

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
June 2009

Form Must Be Typed
Form must be Signed

All blanks must be Filled

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 # 34233
Name: Maverick Drilling, LLC
Wellsite Geologist: Sean P. Deenihan
Purchaser: NCRA

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., 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
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____

9/6/10	9/17/10	9/17/10
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-25152-0600
Spot Description: _____
NE NW NW SW Sec. 2 Twp. 19 S. R. 22 East West
2,526 Feet from North / South Line of Section
357 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: Ness
Lease Name: James-Kleweno Well #: 1
Field Name: None (Wildcat)

Producing Formation: Mississippian

Elevation: Ground: 2145 Kelly Bushing: 2153

Total Depth: 4417 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 1499 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ 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 #: _____

Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West

County: _____ Permit #: _____

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.

AFFIDAVIT

I am the affiant and I hereby certify that 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: November 18, 2010

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- Letter of Confidentiality Received
Date: NOV 19 2010
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: Dlg Date: 11/22/10

KCC WICHITA

Operator Name: Palomino Petroleum, Inc. Lease Name: James-Kleweno Well #: 1

Sec. 2 Twp. 19 S. R. 22 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 complete copy of all Electric Wire-line 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>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample
Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name Top Datum
Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anyh. 1432 (+ 721)
Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Base Anyh. 1464 (+ 689)
Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i>	Topeka 3310 (-1157)
List All E. Logs Run:	King Hill Sh. 3448 (-1295)
Dual Induction, Compensated Neutron/Density, Sonic, Micro	Queen Hill Sh. 3518 (-1365)
	Heebner 3622 (-1469)
	LKC 3670 (-1517)

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"	23#	1439'	Common	550	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4407'	SMD	70	500 gal. mud flush w/add.
					EA-2	100	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
8	4302-4304		
8	4267-4272		
	Set Cast Iron Bridge Plug at 4295'		

TUBING RECORD: Size: <u>2 7/8"</u> Set At: <u>4396'</u> Packer At: _____ Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No		RECEIVED NOV 19 2010
Date of First, Resumed Production, SWD or ENHR. <u>10/25/10</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>12%</u> <u>10</u>	Gas Mcf _____ Water Bbls. <u>88%</u> <u>76</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 <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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LOGS

BKC	3968	(-1815)
Pawnee	4086	(-1933)
Ft. Scott	4164	(-2011)
Cherokee Sh.	4184	(-2031)
Miss.	4266	(-2113)
Miss. Porosity	4266	(-2113)
Gilmore City	4368	(-2215)
LTD	4417	(-2264)

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

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OCT 28 2010

Invoice

DATE	INVOICE #
10/4/2010	19201

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

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	James Kleweno	Ness	DS&W Well Servi...	Oil	Development	Acidize Perfs	Dave
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				15	Miles	5.00	75.00
501D	Acid Pump Charge				1	Job	600.00	600.00
305 - 15%	MOD 202 - 20%				350	Gallons	4.28	1,498.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00
230	Surf-3 ESA-N35 (Losurf 300)				2	Gallon(s)	25.00	50.00
232	Musal ESA-64				10	Gallon(s)	15.00	150.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
254	Micell-1				1	Gallon(s)	35.00	35.00
	Subtotal							2,493.00
	Sales Tax Ness County						6.30%	0.00
<p>Attn: Carla</p> <p>Copy of requested invoice.</p> <p>Thank you - Hendra Mays</p> <p>Swift Services, Inc.</p>								
							<p>RECEIVED</p> <p>NOV 19 2010</p> <p>KCC WICHITA</p>	
We Appreciate Your Business!							Total	\$2,493.00



