drilling	Oil	Development	LongString	Nick
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				10	Miles	5.00	50.00
578D-L	Pump Charge - Long String - 4420 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				10	Each	55.00	550.00T
403-5	5 1/2" Cement Basket				4	Each	180.00	720.00T
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
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							9,440.00
	Sales Tax Ness County						5.30%	394.32

We Appreciate Your Business!

Total

\$9,834.32

RECEIVED
JUN 07 2010
KCC WICHITA



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

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 JUN 07 2010
 KCC WICHITA

TICKET
 18458

PAGE 1 OF 2

SERVICE LOCATIONS
 1. Hays, Ks. WELL/PROJECT NO. #1 LEASE Fritaker COUNTY/PARISH Ness STATE Ks CITY DATE 3-12-10 OWNER Same
 2. Ness City, Ks. TICKET TYPE SERVICE CONTRACTOR Shields Drlg RIG NAME/NO. SHIPPED VIA EL DELIVERED TO Location ORDER NO.
 3. WELL TYPE oil WELL CATEGORY Development JOB PURPOSE Longstring WELL PERMIT NO. WELL LOCATION
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF								
575		1			MILEAGE #111	10		mi		5.00	50	00
578		1			Pump Charge (Longstring)	1		ea	4420	1400.00	1400	00
221		1			KCL	2		gal		25.00	50	00
281		1			Mud Flush	500		gal		1.00	500	00
290		1			D-Air	2		gal		35.00	70	00
402		1			Centralizers	10		ea	5 1/2	55.00	550	00
403		1			Baskets	4		ea		180.00	720	00
404		1			Port Collar	1		ea		1900.00	1900	00
406		1			L.D. Plug & Baffle	1		ea		225.00	225	00
407		1			Insert Float Shoe w/kill	1		ea		275.00	275	00
419		1			Rotating Head	1		ea		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 3-12-10 TIME SIGNED 1730 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	
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND			

PAGE TOTAL	5890	00
Page 2	3530	00
Subtotal	9440	00
Tax	394	32
TOTAL	9834	32

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

SWIFT OPERATOR Mick Korb APPROVAL [Signature]

Thank You!



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

TICKET CONTINUATION

TICKET No. 18458

CUSTOMER *Palomino Petroleum* WELL # *#1 Britale-* DATE *3-12-10* PAGE *2* OF *2*

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			QTY.	UM	QTY.	UM	
325		2				Standard Cement	100	sk	11	00	1100 ⁰⁰
330		2				SMD Cement	100	sk	14	00	1400 ⁰⁰
276		2				Flocele	52	#	1	50	25 ⁰⁰
283		2				Salt	500	#			75 ⁰⁰
284		2				Cal Seal	5	sk			150 ⁰⁰
285		2				CFR-1	50	#	4	00	200 ⁰⁰
581						SERVICE CHARGE					
582						MILEAGE CHARGE					
						TOTAL WEIGHT					
						LOADED MILES					
						TON MILES					
						Minimum Charge			250	00	250 ⁰⁰

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CONTINUATION TOTAL 3550⁰⁰

JOB LOG

SWIFT Services, Inc.

DATE 3-12-10 PAGE NO. 1

CUSTOMER Palomares Petroleum WELL NO. #7 LEASE Fritzler JOB TYPE Long string TICKET NO. 18458

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1200							on loc w/ FE
								RTD 4420'
								5 1/2" x 14 # x 4408' x 32'
								Cent. 1-8, 10, 69
								Baskets 2, 6, 70
								P.L. 70 @ 1519'
	1310							start FE.
	1520							Break circulation
	1630	2.5	7/4					Plug RH4MH, 2 5/8 SMD cement
	1640	4	0			150		Start Mud Flush
		4	12/0			150		start KCL Flush
		5.5	20/0			200		start Cement 60 sks SMD cement
		5.5	35/0			200		start Cement 100 sks EA-2 cement
	1700		24					End cement wash P/L
								Drop L.D. Plug
	1703	6.5	0			200		start Displacement
	1715	5	74			225		catch Cement
	1722		107			750/1400		Land Plug Release Pressure Float Held

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Thank you

Nick, Josh F. & Jason F.

