

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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 + 8827
Contact Person: Klee R. Watchous
Phone: (316) 799-1000
CONTRACTOR: License # 33575
Name: WW Drilling, LLC
Wellsite Geologist: Nicholas Gerstner
Purchaser: None

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 #: _____

1/13/11 1/20/11 1/20/11
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 195-22694-00-00

Spot Description: _____
NE SW SW NE Sec. 29 Twp. 15 S. R. 25 East West
2,122 Feet from North / South Line of Section
2,277 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: Trego

Lease Name: Howard Well #: 1

Field Name: Splitter SW

Producing Formation: None

Elevation: Ground: 2524 Kelly Bushing: 2529

Total Depth: 4550 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 219 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: 25,000 ppm Fluid volume: 1100 bbls

Dewatering method used: Air dry - backfill

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: 3/30/11

KCC Office Use ONLY

RECEIVED

Letter of Confidentiality Received

Date: _____ MAR 31 2011

Confidential Release Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

ALT I II III Approved by: DLG Date: 4/1/11

KCC WICHITA

Operator Name: Palomino Petroleum, Inc. Lease Name: Howard Well #: 1
 Sec. 29 Twp. 15 S. R. 25 East West County: Trego

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> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" 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 Electric Log Submitted Electronically <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Radiation Guard Log | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> </thead> <tbody> <tr> <td>Anhy.</td> <td>1948</td> <td>(+ 581)</td> </tr> <tr> <td>Base Anhy.</td> <td>1986</td> <td>(+ 543)</td> </tr> <tr> <td>Topeka</td> <td>3546</td> <td>(-1017)</td> </tr> <tr> <td>Heebner</td> <td>3801</td> <td>(-1272)</td> </tr> <tr> <td>Lansing</td> <td>3843</td> <td>(-1314)</td> </tr> <tr> <td>Stark</td> <td>4069</td> <td>(-1540)</td> </tr> <tr> <td>BKC</td> <td>4136</td> <td>(-1607)</td> </tr> <tr> <td>Marmaton</td> <td>4186</td> <td>(-1657)</td> </tr> </tbody> </table> | Name | Top | Datum | Anhy. | 1948 | (+ 581) | Base Anhy. | 1986 | (+ 543) | Topeka | 3546 | (-1017) | Heebner | 3801 | (-1272) | Lansing | 3843 | (-1314) | Stark | 4069 | (-1540) | BKC | 4136 | (-1607) | Marmaton | 4186 | (-1657) |
|---|---|---------|-----|-------|-------|------|---------|------------|------|---------|--------|------|---------|---------|------|---------|---------|------|---------|-------|------|---------|-----|------|---------|----------|------|---------|
| Name | Top | Datum | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Anhy. | 1948 | (+ 581) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Base Anhy. | 1986 | (+ 543) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Topeka | 3546 | (-1017) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Heebner | 3801 | (-1272) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lansing | 3843 | (-1314) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stark | 4069 | (-1540) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BKC | 4136 | (-1607) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Marmaton | 4186 | (-1657) | | | | | | | | | | | | | | | | | | | | | | | | | | |

| 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# | 219 | Common | 150 | 3%cc & 2% gel |
| | | | | | | | |
| | | | | | | | |

| 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 |
|----------------|---|--|-------|
| | | | |
| | | | |
| | | | |
| | | | |

| | | | | |
|----------------|-------|---------|------------|---|
| TUBING RECORD: | Size: | Set At: | Packer At: | Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No |
|----------------|-------|---------|------------|---|

| | | | | |
|---|----------------------------------|----------------------------------|-----------------------------------|--|
| Date of First, Resumed Production, SWD or ENHR. | Producing Method: | | | |
| | <input type="checkbox"/> Flowing | <input type="checkbox"/> Pumping | <input type="checkbox"/> Gas Lift | <input type="checkbox"/> Other (Explain) _____ |
| Estimated Production Per 24 Hours | Oil Bbls. | Gas Mcf | Water Bbls. | Gas-Oil Ratio Gravity |

| | | |
|--|---|--|
| DISPOSITION OF GAS: | METHOD OF COMPLETION: | PRODUCTION INTERVAL: |
| <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i> | <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____ | _____ <div style="text-align: center; border: 1px solid black; padding: 5px; display: inline-block;"> RECEIVED MAR 31 2011 KCC WICHITA </div> |

LOGS

| | | |
|-----------|------|---------|
| Pawnee | 4267 | (-1738) |
| Ft. Scott | 4338 | (-1809) |
| Cherokee | 4364 | (-1835) |
| Miss. | 4429 | (-1900) |
| LTD | 4551 | (-2022) |