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

TICKET
19201

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 NOV 19 2010
 KCC WICHITA

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>HAYS</u>	WELL/PROJECT NO. <u>1</u>	LEASE <u>JAMES MLEWENO</u>	COUNTY/PARISH <u>NESS</u>	STATE <u>Ks</u>	CITY	DATE <u>10-04-10</u>	OWNER
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO. <u>DS9W</u>	SHIPPED VIA <u>C.T.</u>	DELIVERED TO <u>Dw. Mrs. BAZINE</u>	ORDER NO.	
3.	WELL TYPE <u>OIL</u>	WELL CATEGORY <u>DEVELOP</u>	JOB PURPOSE <u>ACQUISITION</u>	WELL PERMIT NO.	WELL LOCATION		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF								
<u>500</u>		<u>1</u>			MILEAGE #10	<u>15</u>		<u>mi</u>		<u>5.00</u>	<u>75</u>	<u>00</u>
<u>501</u>		<u>1</u>			Pump SERVICE	<u>1</u>		<u>EA</u>		<u>600.00</u>	<u>600</u>	<u>00</u>
<u>305.5</u>		<u>1</u>			MOD 200 1/2	<u>250</u>		<u>Gal</u>	<u>20%</u>	<u>4.28</u>	<u>1498</u>	<u>00</u>
<u>221</u>		<u>1</u>			LIDUWELL	<u>2</u>		<u>Gal</u>		<u>25.00</u>	<u>50</u>	<u>00</u>
<u>230</u>		<u>1</u>			SURF-3	<u>2</u>		<u>Gal</u>		<u>25.00</u>	<u>50</u>	<u>00</u>
<u>232</u>		<u>1</u>			MUJAL	<u>10</u>		<u>Gal</u>		<u>15.00</u>	<u>150</u>	<u>00</u>
<u>235</u>		<u>1</u>			ZNHAS	<u>1</u>		<u>Gal</u>		<u>35.00</u>	<u>35</u>	<u>00</u>
<u>254</u>		<u>1</u>			MICELL	<u>1</u>		<u>Gal</u>		<u>35.00</u>	<u>35</u>	<u>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

DATE SIGNED 10-04-10 TIME SIGNED 1400 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	<u>2493</u>	<u>00</u>
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?				<u>7.055</u> TAX <u>6.3%</u>		
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	<u>2493</u>	<u>00</u>
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND						

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

SWIFT OPERATOR: Dave Bell APPROVAL:

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 10-04-10 PAGE NO. 1

CUSTOMER *Valomino Petroleum* WELL NO. *1* LEASE *JAMES MEWENO* JOB TYPE *ACIDIZE PERFS* TICKET NO. *19201*

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1400							ON LOCATION ACID: MONODOL 1/2 1/2 TRUSK 350GAL 2% HCL 750GAL 5% LHM 4200 4295 PERFS 4267-72
	1410	50	0		✓	0		START ACID
			8.5		✓			" 2% HCL
			26.5		✓			" SALT WATER
	1420		104.2		✓			ACID ON PERFS
	1430	0	121.5		✓	0		WELL ON SMALL VAC!
	1500							JOB COMPLETE
								THANK YOU! DAVE JOHNS

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



Invoice

DATE	INVOICE #
9/17/2010	19011

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

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SEP 22 2010

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	James Kleweno	Ness	Maverick Drilling ...	Oil	Development	5-1/2" LongString	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				15	Miles	5.00	75.00
578D-L	Pump Charge - Long String - 4407 Feet				1	Job	1,400.00	1,400.00
402-5	5 1/2" Centralizer				10	Each	55.00	550.00T
403-5	5 1/2" Cement Basket				2	Each	200.00	400.00T
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
281	Mud Flush				500	Gallon(s)	1.00	500.00T
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
283	Salt				500	Lb(s)	0.15	75.00T
284	Calseal				5	Sack(s)	30.00	150.00T
285	CFR-1				55	Lb(s)	4.00	220.00T
276	Flocele				50	Lb(s)	1.50	75.00T
325	Standard Cement				100	Sacks	12.00	1,200.00T
330	Swift Multi-Density Standard (MIDCON II)				100	Sacks	15.00	1,500.00T
581D	Service Charge Cement				200	Sacks	1.50	300.00
582D	Minimum Drayage Charge				1	Each	250.00	250.00
	Subtotal							7,465.00
	Sales Tax Ness County						6.30%	342.72

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We Appreciate Your Business!

