

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

RECEIVED
KANSAS CORPORATION COMMISSION

CONTRACTOR: License # 5123

Name: Pickrell Drilling Co., Inc. **JUN 30 2010**

Wellsite Geologist: Robert A. Schreiber

CONSERVATION DIVISION
WICHITA, KS

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.: _____

3/31/10 4/10/10 4/10/10

Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15-135-25046-0000

Spot Description: _____

SE SE NW SW Sec. 35 Twp. 20 S. R. 26 East West

1500 Feet from North / South Line of Section

1150 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE NW SE SW

County: Ness

Lease Name: Goodman Family Trust Well #: 1

Field Name: None (Wildcat)

Producing Formation: Mississippian

Elevation: Ground: 2442 Kelly Bushing: 2447

Total Depth: 4716 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 230 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: 1661 Feet

If Alternate II completion, cement circulated from: 1661

feet depth to: surface w/ 130 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 29, 2010

Subscribed and sworn to before me this 29th day of June

20 10

Notary Public: Carla R. Penwell

Date Commission Expires: October 6, 2013

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

KCC Office Use ONLY

N Letter of Confidentiality Received

If Denied, Yes Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

AK2-DG-7/16/10

Operator Name: Palomino Petroleum, Inc. Lease Name: Goodman Family Trust Well #: 1
 Sec. 35 Twp. 20 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: Dual Induction, Compensated Density/Neutron, Sonic, Micro	<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>1672</td> <td>(+ 775)</td> </tr> <tr> <td>Base Anhy.</td> <td>1704</td> <td>(+ 743)</td> </tr> <tr> <td>Topeka</td> <td>3437</td> <td>(- 990)</td> </tr> <tr> <td>Heebner</td> <td>3760</td> <td>(-1313)</td> </tr> <tr> <td>Toronto</td> <td>3779</td> <td>(-1332)</td> </tr> <tr> <td>LKC</td> <td>3806</td> <td>(-1359)</td> </tr> <tr> <td>BKC</td> <td>4176</td> <td>(-1729)</td> </tr> </table>	Name	Top	Datum	Anhy.	1672	(+ 775)	Base Anhy.	1704	(+ 743)	Topeka	3437	(- 990)	Heebner	3760	(-1313)	Toronto	3779	(-1332)	LKC	3806	(-1359)	BKC	4176	(-1729)
Name	Top	Datum																							
Anhy.	1672	(+ 775)																							
Base Anhy.	1704	(+ 743)																							
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Toronto	3779	(-1332)																							
LKC	3806	(-1359)																							
BKC	4176	(-1729)																							

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#	230'	Common	150	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4703'	SMD	95	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	4431-4433 RECEIVED KANSAS CORPORATION COMMISSION JUN 30 2010 CONSERVATION DIVISION WICHITA, KS	Acidized with 250 gal. 20% MCA w/musal	

TUBING RECORD:	Size: 2 7/8"	Set At: 4673'	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumed Production, SWD or Enhr. 5/8/10	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. 47% 31 Gas Mcf _____ Water Bbls. 53% 35 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: _____ _____
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LOGS

Marmaton	4204	(-1757)
Pawnee	4259	(-1812)
Ft. Scott	4324	(-1877)
Cherokee Sh.	4347	(-1900)
Miss.	4421	(-1974)
Miss. Dolo.	4425	(-1978)
Osage	4535	(-2088)
Gilmore City	4671	(-2224)
LTD	4716	(-2269)

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 30 2010

CONSERVATION DIVISION
WICHITA, KS

SWIFT



Services, Inc.