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PO BOX 31 Russell, KS 67665

RECEIVED

INVOICE

Invoice Number: 125961

Invoice Date: Jan 20, 2011

Page: 1

Voice: (785) 483-3887

Fax: (785) 483-5566

| |
|---|
| Bill To: |
| Palomino Petroleum, Inc. 4924 SE 84th St. Newton, KS 67114-8827 |

| Customer ID | Well Name # or Customer P.O. | Payment Terms | |
|--------------|------------------------------|---------------|----------|
| Palo | Howard #1 | Net 30 Days | |
| Job Location | Camp Location | Service Date | Due Date |
| KS2-03 | Oakley | Jan 20, 2011 | 2/19/11 |

| Quantity | Item | Description | Unit Price | Amount |
|----------|------|-------------------------|------------|----------|
| 123.00 | MAT | Class A Common | 13.50 | 1,660.50 |
| 82.00 | MAT | Pozmix | 7.55 | 619.10 |
| 9.00 | MAT | Gel | 20.25 | 182.25 |
| 51.00 | MAT | Flo Seal | 2.45 | 124.95 |
| 216.00 | SER | Handling | 2.25 | 486.00 |
| 1.00 | SER | Handling Mileage Charge | 300.00 | 300.00 |
| 1.00 | SER | Plug to Abandon | 991.00 | 991.00 |
| 37.00 | SER | Pump Truck Mileage | 7.00 | 259.00 |

| | | |
|--|------------------------|-----------------|
| <p>ALL PRICES ARE NET, PAYABLE 30 DAYS FOLLOWING DATE OF INVOICE. 1 1/2% CHARGED THEREAFTER. IF ACCOUNT IS CURRENT, TAKE DISCOUNT OF</p> <p>924156</p> <p>ONLY IF PAID ON OR BEFORE</p> <p>Feb 14 2011</p> | Subtotal | 4,622.80 |
| | Sales Tax | 314.35 |
| | Total Invoice Amount | 4,937.15 |
| | Payment/Credit Applied | |
| | TOTAL | 4,937.15 |

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INVOICE

PO BOX 31 Russell, KS 67665

Invoice Number: 125910

Invoice Date: Jan 13, 2011

Page: 1

Voice: (785) 483-3887

Fax: (785) 483-5566

| |
|---|
| Bill To: |
| Palomino Petroleum, Inc. 4924 SE 84th St. Newton, KS 67114-8827 |

| Customer ID | Well Name# or Customer P.O. | Payment Terms | |
|--------------|-----------------------------|---------------|----------|
| Palo | Howard #1 | Net 30 Days | |
| Job Location | Camp Location | Service Date | Due Date |
| KS2-01 | Oakley | Jan 13, 2011 | 2/12/11 |

| Quantity | Item | Description | Unit Price | Amount |
|----------|------|-------------------------|------------|----------|
| 90.00 | MAT | Class A Common | 13.50 | 1,215.00 |
| 60.00 | MAT | Pozmix | 7.55 | 453.00 |
| 3.00 | MAT | Gel | 20.25 | 60.75 |
| 5.00 | MAT | Chloride | 51.50 | 257.50 |
| 150.00 | SER | Handling | 2.25 | 337.50 |
| 1.00 | SER | Handling Mileage Charge | 150.00 | 150.00 |
| 1.00 | SER | Surface | 991.00 | 991.00 |
| 10.00 | SER | Pump Truck Mileage | 7.00 | 70.00 |

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| | |
|------------------------|-----------------|
| Subtotal | 3,534.75 |
| Sales Tax | 135.07 |
| Total Invoice Amount | 3,669.82 |
| Payment/Credit Applied | |
| TOTAL | 3,669.82 |

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 3,669.82

ONLY IF PAID ON OR BEFORE

Feb 7 2011

ALLIEC CEMENTING CO., LLC. 040808

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: OAKLEY KS

| | | | | | | | |
|------------------------------------|------------------|-----------------|---|------------|---------------------------|-------------------------|--------------------------|
| DATE <u>1-13-11</u> | SEC. <u>29</u> | TWP. <u>15S</u> | RANGE <u>25W</u> | CALLED OUT | ON LOCATION <u>6:00pm</u> | JOB START <u>7:00pm</u> | JOB FINISH <u>7:30pm</u> |
| LEASE <u>Howard</u> | WELL # <u>#1</u> | | LOCATION <u>Collyer 21^S-11^W</u> | | COUNTY <u>Wichita</u> | STATE <u>KS</u> | |
| OLD OR NEW (Circle one) <u>NEW</u> | | | <u>W S</u> | | | | |