Total

\$7,807.72



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

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 NOV 19 2010
 KCC WICHITA

TICKET
19011

PAGE 1 OF 2

SERVICE LOCATIONS 1. NESS CITY, KS.		WELL/PROJECT NO.	LEASE JAMES KLEWEND	COUNTY/PARISH NESS	STATE KS.	CITY BAZINE, KS.	DATE 17 SEP 10	OWNER
TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES		CONTRACTOR MAVERICK DRILLING #108		RIG NAME/NO.	SHIPPED VIA	DELIVERED TO LOCATION	ORDER NO.	
WELL TYPE OIL		WELL CATEGORY DEVELOPMENT	JOB PURPOSE 5 1/2 LONGSTRING.		WELL PERMIT NO.	WELL LOCATION 3W, 125, EINTO		
REFERRAL LOCATION		INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #110	15	MIL			5.00	75.00
578		1			PUMP CHARGE	1	JOB	4407	FT.	1400.00	1400.00
402		1			CENTRALIZERS	10	EA.			55.00	550.00
403		1			BASKETS	2	EA.			200.00	400.00
406		1			LATCH DOWN PLUG & BAFFLE	1	EA.			225.00	225.00
407		1			INSERT FLOAT SHOE W/AUTO FILL	1	EA.			275.00	275.00
281		1			MUDFLUSH	500	gal			1.00	500.00
221		1			LIQUID KCL	2	gal			25.00	50.00
290		1			D-AIR	2	gal			35.00	70.00
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 *[Signature]*
 DATE SIGNED: **17 SEP 10** TIME SIGNED: **1315** 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?				PAGE 1	3695.00
WE UNDERSTOOD AND MET YOUR NEEDS?				PAGE 2	3770.00
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Subtotal	7465.00
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX 7.55%	342.72
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		TOTAL	7807.72
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

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!



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

TICKET CONTINUATION

TICKET No. 19011

CUSTOMER PALOMINO PETROLEUM WELL JAMES KLEWENO DATE 17 SEP 10 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF			QTY.	U/M	QTY.	U/M		
283		1				SALT	500	lbs			15	75 ⁰⁰
284		1				CALSEAL	500	lb	5	SX	30 ⁰⁰	150 ⁰⁰
285		1				CFR-1	55	lbs			4 ⁰⁰	220 ⁰⁰
276		1				FLOCELE	50	lbs			1 ⁵⁰	75 ⁰⁰
325		1				STANDARD CEMENT	100	SX			12 ⁰⁰	1200 ⁰⁰
330		1				SWIFT MULTI DENSITY STANDARD	100	SX			15 ⁰⁰	1500 ⁰⁰
581		1				SERVICE CHARGE						
583 582		1				MILEAGE CHARGE						
						TOTAL WEIGHT	20465					
						LOADED MILES	15					
						CUBIC FEET	200	SX			1 ⁵⁰	300 ⁰⁰
						TON MILES	153.48				250 ⁰⁰	250 ⁰⁰

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CONTINUATION TOTAL 3770⁰⁰

JOB LOG

SWIFT Services, Inc.