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



Invoice

DATE	INVOICE #
4/27/2010	17768

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

RECEIVED

APR 29 2010

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Goodman Fa...	Ness	DS&W Well Servi...	Oil	Development	Acidize Perfs	Blaine
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				30	Miles	5.00	150.00
501D	Acid Pump Charge				1	Job	600.00	600.00
303 - 20%	MCA Acid				250	Gallons	2.25	562.50
232	Musal ESA-64				8	Gallon(s)	15.00	120.00
249	STR-1 (Pen 88)				1	Gallon(s)	35.00	35.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
	Subtotal							1,502.50
	Sales Tax Ness County						5.30%	0.00
<p>RECEIVED KANSAS CORPORATION COMMISSION JUN 30 2010 CONSERVATION DIVISION WICHITA, KS</p>								
We Appreciate Your Business!							Total	\$1,502.50



CHARGE TO: Palamino Petroleum

ADDRESS:

CITY, STATE, ZIP CODE:

TICKET
17768

PAGE 1 OF 1

1. SERVICE LOCATIONS <u>Ness City KS</u>	WELL/PROJECT NO. <u>1</u>	LEASE <u>Fordham Family Trust</u>	COUNTY/PARISH <u>Anderson</u>	STATE <u>KS</u>	CITY <u>Ness City</u>	DATE <u>27 APR 10</u>	OWNER
2. TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>DSEW</u>	RIG NAME/NO.	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>location</u>	ORDER NO.		
3. WELL TYPE <u>oil</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>Acidize perfs</u>	WELL PERMIT NO.	WELL LOCATION <u>Landed H-S & W 3-S w into</u>			
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 TRK 108	30	mi			5.00	150.00	
303		1			MCA ACID	20	%	250	gal	2.25	562.50	
232		1			MUSOL			8	gal	15.00	120.00	
249		1			STR-1			1	gal	35.00	35.00	
235		1			inhib-1			1	gal	35.00	35.00	
501		1			Acid Pump Charge			1	ea	600.00	600.00	

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 KANSAS CORPORATION COMMISSION
 JUN 30 2010
 CONSERVATION DIVISION
 WICHITA, KS

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: _____ TIME SIGNED: _____ 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	1502	50
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?	<input type="checkbox"/> YES	<input type="checkbox"/> NO				
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	1502	50

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

SWIFT OPERATOR: Ab Campbell APPROVAL: _____

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 27 Jun 10 PAGE NO. 1

CUSTOMER Palomino WELL NO. #1 LEASE Goodman Family Trust JOB TYPE Acidize TICKET NO. 17768

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								250 gal 20% MCA w/ musol 12 bbl H ₂ O w/ KCl 5 1/2 casing pumps 431-33
	1610							on location TRK #108
	1620	4	0					pump acid pump KCl H ₂ O pump water truck H ₂ O
			6					
			18					
	1645		107				0	load casing w/o pressure shot valve on casing
	1700							Rack up truck
<p>RECEIVED KANSAS CORPORATION COMMISSION JUN 30 2010 CONSERVATION DIVISION WICHITA, KS</p>								
<p>Thank you Russ & Blaine</p>								



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



Invoice

DATE	INVOICE #
4/21/2010	17879

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

RECEIVED
 APR 24 2010

- Acidizing
- Cement
- Tool Rental

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

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	25	Miles	5.00	125.00
576D-D	Pump Charge - Port Collar	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)	130	Sacks	15.00	1,950.00T
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				4,170.00
	Sales Tax Ness County			5.30%	126.94

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUN 30 2010
 CONSERVATION DIVISION
 WICHITA, KS

We Appreciate Your Business!	Total	\$4,296.94
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CHARGE TO: Palomino Petroleum
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET
17879

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>Ness City KS</u>	WELL/PROJECT NO. <u>1</u>	LEASE <u>Goodman Family Trust</u>	COUNTY/PARISH <u>Ness</u>	STATE <u>KS</u>	CITY <u>Ness City</u>	DATE <u>4-21-10</u>	OWNER
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>DS+W Well Service</u>	RIG NAME/NO.	SHIPPED VIA	DELIVERED TO <u>S/W Laird</u>	ORDER NO.	
3.	WELL TYPE <u>Oil</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>Cement Top Stage</u>	WELL PERMIT NO.	WELL LOCATION <u>Laird, 11S, 4W, 1 1/4 SW 1/4</u>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			U/M			
575		1			MILEAGE <u>Trk # 114</u>	25	mi	5	00	125.00
5760		1			<u>Pump Charge Port Collar</u>	1	ea	1100	00	1100.00
581		1			<u>Service Charge Cement</u>	200	skts	1	50	300.00
582		1			<u>Minimum Drayage Charge</u>	1	ea	250	00	250.00
330		1			<u>Swift Multi-Density Standard</u>	130	skts	15	00	1950.00
276		1			<u>Flocele</u>	50	lbs	1	50	75.00
290		1			<u>D-Air</u>	2	gal	35	00	70.00
105		1			<u>Port Collar Tool Rental w/Man</u>	1	ea	300	00	300.00