Quality Oilwell Cementing Inc.

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

Invoice

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Date	Invoice #
3/10/2010	2354

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

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
150	common	10.50	1,575.00T
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
2	pump truck mileage charge	7.00	14.00
352	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-352.00T
226	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-226.00
	LEASE: FRITZLER WELL #1 Ness county Sales Tax	5.30%	78.65
Thank you for your business. Dave		Total	\$2,466.65

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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. 3628

Date	3-4-10	Sec.	26	Twp.	15	Range	14	County	NESS	State	Ks	On Location	Finish
Lease	Fetzler		Well No.	1		Location		Ness City Ks					
Contractor	Shields Orlg						Owner	Zw to P rd 1/4 N E into					
Type Job	Surface						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.						
Hole Size	12 1/4		T.D.	220		Charge To		Palomino Pst.					
Csg.	8 5/8 20'		Depth	217		Street							
Tbg. Size			Depth			City		State					
Tool			Depth			The above was done to satisfaction and supervision of owner agent or contractor.							
Cement Left in Csg.	15		Shoe Joint	15		CEMENT							
Meas Line			Displace	13.1 Bbls									
EQUIPMENT							Amount Ordered	150 sk Common 2% Gel 3% CC					
Pumptrk	5	No.	Cementer	JOE		Common	150 @ 10.00		1500.00				
Bulktrk	11	No.	Helper	RECK		Poz. Mix							
Bulktrk	PV	No.	Driver	JOE		Gel.	3 @ 17.00		51.00				
JOB SERVICES & REMARKS							Calcium	5 @ 42.00		210.00			
Remarks:							Hulls						
Run 5 #s 8 5/8 20' set @ 217							Salt						
Mix Pump 150sk Common							Flowseal						
2% Gel 3% CC													
15% Gal 1.35 #13													
SHUT DOWN							Handling	158 @ 2.00		316.00			
RELEASE PLOG							Mileage	08 PLOG FOR M. 18		350.00			
DISP 13.1 Bbls total							FLOAT EQUIPMENT						
Close Valve on Csg 200'							Guide Shoe						
Good CML thru JOBS							Centralizer						
CML CUT TO PIT							Baskets						
							AFU Inserts						
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							JUN 07 2010						
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							Pumptrk Charge	Surface		450.00			
							Mileage	2 @ 7.00		14.00			
							Tax			78.65			
							Discount			(578.00)			
							Total Charge			2466.65			
Thank TOO JOB RECK Signature: <i>[Signature]</i>							PLEASE CALL AGAIN						

Company	Palomino Petroleum, Inc.	Lease Name	Fritzler	
Address	4924 SE 84th Street	Lease #	1	
CSZ	Newton, KS 67114	Legal Desc	N/2 NW SW SW	Job Ticket 3072
Attn.	Sean Deenihan	Section	26	Range 24W
		Township	18S	
		County	Ness	State KS
		Drilling Cont	Shields Drilling #2	
Comments	Wildcat			