DATE 17 Sep 10 PAGE NO. 1

CUSTOMER PALMIND PETROLEUM WELL NO. LEASE JAMES KLEWEND JOB TYPE 5 1/2 LONGSTRING TICKET NO. 19011

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0600							ON LOCATION
	0810							START CASING. 5 1/2 - 14 1/2 RTD @ 4420 LTD @ 4414 SET @ 4407 SHEET. 21.28' CENTRALIZER, 1, 2, 3, 4, 5, 6, 7, 8, 10, 12 BASKETS. 4, 7.
	1029							DROP BALL CIRCULATE.
	1146	6	12		✓		300	Pump 500 gal MUD FLUSH
	1148	6	20		✓		300	Pump 20 BBL KCL FLUSH
	1155		7		✓			PLUG RAT HOLE 30 SX
	1200							MIX CEMENT
		4	38		✓		300	70 SX SMD @ 11.2 ppG.
		4	24		✓		200	100 SX EA2 @ 15.5 ppG.
	1222							WASH OUT PUMPING LINES.
	1225							RELEASE PLUG.
	1226	6			✓		300	START DISPLACEMENT
	1243	Ø	107 1/2		✓		1500	PLUG DOWN LATCA PLUG IN.
	1245							RELEASE PRESSURE - DRY.
	1246							WASH TRUCK
	1310							JOB COMPLETE RECEIVED NOV 19 2010 THANKS #110 KOC WICHITA JASON JEFF LANE

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SEP 17 2010

Date: 9/13/2010
Invoice # 4236

P.O.#:

Due Date: 10/13/2010

Division:



QUALITY OILWELL CEMENTING, INC.

740 West Wichita Ave, Russell KS 67665
Phone:785-324-1041 fax:785-483-1087
Email: cementing@ruraltel.net
Pratt Location 620-388-5422

Invoice

Contact:

Palomino Petroleum Inc
Address/Job Location:
Palomino Petroleum Inc
4924 SE 84th
Newton Ks 67114

Reference:

JAMES KLEWENO 1

Description of Work:
LONG SURFACE JOB

Services / Items Included:

	Quantity	Item	Quantity
Surface Job	1		
mileage-from Job location to Nearest Camp	11	8 5/8" Centralizer	3
Premium Gel (Bentonite)	11	8 5/8" Basket	1
Common-Class A	550		
Calcium Chloride	19		
mileage-from Job location to Nearest Bulk Plant	11		
: Truck Material-Material Service Charge	580		
Baffle Plate Aluminum, 8 5/8"	1		
8 5/8" Top Rubber Plug	1		

Invoice Terms:

Net 30

Quoted by: Dave Funk

SubTotal: \$ 10,809.61

Discount Available ONLY if Invoice is Paid &
Received within listed terms of invoice: \$ (1,621.44)

Total: \$ 9,188.17

Tax: \$ 503.45

\$ 9,691.61

Applied Payments:

Balance Due: \$ 9,691.61

Thank You For Your Business!

Past Due Invoices are subject to a service charge (annual rate of 24%)
This does not include any applicable taxes unless it is listed.
©2008-2013 Straker Investments, LLC. All rights reserved.

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KCC WICHITA

QUALITY OILWELL CEMENTING, INC.