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUN 30 2010
 CONSERVATION DIVISION
 WICHITA, KS

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

[Signature]

DATE SIGNED: 4-21-10 TIME SIGNED: 1030 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	4170.00
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?	<input type="checkbox"/> YES	<input type="checkbox"/> NO			
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	4296.94

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

SWIFT OPERATOR: Brett Corsair APPROVAL:

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 4-21-10 PAGE NO.

CUSTOMER Palomino Petroleum. WELL NO. 1 LEASE Goodman Family Trust JOB TYPE Cement Top Stage TICKET NO. 17879

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1030							On Location 2 3/8 x 5 1/2 PC @ 1661
	1145			✓			1000	Pressure Test Annulus - Held
	1150	3 1/2		✓		500		Open Tool Injection Rate
	1155	3 1/2		✓		500		Start Cement 11.2 ppg
		3 1/2	65	✓		500		Cement to Surface 130 sks Total 15 sks to pit
		3 1/2	70	✓		500		Shut Down Cement - Start Displacement
	1215		6				200	Shut Down - Shut in
	1220							Close Tool
	1225						1000	Pressure Test - Tool Closed
	1230							Run 4 Jts
	1245		20	✓				Reverse Clean
								Pull Tool
								Wash Truck
	1330							Job Complete
								Thank you
								Brett, Dave + Lane

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 30 2010

CONSERVATION DIVISION
WICHITA, KS



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



Invoice

DATE	INVOICE #
4/10/2010	18446

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

RECEIVED

APR 14 7 11 AM

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Goodman Fa...	Ness	Pickrell Drilling	Oil	Development	Cement 5-1/2" C...	Brett

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	25	Miles	5.00	125.00
578D-L	Pump Charge - Long String	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	200.00	600.00T
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	12.00	1,200.00T
330	Swift Multi-Density Standard (MIDCON II)	125	Sacks	15.00	1,875.00T
276	Flocele	56	Lb(s)	1.50	84.00T
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	225	Sacks	1.50	337.50
583D	Drayage	286.18	Ton Miles	1.00	286.18
	Subtotal				10,052.68
	Sales Tax Ness County			5.30%	418.91

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 30 2010

CONSERVATION DIVISION
WICHITA, KS

We Appreciate Your Business!

Total

\$10,471.59



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

TICKET
18446

PAGE 1 OF 2

SERVICE LOCATIONS
 1. Ness City KS WELL/PROJECT NO. 1 LEASE Goodman Family Ltd COUNTY/PARISH Ness STATE KS CITY Ness City DATE 4-10-10 OWNER _____
 2. TICKET TYPE SERVICE CONTRACTOR Pickrell Drlg. Co. RIG NAME/NO. 10 SHIPPED VIA S Bee ler DELIVERED TO _____ ORDER NO. _____
 3. WELL TYPE Oil WELL CATEGORY Development JOB PURPOSE Cement 5 1/2 Casing WELL PERMIT NO. _____ WELL LOCATION Leind 115, SW, 1 1/4 S Wint.
 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 Trk.# 114	25	mi			5.00	125.00
528		1			Pump Charge - Longstring	1	ea			1400.00	1400.00
221		1			Liquid KCL	2	gal			25.00	50.00
281		1			Mud flush	500	gal			1.00	500.00
402		1			Centralizer	10	ea	5 1/2"		55.00	550.00
403		1			Cement Basket	3	ea	5 1/2"		200.00	600.00
404		1			Port Callar	1	ea	5 1/2"		1900.00	1900.00
406		1			Latch Down Plug + Baffle	1	ea	5 1/2"		225.00	225.00
407		1			Insert Float Shoe w/AutoFill	1	ea	5 1/2"		275.00	275.00
419		1			Rotating Head Rental	1	ea	5 1/2"		150.00	150.00