CONTRACTOR W-W #8

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 220'

CASING SIZE 8 5/8 DEPTH 220'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15

PERFS. _____

DISPLACEMENT 13 bbl

OWNER _____

CEMENT

AMOUNT ORDERED 150 cum 390cc

290cc

| | | | | |
|----------|---------------------|---|--------------|----------------|
| COMMON | <u>90</u> | @ | <u>13.50</u> | <u>1215.00</u> |
| POZMIX | <u>60</u> | @ | <u>7.55</u> | <u>453.00</u> |
| GEL | <u>3</u> | @ | <u>20.25</u> | <u>60.75</u> |
| CHLORIDE | <u>5</u> | @ | <u>51.50</u> | <u>257.50</u> |
| ASC | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| HANDLING | <u>150</u> | @ | <u>2.25</u> | <u>337.50</u> |
| MILEAGE | <u>.10 x 2 mile</u> | | | <u>150.00</u> |
| TOTAL | | | | <u>2473.75</u> |

EQUIPMENT

PUMP TRUCK CEMENTER Fuzzy

431 HELPER Darren

BULK TRUCK

396 DRIVER Jerry

BULK TRUCK

_____ DRIVER _____

SERVICE

DEPTH OF JOB 220'

PUMP TRUCK CHARGE 999.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 10 @ 7.00 70.00

MANIFOLD _____ @ _____

_____ @ _____

_____ @ _____

TOTAL 1061.00

REMARKS:

cement did circulate

Job complete @ 7:45pm

Thanks Fuzzy crew

CHARGE TO: Palomino Pet

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

To Allied Cementing Co., LLC.

You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME Sid Deutscher

SIGNATURE [Signature]

| | | | | |
|----------|---|---------------|-------------------------|-----------------|
| Company | Palomino Petroleum, Inc. | Lease Name | Howard | |
| Address | 4924 SE 84th St. | Lease # | 1 | |
| CSZ | Newton, KS 67114 | Legal Desc | NE-SW-SW-NE | Job Ticket 2136 |
| Attn. | Nick Gerstner | Section | 29 | Range 25W |
| | | Township | 15S | |
| | | County | Trego | State KS |
| | | Drilling Cont | WW Drilling, LLC Rig #8 | |
| Comments | Legal Description Feet: 2122' FNL & 2277' FEL Field: Splitter SW | | | |