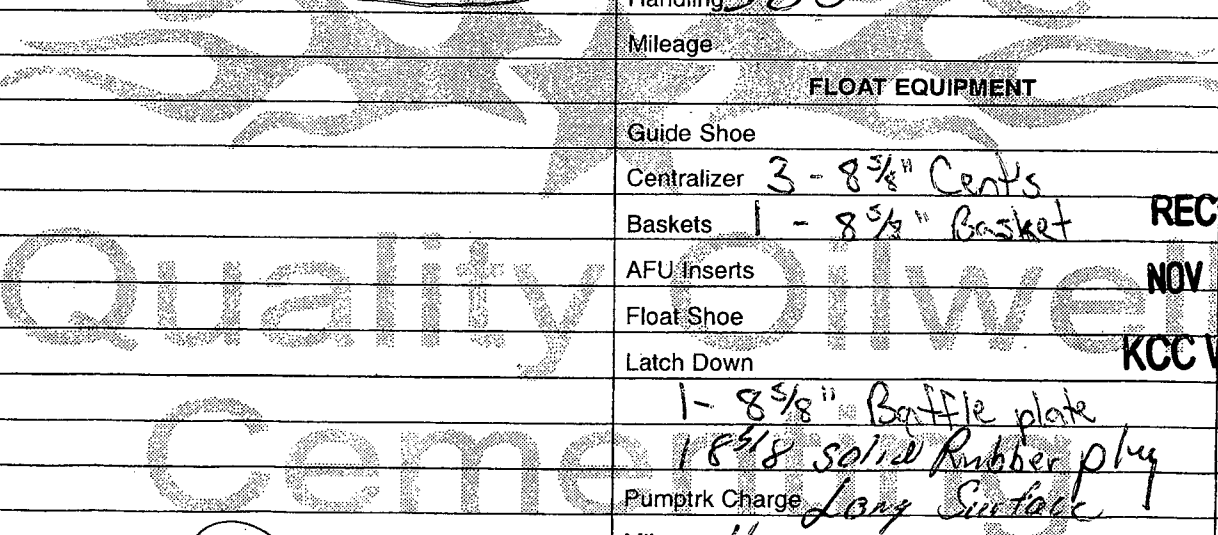
Phone 785-483-2025
Cell 785-324-1041

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

No. 4236

Date	9-8-10	Sec.	2	Twp.	19	Range	22	County	Ness	State	Ks	On Location		Finish	7:30 PM	
Lease	James Kleweno			Well No.	1		Location	Bazine, Ks - W to BB Rd, 1/4 S, 1/2 E								
Contractor	Maverick Rig #102							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	Surface							Charge To	Palamino Petroleum							
Hole Size	12 1/4"			T.D.	1440'			Depth	1440'							
Csg.	8 5/8"			Tbg. Size				Street								
Tool				Depth				City	State							
Cement Left in Csg.	42.62			Shoe Joint	42.62			The above was done to satisfaction and supervision of owner agent or contractor.								
Meas Line				Displace	42.62 89.80			Cement Amount Ordered	550 Common 3% CC, 2% Gel							
EQUIPMENT								1/4 # F.S. per sack								
Pumptrk	5	No.	Cementer Paul		P.u. - Rick			Common	550							
Bulktrk	8	No.	Driver Neale					Poz. Mix								
Bulktrk	12	No.	Driver Cisco					Gel.	11							
JOB SERVICES & REMARKS								Calcium 19								
Remarks:	Cement did Circulate							Hulls								
Rat Hole								Salt								
Mouse Hole	25"							Flowseal 138#								
Centralizers	1, 20, 29#							Kol-Seal								
Baskets	27, 24							Mud CLR 48								
D/V or Port Collar	Baffle plate							CFL-117 or CD110 CAF 38								
	1st Collar							Sand								
								Handling 580								
								Mileage								
FLOAT EQUIPMENT								Guide Shoe								
								Centralizer 3 - 8 5/8" Cents								
								Baskets 1 - 8 5/8" Basket								
								AFU Inserts								
								Float Shoe								
								Latch Down								
								1 - 8 5/8" Baffle plate								
								1 - 8 5/8" solid Rubber ply								
								Pumptrk Charge Long Surface								
								Mileage 11								
Signature								Tax								
<i>M. O. D.</i>								Discount								
X								Total Charge								

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KCC WICHITA



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

Lease Name **James-Kleweno**
 Lease # **1**
 Legal Desc **NE-NW-NW-SW** Job Ticket **2121**
 Section **2** Range **22W**
 Township **19S**
 County **Ness** State **KS**
 Drilling Cont **Maverick Drilling, LLC Rig 108**

Comments

GENERAL INFORMATION

Test # 1 Test Date **9/15/2010**
 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 **9.5** Viscosity **54.0**
 Filtrate **14.4** Chlorides **7100**

Chokes **3/4** Hole Size **7 7/8**
 Top Recorder # **W1119**
 Mid Recorder # **W1022**
 Bott Recorder # **13310**
 Mileage **116** Approved By
 Standby Time **0**
 Extra Equipmnt **Jars & Safety joint**
 Time on Site **2:10 PM**
 Tool Picked Up **4:45 PM**
 Tool Layed Dwn **11:30 PM**