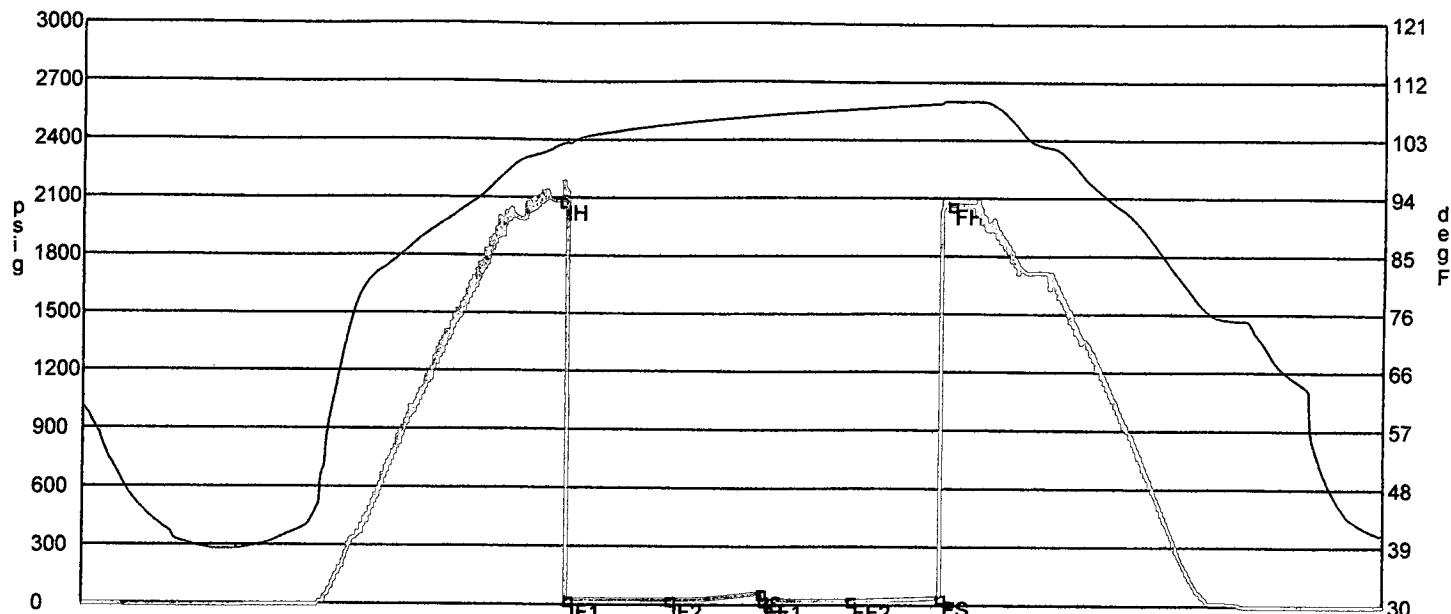
GENERAL INFORMATION

Test # 1	Test Date	3/10/2010	Chokes	3/4	Hole Size	7 7/8
Tester	Jimmy Ricketts		Top Recorder #	13767		
Test Type	Conventional Bottom Hole		Mid Recorder #			
	Successful Test		Bott Recorder #	w1023		
# of Packers	2.0	Packer Size	6 3/4	Mileage	135	Approved By
Mud Type	Gel Chem		Standby Time	0		
Mud Weight	9.2	Viscosity	55.0	Extra Equipmnt	Jars & Safety Joint	
Filtrate	10.0	Chlorides	5900	Time on Site	1:00 AM	
				Tool Picked Up	2:00 AM	
				Tool Layed Dwn	8:00 AM	
Drill Collar Len	0			Elevation	2276.00	Kelley Bushings 2281.00
Wght Pipe Len	466.0					
Formation	Mississippian			Start Date/Time	3/10/2010 1:39 AM	
Interval Top	4236.0	Bottom	4311.0	End Date/Time	3/10/2010 8:54 AM	
Anchor Len Below	75.0	Between	0			
Total Depth	4311.0					
Blow Type	Weak blow building to 1/2" initial flow period. No blow final flow period.					
	Times: 35, 30, 30, 30.					