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUN 30 2010
 CONSERVATION DIVISION
 WICHITA, KS

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 4-10-10 TIME SIGNED 0300 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?				1	5775.00
WE UNDERSTOOD AND MET YOUR NEEDS?				2	4277.68
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					
				TOTAL	10,471.59

subtotal 10,052.68
 TAX Ness 5.3% 418.91

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

SWIFT OPERATOR Brett Corseir APPROVAL Pat [Signature]

Thank You!



TICKET CONTINUATION

TICKET No. 18446

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

CUSTOMER Palomino Petroleum WELL Goodman Family Trust #1 DATE 4-10-10 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	sk		12 ⁰⁰	1200 ⁰⁰
330		1				Swift Multi-Density Standard	125	sk		15 ⁰⁰	1875 ⁰⁰
276		1				Flocele	56	lbs		1 ⁵⁰	84 ⁰⁰
283		1				Salt	500	lbs		0 ¹⁵	75 ⁰⁰
284		1				Cel Seal	5	sk		30 ⁰⁰	150 ⁰⁰
285		1				CFR-1	50	lbs		4 ⁰⁰	200 ⁰⁰
290		1				D-Air	2	gal		35 ⁰⁰	70 ⁰⁰
581		1				SERVICE CHARGE			CUBIC FEET	225	1 ⁵⁰ - 337 ⁵⁰
582		1				MILEAGE CHARGE	TOTAL WEIGHT 22894	LOADED MILES 25	TON MILES	286.18	1 ⁰⁰ - 286 ¹⁸

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CONTINUATION TOTAL 4272.68

JOB LOG

SWIFT Services, Inc.

DATE **4-10-10** PAGE NO.

CUSTOMER **Palomino Petroleum** WELL NO. **1** LEASE **Goodman Family Trust** JOB TYPE **Cement 5 1/2 Casing** TICKET NO. **18446**

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0300							On Location TD 4715' Cent. 2, 4, 6, 7, 9, 11, 13, 15, 17, 76 TP 4703' Basket. 5, 10, 77 PS 4703' PC # 771661 ST 19' 5 1/2 14#
	0500							Start 6 1/2 Casing
	0730							Break Circulation
	0900	6 3/4	32		✓		200	Pump 500 gal Mud Flush + 20661 KCLFhr
	0905	3	7		✓			Plug Rat Hole 30 sks
	0910	6			✓		200	Start Cement + 95 sks SMO @ 12.5 spp
		5	36		✓		150	Switch to EA-2 100 sks @ 15.5 spp
	0935		60					— Shut Down Release Plug - Wash Pump
	0935	6 3/4			✓		200	Start Displacement
		6 3/4	80		✓		400	Lift Cement
							950	Max Lift
	0956		114.2				1500	Lead Plug - Release - Hold
								Wash Truck
	1015							Job Complete Thank you Brett, Dave + Jason

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Invoice

Quality Oilwell Cementing Inc.

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

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APR 02 2010

Date	Invoice #
4/1/2010	2422

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

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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	300.00	300.00
1	surface pipes 0-500ft	450.00	450.00
26	pump truck mileage charge	7.00	182.00
367	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-367.00T
250	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-250.00
	LEASE: GOODMAN FAMILY TRUST WELL #1 Ness county Sales Tax	5.30%	77.86
Thank you for your business. Dave		Total	\$2,544.86

QUALITY OILWELL CEMENTING, INC.