Drill Collar Len **0**
 Weight Pipe Len **0**

Elevation **2145.00** Kelley Bushings **2153.00**

Formation **Mississippian**
 Interval Top **4218.0** Bottom **4272.0**
 Anchor Len Below **54.0** Between **0**
 Total Depth **4272.0**
 Flow Type **Weak 1/4 inch blow at the start of the initial flow period, building, reaching the bottom of the bucket in 22 minutes. Weak surface blow at the start of the final flow period, building, reaching the bottom of the bucket in 26 minutes. It never did blow water out of the bucket during either flow period. Times: 30, 30, 30, 30. Oil Gravity: 44.**

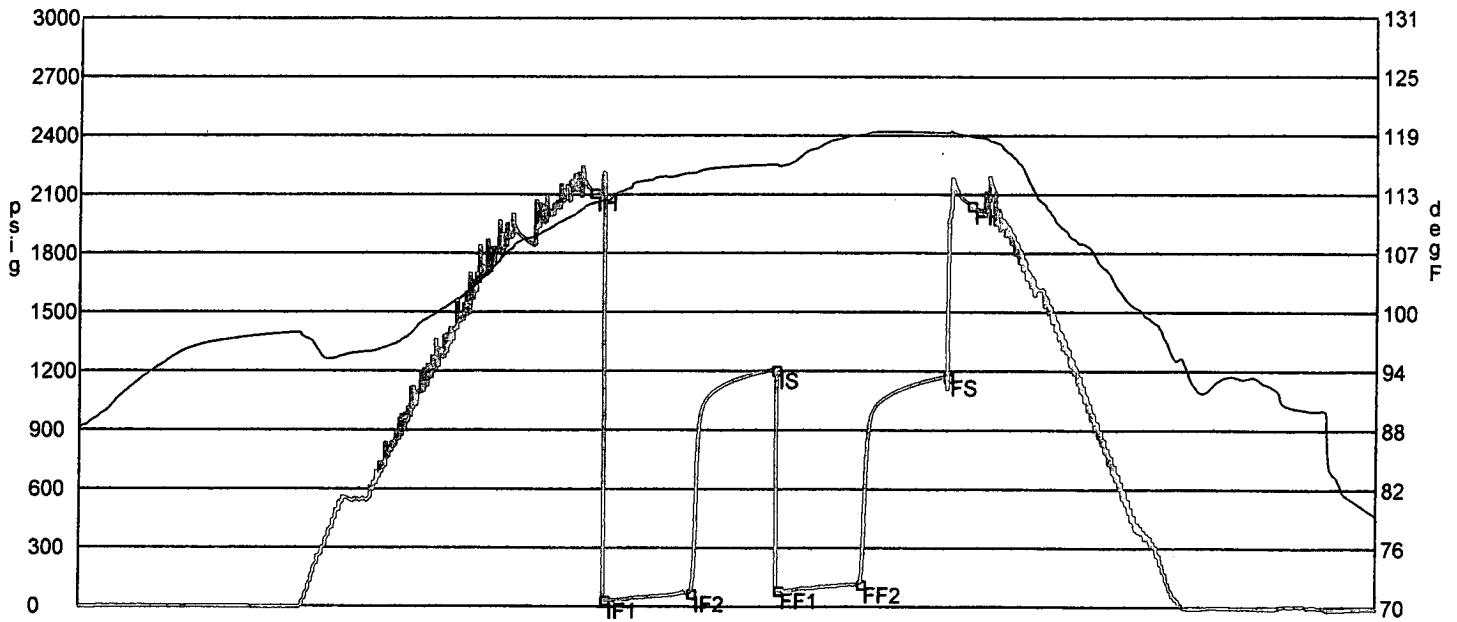
Start Date/Time **9/14/2010 3:57 PM**
 End Date/Time **9/14/2010 11:32 PM**