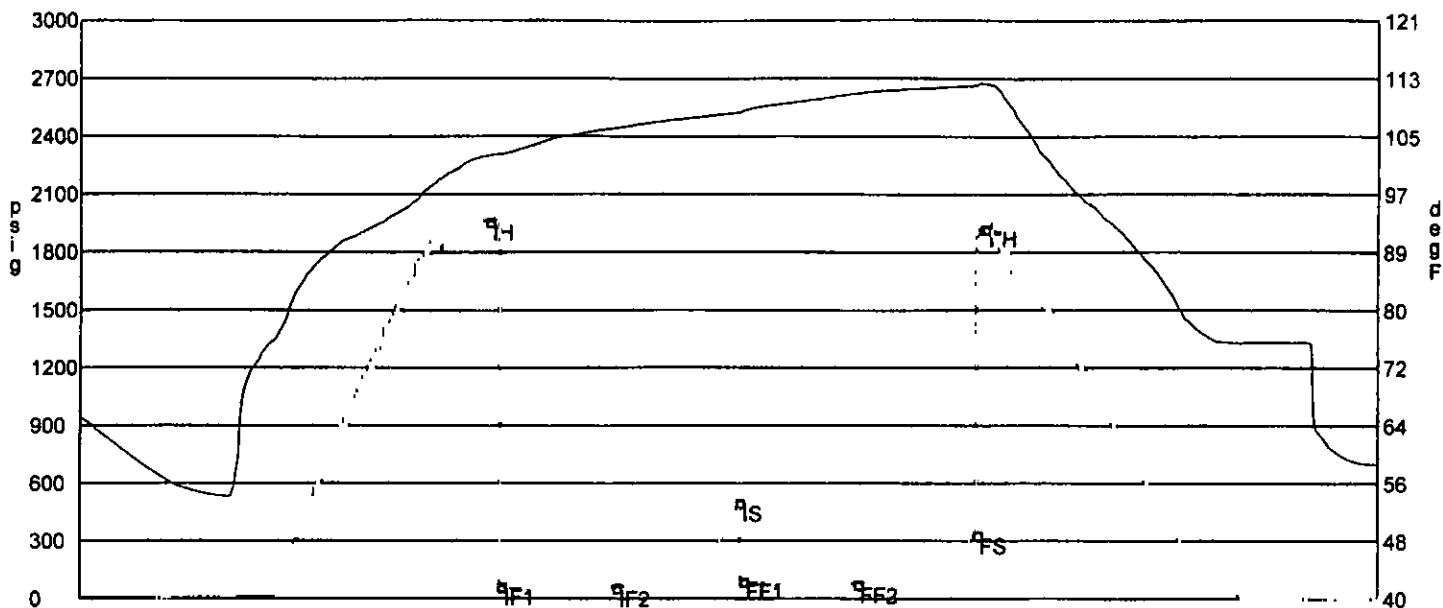
GENERAL INFORMATION

| | | | |
|------------------------------------|---|------------------------------------|-------------------------|
| Test # 1 | Test Date 1/17/2011 | Chokes 3/4 | Hole Size 7 7/8 |
| Tester Tim Venters | | Top Recorder # W1119 | |
| Test Type Conventional Bottom Hole | | Mid Recorder # W1022 | |
| Successful Test | | Bott Recorder # 13310 | |
| # of Packers 2.0 | Packer Size 6 3/4 | Mileage 196 | Approved By |
| Mud Type Gel Chem | | Standby Time 0 | |
| Mud Weight 9.2 | Viscosity 55.0 | Extra Equipmnt Jars & Safety joint | |
| Filtrate 7.6 | Chlorides 2000 | Time on Site 7:50 AM | |
| Drill Collar Len 123.0 | | Tool Picked Up 11:00 AM | |
| Wght Pipe Len 0 | | Tool Layed Dwn 4:00 PM | |
| Formation Lansing "J&K" | | Elevation 2524.00 | Kelley Bushings 2529.00 |
| Interval Top 4059.0 | Bottom 4120.0 | Start Date/Time 1/17/2011 7:33 AM | |
| Anchor Len Below 61.0 | Between 0 | End Date/Time 1/17/2011 1:03 PM | |
| Total Depth 4120.0 | | | |
| Blow Type | Weak surface blow at start of intial flow period, building to 4". Weak 1/2" blow at start of final flow period, building to 10". Times: 30, 30, 30, 30. | | |

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RECOVERY

| Feet | Description | Gas | Oil | Water | Mud |
|------------|-------------|--------|------------|--------|------------|
| 145 | Oil cut mud | 0% 0ft | 37% 53.6ft | 0% 0ft | 63% 91.4ft |
| DST Fluids | 0 | | | | |



| | Date | Time | Pressure | Temp | |
|-----|-----------------------|----------|----------|---------|----------------------|
| IH | 1/17/2011 9:16:30 AM | 1.725 | 1962.053 | 102.165 | Initial Hydro-static |
| IF1 | 1/17/2011 9:19:40 AM | 1.777778 | 66.276 | 102.314 | Initial Flow (1) |
| IF2 | 1/17/2011 9:49:10 AM | 2.269444 | 58.724 | 106.017 | Initial Flow (2) |
| IS | 1/17/2011 10:20:30 AM | 2.791667 | 502.39 | 108.152 | Initial Shut-In |
| FF1 | 1/17/2011 10:21:30 AM | 2.808333 | 94.869 | 108.392 | Final Flow (1) |
| FF2 | 1/17/2011 10:50:40 AM | 3.294444 | 76.963 | 110.85 | Final Flow (2) |
| FS | 1/17/2011 11:21:00 AM | 3.8 | 332.923 | 112.005 | Final Shut-In |
| FH | 1/17/2011 11:23:10 AM | 3.836111 | 1928.269 | 112.252 | 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 | Howard | |
| Address | 4924 SE 84th St. | Lease # | 1 | |
| CSZ | Newton, KS 67114 | Legal Desc | NE-SW-SW-NE | Job Ticket 2136 |
| Attn. | Nick Gerstner | Section | 29 | Range 25W |
| | | Township | 15S | |
| | | County | Trego | State KS |
| | | Drilling Cont | WW Drilling, LLC Rig #8 | |