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

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

No. 3892

Date	4/1/10	Sec.	35	Twp.	20	Range	26	County	NESS	State	KS	On Location		Finish	4:00 AM
Lease	Goodman Family Trust			Well No.	1			Location	Lard, 11S, 11W, 1/2S, E+S into						
Contractor	Pickrell Drilling			Rig #	10			Owner							
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	17 1/2"			T.D.	235'			Charge To	Palomino Petroleum, Inc.						
Csg.	2 3/4" 20#			Depth	235'			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				Cement Amount Ordered							
Meas Line				Displace	14 1/4 Bbls.										
EQUIPMENT								150 ex Com 2 1/2 cc 2 1/2 gal							
Pumptrk	5	No.		Cement	Pan			Common	150 @ 10.50			1575.00			
Bulktrk	11	No.		Driver	Joe			Poz. Mix							
Bulktrk	PV	No.		Driver	Dana			Gel.	3 @ 17.00			51.00			
JOB SERVICES & REMARKS								Calcium	5 @ 42.00			210.00			
Remarks:								Hulls							
Rat Hole								Salt							
Mouse Hole								Flowseal							
Centralizers								Kol-Seal							
Baskets								Mud CLR 48							
D/V or Port Collar								CFL-117 or CD110 CAF 38							
Cement Circulated								Sand							
								Handling	158 @ 2.00			316.00			
								Mileage	300.00						
RECEIVED								FLOAT EQUIPMENT							
KANSAS CORPORATION COMMISSION								Guide Shoe							
JUN 30 2010								Centralizer							
CONSERVATION DIVISION								Baskets							
WICHITA, KS								AFU Inserts							
Quality Oilwell								Float Shoe							
Cementing								Latch Down							
Think you								(Swage) @							
								Pumptrk Charge	550			450.00			
								Mileage	26 @ 7.00			182.00			
								Tax	77.86						
								Discount	(617.00)						
Signature <i>Mike Kern</i>								Total Charge	2544.86						

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

Comments **Legal Description: 1500' FSL & 1500' FWL**

Lease Name **Goodman Family Trust**
 Lease # **1**
 Legal Desc **See Comments** Job Ticket **2101**
 Section **35** Range **26W**
 Township **20S**
 County **Ness** State **KS**
 Drilling Cont **Pickerell Drlg. Co. Inc. 10**

GENERAL INFORMATION

Test # 1 Test Date **4/8/2010**
 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 **55.0**
 Filtrate **9.6** Chlorides **4400**
 Drill Collar Len **0**
 Wght Pipe Len **0**

Chokes **3/4** Hole Size **7 7/8**
 Top Recorder # **W1119**
 Mid Recorder # **W1022**
 Bott Recorder # **13565**
 Mileage **190** Approved By
 Standby Time **0**
 Extra Equipmnt **Jars & Safety joint**
 Time on Site **5:20 AM**
 Tool Picked Up **9:40 AM**
 Tool Layed Dwn **4:15 PM**
 Elevation **2442.00** Kelley Bushings **2447.00**

Formation **Mississippian**
 Interval Top **4366.0** Bottom **4429.0**
 Anchor Len Below **63.0** Between **0**
 Total Depth **4429.0**

Start Date/Time **4/8/2010 9:01 AM**
 End Date/Time **4/8/2010 4:20 PM**

Blow Type We slid about 2 feet. Weak surface blow at the start of the initial flow period , building, reaching the bottom of the bucket in 20 1/2 minutes. Weak surface b low back at the start of the initial shut-in period, building to 1 inch. Weak blow at the start of the final flow period, building, reaching the bottom of the bucket in 13 minutes. Weak surface blow back at the start of the final shut-in period, building to 1/2 inch. Times: 30, 30, 30. Oil Gravity: 38.