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
10	Oil cut mud	0% 0ft	13% 1.3ft	0% 0ft	87% 8.7ft
DST Fluids	0				

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	Date	Time	Pressure	Temp	
IH	3/10/2010 4:19:00 AM	2.666667	2080.613	102.25	Initial Hydro-static
IF1	3/10/2010 4:21:00 AM	2.7	22.343	102.324	Initial Flow (1)
IF2	3/10/2010 4:55:20 AM	3.272222	23.74	105.244	Initial Flow (2)
IS	3/10/2010 5:26:00 AM	3.783333	60.994	106.55	Initial Shut-In
FF1	3/10/2010 5:26:40 AM	3.794444	23.101	106.568	Final Flow (1)
FF2	3/10/2010 5:56:10 AM	4.286111	22.399	107.659	Final Flow (2)
FS	3/10/2010 6:26:00 AM	4.783333	39.441	108.584	Final Shut-In
FH	3/10/2010 6:29:10 AM	4.836111	2061.115	108.923	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

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Company	Palomino Petroleum, Inc.	Lease Name	Fritzler	
Address	4924 SE 84th Street	Lease #	1	
CSZ	Newton, KS 67114	Legal Desc	N/2 NW SW SW	Job Ticket 3072
Attn.	Sean Deenihan	Section	26	Range 24W
		Township	18S	State KS
		County	Ness	
		Drilling Cont	Shields Drilling #2	
Comments	Wildcat			