Comments **Legal Description Feet: 2122' FNL & 2277' FEL**
Field: Splitter SW

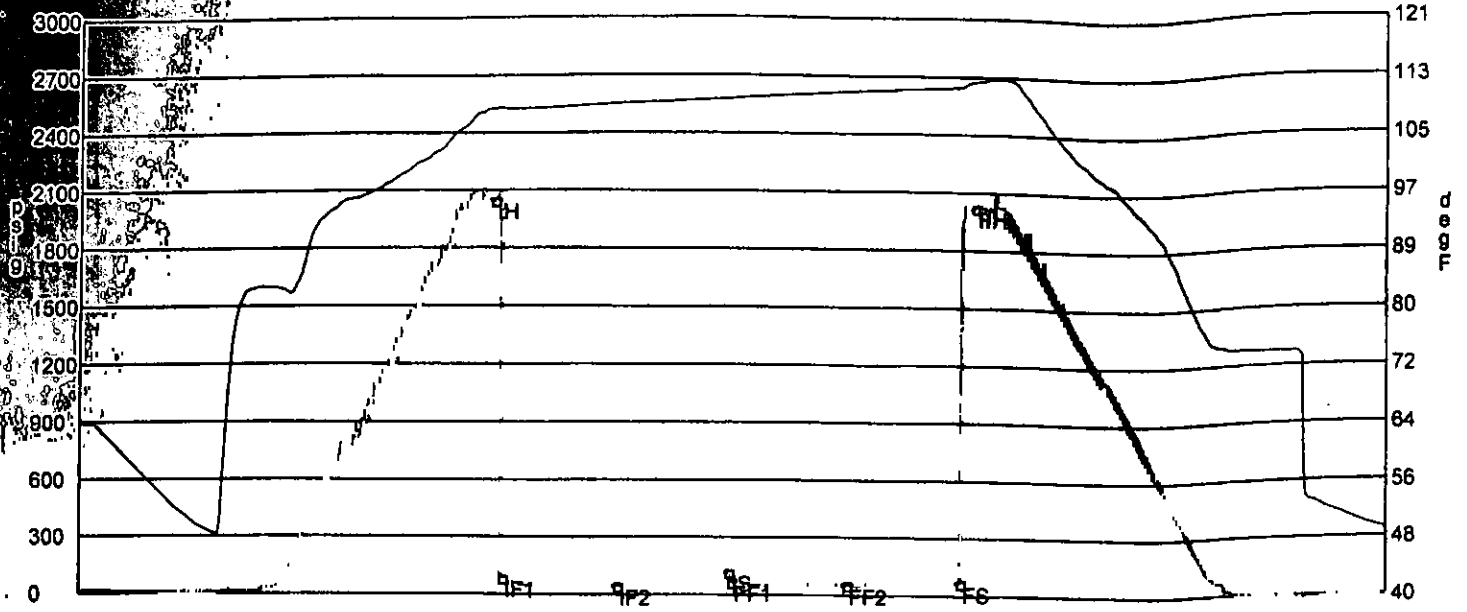
GENERAL INFORMATION

| | | | |
|------------------------------------|--|------------------------------------|-------------------------|
| Test # 2 | Test Date 1/18/2011 | Chokes 3/4 | Hole Size 7 7/8 |
| Tester Tim Venters | | Top Recorder # W1119 | |
| Test Type Conventional Bottom Hole | | Mid Recorder # W1022 | |
| | | Bott Recorder # 13310 | |
| # of Packers 2.0 | Packer Size 6 3/4 | Mileage 64 | Approved By |
| | | Standby Time 0 | |
| Mud Type Gel Chem | | Extra Equipmnt Jars & Safety joint | |
| Mud Weight 9.2 | Viscosity 59.0 | Time on Site 5:30 AM | |
| Filtrate 7.4 | Chlorides 2000 | Tool Picked Up 7:20 AM | |
| | | Tool Layed Dwn 12:30 PM | |
| Drill Collar Len 123.0 | | Elevation 2524.00 | Kelley Bushings 2529.00 |
| Wght Pipe Len 0 | | | |
| Formation Marmaton | | Start Date/Time 1/18/2011 6:48 AM | |
| Interval Top 4137.0 | Bottom 4280.0 | End Date/Time 1/18/2011 12:29 PM | |
| Anchor Len Below 143.0 | Between 0 | | |
| Total Depth 4280.0 | | | |
| Blow Type | Weak 1/2" blow at start of initial flow period, building to 1 1/2" in 5 min. It held there until about the 15 min mark where it started to deplete, ending the period with a 1" blow. Weak surface blow throughout final flow period. | | |
| | Times: 30, 30, 30, 30. | | |