RECOVERY

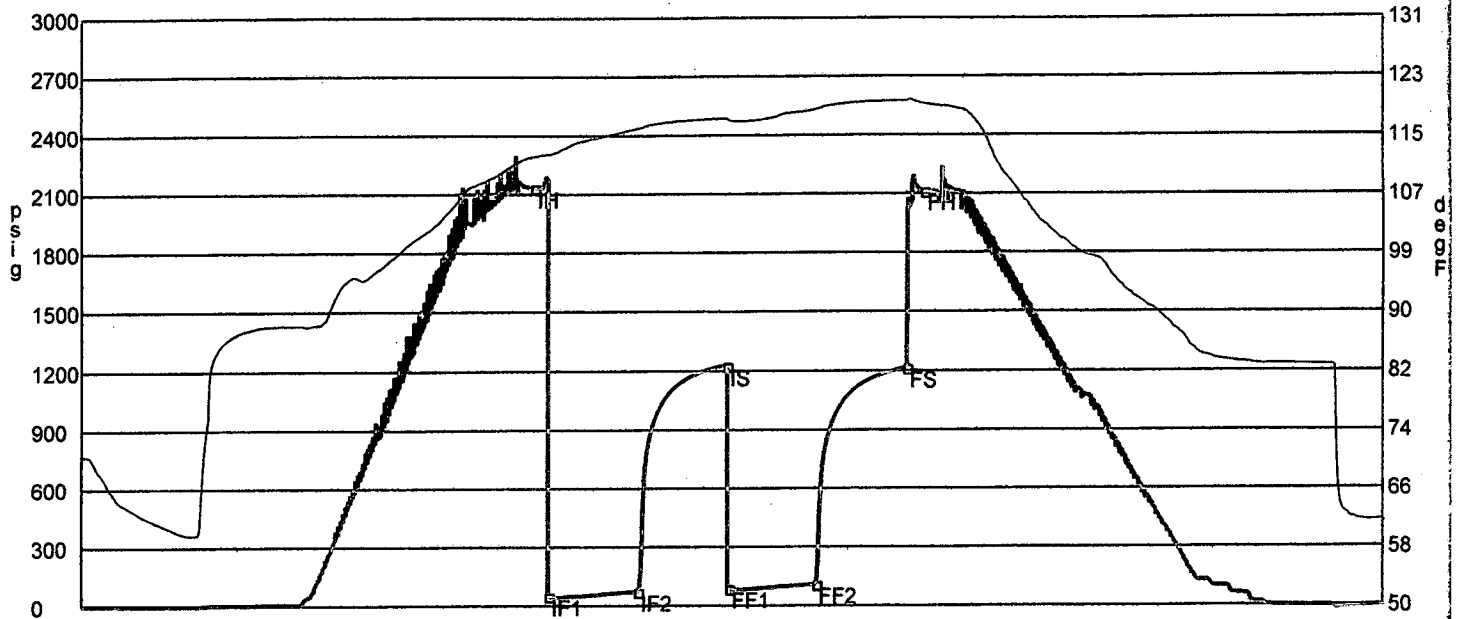
Feet	Description	Gas	Oil	Water	Mud
265	Gas in Pipe	100% 265ft	0% 0ft	0% 0ft	0% 0ft
30	Clean oil	0% 0ft	100% 30ft	0% 0ft	0% 0ft
20	Slight mud cut oil	0% 0ft	87% 17.4ft	0% 0ft	13% 2.6ft
60	Very heavy oil cut mud	0% 0ft	48% 28.8ft	0% 0ft	52% 31.2ft
60	Very heavy gas, very heavy mud cut oil	33% 19.8ft	37% 22.2ft	0% 0ft	30% 18ft
65	Slight mud cut oil	0% 0ft	82% 53.3ft	0% 0ft	18% 11.7ft

DST Fluids **0**

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	Date	Time	Pressure	Temp	
IH	4/8/2010 11:32:50 AM	2.530556	2132.035	111.885	Initial Hydro-static
IF1	4/8/2010 11:37:40 AM	2.611111	50.153	112.11	Initial Flow (1)
IF2	4/8/2010 12:07:50 PM	3.113889	71.67	115.738	Initial Flow (2)
IS	4/8/2010 12:37:50 PM	3.613889	1225.032	117.08	Initial Shut-In
FF1	4/8/2010 12:38:30 PM	3.625	86.945	116.891	Final Flow (1)
FF2	4/8/2010 1:08:00 PM	4.116667	108.033	118.327	Final Flow (2)
FS	4/8/2010 1:38:40 PM	4.627778	1213.679	119.466	Final Shut-In
FH	4/8/2010 1:44:30 PM	4.725	2111.212	119.071	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

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