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
5	Gas in Pipe	100% 65ft	0% 0ft	0% 0ft	0% 0ft
0	Clean oil	0% 0ft	100% 30ft	0% 0ft	0% 0ft
0	Mud cut oil	0% 0ft	67% 20.1ft	0% 0ft	33% 9.9ft
25	Slight gas, slight mud cut oil	12% 15ft	67% 83.8ft	0% 0ft	21% 26.2ft
0	Very slight gas, very slight water very slight mud cut oil	2% 1.2ft	92% 55.2ft	3% 1.8ft	3% 1.8ft

OST Fluids **8000**

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	Date	Time	Pressure	Temp	
IH	9/14/2010 6:56:10 PM	2.986111	2114.662	111.821	Initial Hydro-static
IF1	9/14/2010 7:00:40 PM	3.061111	38.759	112.027	Initial Flow (1)
IF2	9/14/2010 7:31:10 PM	3.569444	73.071	114.95	Initial Flow (2)
IS	9/14/2010 8:00:40 PM	4.061111	1210.669	115.814	Initial Shut-In
FF1	9/14/2010 8:01:40 PM	4.077778	88.628	115.666	Final Flow (1)
FF2	9/14/2010 8:30:50 PM	4.563889	118.813	118.903	Final Flow (2)
FS	9/14/2010 9:01:00 PM	5.066667	1175.093	119.097	Final Shut-In
FH	9/14/2010 9:09:00 PM	5.2	2049.098	118.765	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	James-Kleweno	
Address	4924 SE 84th St.	Lease #	1	
CSZ	Newton, KS 67114	Legal Desc	NE-NW-NW-SW	Job Ticket 2121
Attn.	Sean Dennihan	Section	2	Range 22W
		Township	19S	
		County	Ness	State KS
		Drilling Cont	Maverick Drilling, LLC Rig 108	