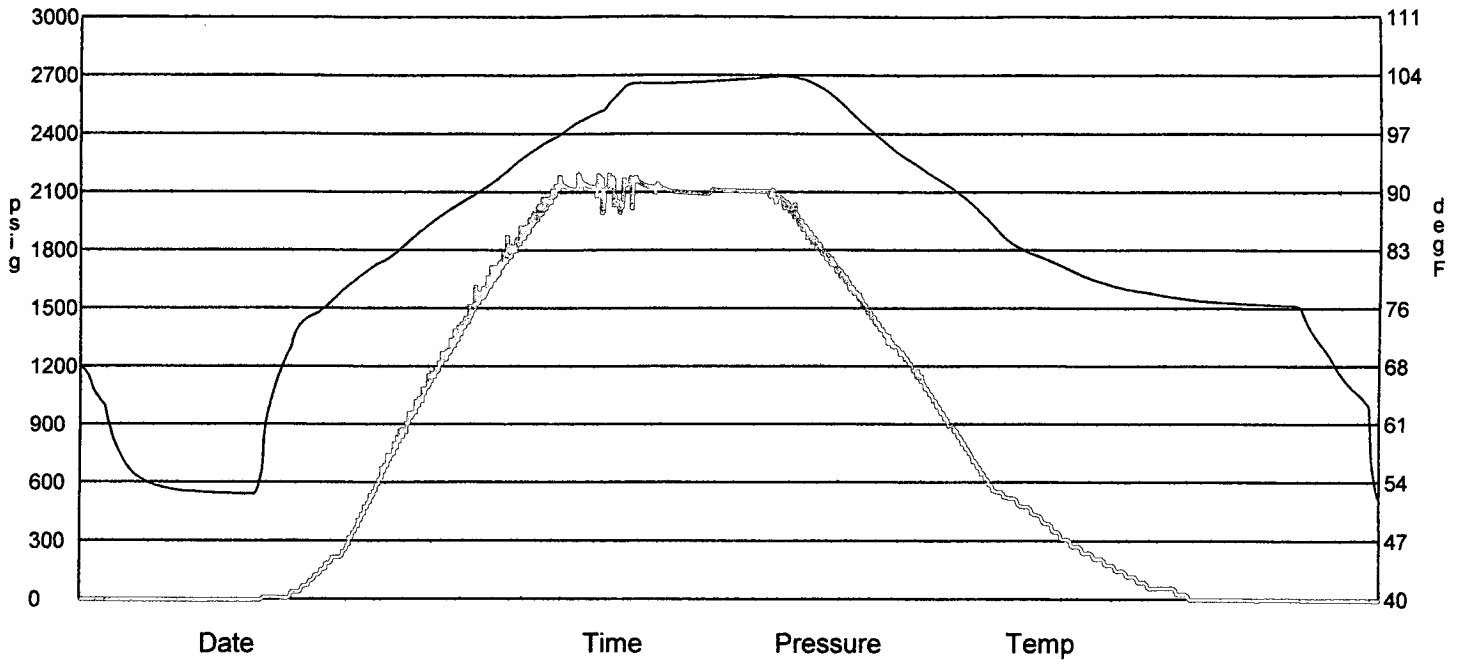
GENERAL INFORMATION

Test # 2	Test Date 3/10/2010	Chokes 3/4	Hole Size 7 7/8
Tester Jimmy Ricketts		Top Recorder # 13767	
Test Type Conventional Bottom Hole		Mid Recorder #	
Mis-run		Bott Recorder # w1023	
# of Packers 2.0	Packer Size 6 3/4	Mileage 0	Approved By
Mud Type Gel Chem		Standby Time 0	
Mud Weight 9.3	Viscosity 48.0	Extra Equipmnt Jars & Safety Joint	
Filtrate 8.8	Chlorides 6400	Time on Site 12:00 AM	
Drill Collar Len 0		Tool Picked Up 4:00 PM	
Wght Pipe Len 466.0		Tool Layed Dwn 9:00 PM	
Formation Mississippian		Elevation 2276.00	Kelley Bushings 2281.00
Interval Top 4305.0	Bottom 4316.0	Start Date/Time 3/10/2010 3:39 PM	
Anchor Len Below 11.0	Between 0	End Date/Time 3/10/2010 9:12 PM	
Total Depth 4316.0			
Blow Type No packer seat. Tried three times to seat packers.			

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
1140	Drilling mud	0% 0ft	0% 0ft	0% 0ft	100% 1140ft
DST Fluids	0				

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GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

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Company **Palomino Petroleum, Inc.**
 Address **4924 SE 84th Street**
 CSZ **Newton, KS 67114**
 Attn. **Sean Deenihan**

Lease Name **Fritzler**
 Lease # **1**
 Legal Desc **N/2 NW SW SW**
 Section **26**
 Township **18S**
 County **Ness**
 Drilling Cont **Shields Drilling #2**

Job Ticket **3072**
 Range **24W**
 State **KS**

Comments **Wildcat**

GENERAL INFORMATION

Test # **3** Test Date **3/10/2010**
 Tester **Jimmy Ricketts**
 Test Type **Conventional Bottom Hole**

Chokes **3/4** Hole Size **7 7/8**
 Top Recorder # **13767**
 Mid Recorder #
 Bott Recorder # **w1023**

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

Mileage **0** Approved By
 Standby Time **0**
 Extra Equipmnt **Jars & Safety Joint**
 Time on Site **12:00 AM**
 Tool Picked Up **10:00 PM**
 Tool Layed Dwn **3:30 AM**

Mud Type **Gel Chem**
 Mud Weight **9.3** Viscosity **48.0**
 Filtrate **8.8** Chlorides **6400**

Drill Collar Len **0**
 Wght Pipe Len **466.0**

Elevation **2276.00** Kelley Bushings **2281.00**

Formation **Mississippian**
 Interval Top **4241.0** Bottom **4316.0**
 Anchor Len Below **75.0** Between **0**
 Total Depth **4316.0**