RECOVERY

| Feet | Description | Gas | Oil | Water | Mud |
|------------|-------------------------|--------|-------|--------|-----------|
| 30 | Mud with a trace of oil | 0% 0ft | trace | 0% 0ft | 100% 30ft |
| DST Fluids | 0 | | | | |

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| | Date | Time | Pressure | Temp | |
|-----|-----------------------|----------|----------|---------|----------------------|
| IH | 1/18/2011 8:36:20 AM | 1.805556 | 2046.048 | 108.242 | Initial Hydro-static |
| IF1 | 1/18/2011 8:38:50 AM | 1.847222 | 81.884 | 108.295 | Initial Flow (1) |
| IF2 | 1/18/2011 9:09:20 AM | 2.355556 | 43.435 | 108.916 | Initial Flow (2) |
| IS | 1/18/2011 9:38:50 AM | 2.847222 | 116.847 | 109.657 | Initial Shut-In |
| FF1 | 1/18/2011 9:39:30 AM | 2.858333 | 65.652 | 109.691 | Final Flow (1) |
| FF2 | 1/18/2011 10:09:50 AM | 3.363889 | 52.021 | 110.759 | Final Flow (2) |
| FS | 1/18/2011 10:39:50 AM | 3.863889 | 66.85 | 111.474 | Final Shut-In |
| FH | 1/18/2011 10:43:20 AM | 3.922222 | 2023.453 | 112.27 | Final Hydro-static |

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

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 MAR 31 2011
 WCC WICHITA

| | | | | |
|----------|---|---------------|--------------------------------|------------------------|
| Company | Palomino Petroleum, Inc. | Lease Name | Howard | |
| Address | 4924 SE 84th St. | Lease # | 1 | |
| CSZ | Newton, KS 67114 | Legal Desc | NE-SW-SW-NE | Job Ticket 2136 |
| Attn. | Nick Gerstner | Section | 29 | Range 25W |
| | | Township | 15S | |
| | | County | Trego | State KS |
| | | Drilling Cont | WW Drilling, LLC Rig #8 | |
| Comments | Legal Description Feet: 2122' FNL & 2277' FEL Field: Splitter SW | | | |