Comments

GENERAL INFORMATION

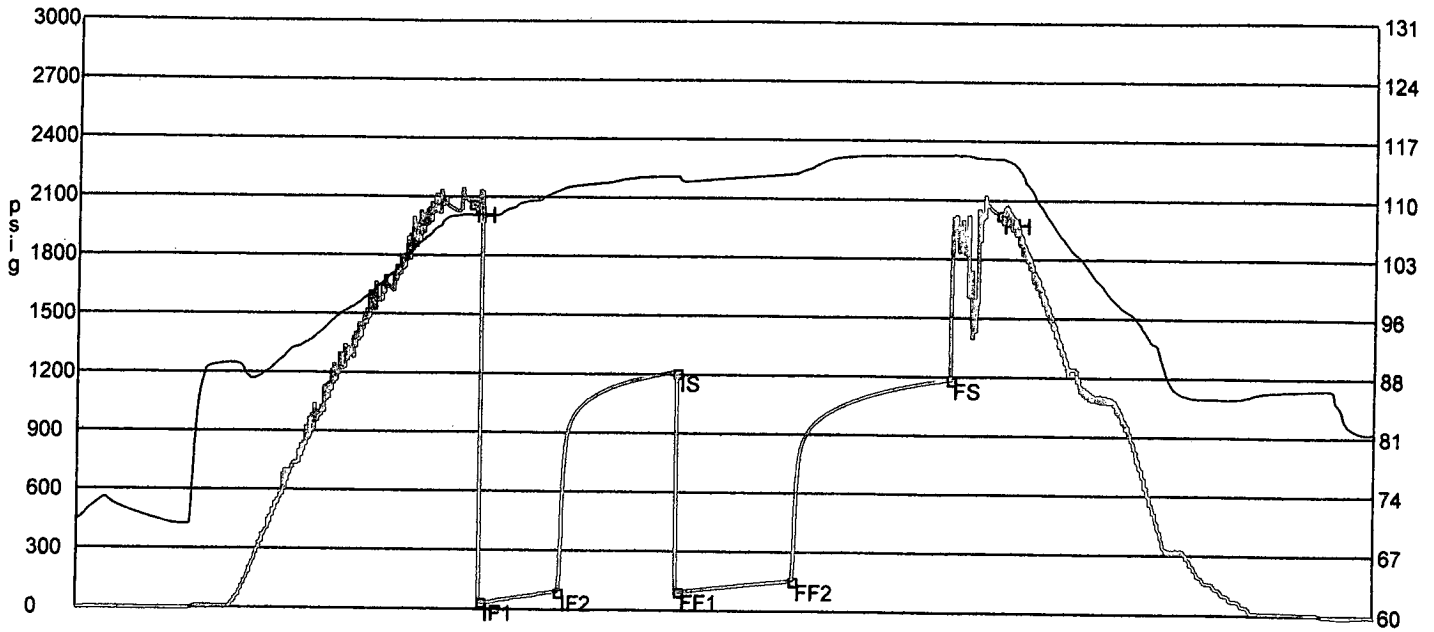
Test # 2	Test Date 9/15/2010	Chokes 3/4	Hole Size 7 7/8
Tester Tim Venters		Top Recorder # W1119	
Test Type Conventional Bottom Hole Successful Test		Mid Recorder # W1022	
# of Packers 2.0	Packer Size 6 3/4	Bott Recorder # 13310	
Mud Type Gel Chem		Mileage 24	Approved By
Mud Weight 9.4	Viscosity 46.0	Standby Time 0	
Filtrate 11.2	Chlorides 6300	Extra Equipmnt Jars, Safety joint, Small packer	
Drill Collar Len 0		Time on Site 7:30 AM	
Wght Pipe Len 0		Tool Picked Up 9:25 AM	
		Tool Layed Dwn 4:55 PM	
Formation Mississippian		Elevation 2145.00	Kelley Bushings 2153.00
Interval Top 4218.0	Bottom 4277.0	Start Date/Time 9/15/2010 8:42 AM	
Anchor Len Below 59.0	Between 0	End Date/Time 9/15/2010 4:59 PM	
Total Depth 4277.0			
Blow Type Weak 1 inch blow at the start of the initial flow period, building, reaching the bottom of the bucket in 19 minutes. Weak 1/4 inch blow, building, reaching the bottom of the bucket in 18 minutes. Weak 1/4 inch blow back at the start of the final shut-in period, lasting about 40 minutes. Times 30, 45, 45, 60. Oil Gravity: 44.			

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
85	Gas in Pipe	100% 85ft	0% 0ft	0% 0ft	0% 0ft
50	Clean oil	0% 0ft	100% 50ft	0% 0ft	0% 0ft
50	Very slight gas, mud cut oil	3% 1.5ft	67% 33.5ft	0% 0ft	30% 15ft
60	Gassy, very heavy mud cut oil	13% 7.8ft	44% 26.4ft	0% 0ft	43% 25.8ft
125	Gassy, very heavy oil cut mud	13% 16.2ft	39% 48.8ft	0% 0ft	48% 60ft
65	Gassy, very heavy mud cut oil	17% 11ft	43% 28ft	0% 0ft	40% 26ft

DST Fluids **0**

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	Date	Time	Pressure	Temp	
IH	9/15/2010 11:11:40 AM	2.494444	2067.331	107.532	Initial Hydro-static
IF1	9/15/2010 11:16:10 AM	2.569444	39.918	107.453	Initial Flow (1)
IF2	9/15/2010 11:46:00 AM	3.066667	91.596	110.617	Initial Flow (2)
IS	9/15/2010 12:31:00 PM	3.816667	1212.633	112.318	Initial Shut-In
FF1	9/15/2010 12:32:00 PM	3.833333	99.941	111.911	Final Flow (1)
FF2	9/15/2010 1:16:10 PM	4.569444	155.414	112.746	Final Flow (2)
FS	9/15/2010 2:16:10 PM	5.569444	1186.16	115.032	Final Shut-In
FH	9/15/2010 2:34:30 PM	5.875	2029.591	114.674	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

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