Start Date/Time **3/10/2010 9:18 PM**
 End Date/Time **3/11/2010 4:12 AM**

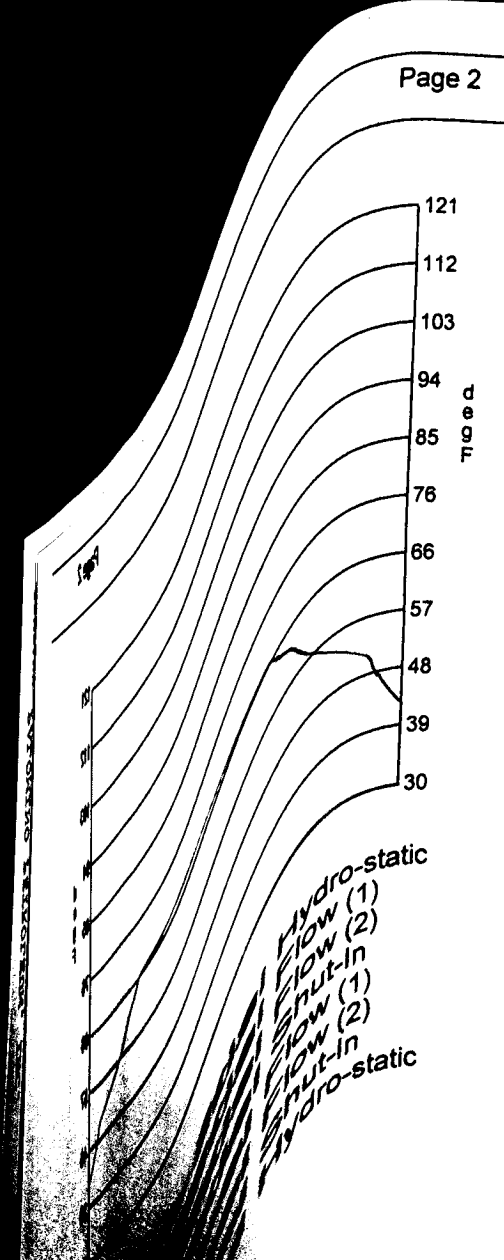
Blow Type **Weak blow building to 1 1/2" initial flow period. Surface blow throughout final flow period. Times: 30, 30, 30, 34.**

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
1	Clean oil	0% 0ft	100% 1ft	0% 0ft	0% 0ft
25	Slight oil cut mud	0% 0ft	1% 0.2ft	0% 0ft	99% 24.8ft

DST Fluids **0**

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Company **Palomino Petroleum, Inc.**
 Address **4924 SE 84th Street**
 CSZ **Newton, KS 67114**
 Attn. **Sean Deenihan**

Lease Name **Fritzler**
 Lease # **1**
 Legal Desc **N/2 NW SW SW**
 Section **26**
 Township **18S**
 County **Ness**
 Drilling Cont **Shields Drilling #2**

Job Ticket **3072**
 Range **24W**
 State **KS**

Comments **Wildcat**

GENERAL INFORMATION

Test # **4** Test Date **3/11/2010**
 Tester **Jimmy Ricketts**
 Test Type **Straddle**
Successful Test
 # of Packers **3.0** Packer Size **6 3/4**

Mud Type **Gel Chem**
 Mud Weight **9.3** Viscosity **48.0**
 Filtrate **10.4** Chlorides **7100**

Drill Collar Len **0**
 Wght Pipe Len **407.0**

Formation **Mississippian**
 Interval Top **4261.0** Bottom **4322.0**
 Anchor Len Below **99.0** Between **61.0**
 Total Depth **4421.0**
 Blow Type **Weak blow building to strong blow 13 minutes into initial flow period. Weak blow building to strong blow 19 minutes into final flow period. 3" blow back during final shut-in period. Pressure at the 30 minute mark of final shut-in was 1256. API gravity was 36. Times: 30, 30, 30, 61.**

Chokes **3/4** Hole Size **7 7/8**
 Top Recorder # **w1023**
 Mid Recorder #
 Bott Recorder # **13767**
 Mileage **0** Approved By
 Standby Time **0**
 Extra Equipmnt **Jars, Safety Joint, and Extra Packer**
 Time on Site **5:00 PM**
 Tool Picked Up **7:00 PM**
 Tool Layed Dwn **2:00 AM**
 Elevation **2276.00** Kelley Bushings **2281.00**