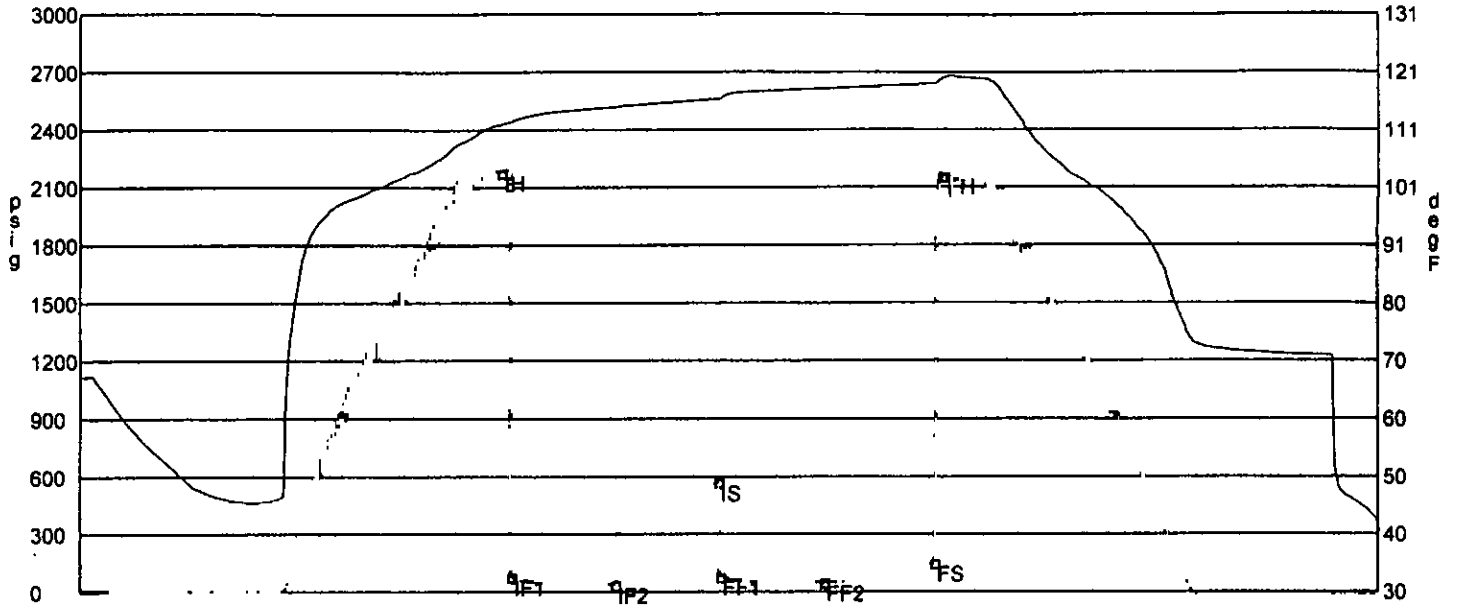
GENERAL INFORMATION

| | | | |
|--|----------------------------|--|---|
| Test # 3 | Test Date 1/19/2011 | 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 64 | Approved By |
| Mud Weight 9.2 | Viscosity 54.0 | Standby Time 0 | Extra Equipmnt Jars & Safety joint |
| Filtrate 7.8 | Chlorides 2000 | Time on Site 1:50 AM | Tool Picked Up 3:20 AM |
| Drill Collar Len 123.0 | | Tool Layed Dwn 8:50 AM | |
| Wght Pipe Len 0 | | Elevation 2524.00 | Kelley Bushings 2529.00 |
| Formation Mississippian | | Start Date/Time 1/19/2011 2:43 AM | |
| Interval Top 4393.0 | Bottom 4448.0 | End Date/Time 1/19/2011 8:58 AM | |
| Anchor Len Below 55.0 | Between 0 | | |
| Total Depth 4448.0 | | | |
| Blow Type Weak 1/4" blow at start of intial flow period, building to 1/2" in 5 min, where it held the rest of the period. Very weak surface blow throughout final flow period. Times: 30, 30, 30, 32. | | | |

RECOVERY

| Feet | Description | Gas | Oil | Water | Mud |
|------------|-------------------------|--------|----------|--------|------------|
| 45 | Very slight oil cut mud | 0% 0ft | 1% 0.4ft | 0% 0ft | 99% 44.6ft |
| DST Fluids | 0 | | | | |

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| | Date | Time | Pressure | Temp | |
|-----|----------------------|----------|----------|---------|----------------------|
| IH | 1/19/2011 4:44:00 AM | 2.016667 | 2181.453 | 111.803 | Initial Hydro-static |
| IF1 | 1/19/2011 4:47:00 AM | 2.066667 | 80.78 | 112.148 | Initial Flow (1) |
| IF2 | 1/19/2011 5:17:10 AM | 2.569444 | 39.829 | 114.754 | Initial Flow (2) |
| IS | 1/19/2011 5:47:00 AM | 3.066667 | 573.662 | 116.189 | Initial Shut-In |
| FF1 | 1/19/2011 5:47:30 AM | 3.075 | 80.309 | 116.173 | Final Flow (1) |
| FF2 | 1/19/2011 6:17:40 AM | 3.577778 | 50.155 | 118.058 | Final Flow (2) |
| FS | 1/19/2011 6:49:40 AM | 4.111111 | 151.084 | 118.95 | Final Shut-In |
| FH | 1/19/2011 6:52:20 AM | 4.155556 | 2159.411 | 120.011 | 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 | Howard | |
| Address | 4924 SE 84th St. | Lease # | 1 | |
| CSZ | Newton, KS 67114 | Legal Desc | NE-SW-SW-NE | Job Ticket 2136 |
| Attn. | Nick Gerstner | Section | 29 | Range 25W |
| | | Township | 15S | |
| | | County | Trego | State KS |
| | | Drilling Cont | WW Drilling, LLC Rig #8 | |
| Comments | Legal Description Feet: 2122' FNL & 2277' FEL Field: Splitter SW | | | |