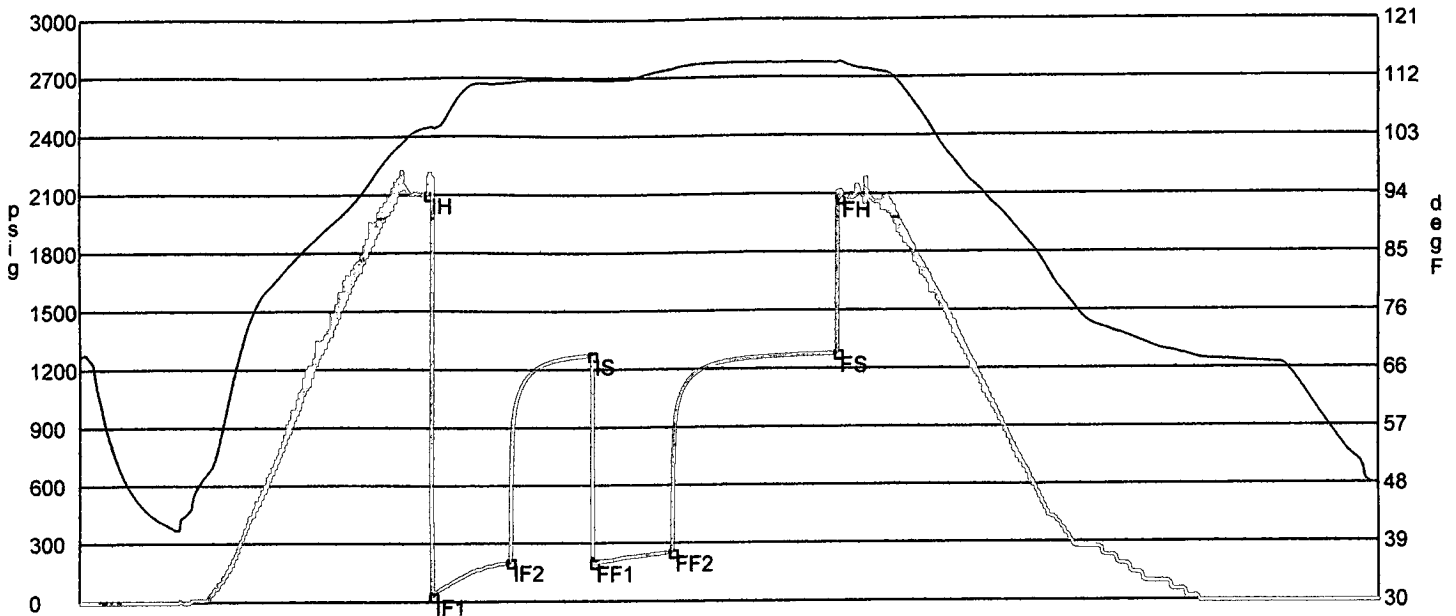
Start Date/Time **3/11/2010 6:36 PM**
 End Date/Time **3/12/2010 2:38 AM**

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
65	Clean oil	0% 0ft	100% 65ft	0% 0ft	0% 0ft
500	Gassy heavy oil cut mud	9% 45ft	33% 165ft	0% 0ft	58% 290ft

DST Fluids **0**

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	Date	Time	Pressure	Temp	
IH	3/11/2010 8:44:20 PM	2.138889	2099.801	104.162	Initial Hydro-static
IF1	3/11/2010 8:46:20 PM	2.172222	30.675	104.099	Initial Flow (1)
IF2	3/11/2010 9:15:20 PM	2.655556	203.07	111.112	Initial Flow (2)
IS	3/11/2010 9:45:40 PM	3.161111	1273.727	111.718	Initial Shut-In
FF1	3/11/2010 9:46:20 PM	3.172222	197.702	111.584	Final Flow (1)
FF2	3/11/2010 10:15:40 PM	3.661111	250.781	113.286	Final Flow (2)
FS	3/11/2010 11:17:00 PM	4.683333	1276.798	114.165	Final Shut-In
FH	3/11/2010 11:17:40 PM	4.694444	2075.499	114.281	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

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