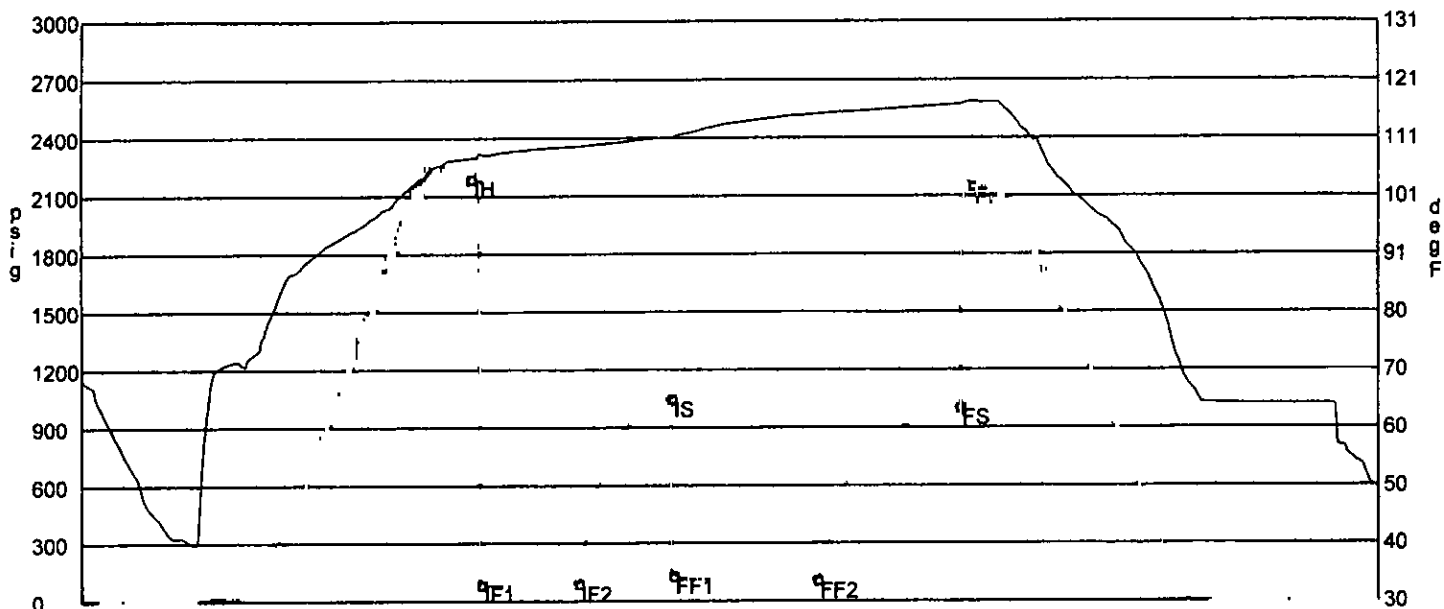
GENERAL INFORMATION

| | | | |
|------------------------------------|--|------------------------------------|-------------------------|
| Test # 4 | Test Date 1/19/2011 | Chokes 3/4 | Hole Size 7 7/8 |
| Tester Tim Venters | | Top Recorder # W1119 | |
| Test Type Conventional Bottom Hole | | Mid Recorder # W1022 | |
| Successful Test | | Bott Recorder # 13310 | |
| # of Packers 2.0 | Packer Size 6 3/4 | Mileage 0 | Approved By |
| Mud Type Gel Chem | | Standby Time 0 | |
| Mud Weight 9.2 | Viscosity 54.0 | Extra Equipmnt Jars & Safety joint | |
| Filtrate 7.8 | Chlorides 2000 | Time on Site 1:50 AM | |
| Drill Collar Len 123.0 | | Tool Picked Up 3:05 PM | |
| Wght Pipe Len 0 | | Tool Layed Dwn 9:15 PM | |
| Formation Mississippian | | Elevation 2524.00 | Kelley Bushings 2529.00 |
| Interval Top 4393.0 | Bottom 4464.0 | Start Date/Time 1/19/2011 2:29 PM | |
| Anchor Len Below 71.0 | Between 0 | End Date/Time 1/19/2011 9:14 PM | |
| Total Depth 4464.0 | | | |
| Blow Type | Weak surface blow at start of intial flow period, building to 6 1/2". Very weak surface blow at start of final flow period, building to 6". Times: 30, 30, 45, 45. Oil Gravity: 41. | | |

RECOVERY

| Feet | Description | Gas | Oil | Water | Mud |
|------------|-------------------|--------|------------|--------|------------|
| 50 | Clean oil | 0% 0ft | 100% 50ft | 0% 0ft | 0% 0ft |
| 20 | Heavy mud cut oil | 0% 0ft | 60% 12ft | 0% 0ft | 40% 8ft |
| 125 | Heavy oil cut mud | 0% 0ft | 35% 43.8ft | 0% 0ft | 65% 81.2ft |
| DST Fluids | 0 | | | | |

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| | Date | Time | Pressure | Temp | |
|-----|----------------------|----------|----------|---------|----------------------|
| IH | 1/19/2011 4:29:50 PM | 2.013889 | 2199.456 | 107.418 | Initial Hydro-static |
| IF1 | 1/19/2011 4:33:00 PM | 2.066667 | 91.13 | 108.163 | Initial Flow (1) |
| IF2 | 1/19/2011 5:03:30 PM | 2.575 | 94.515 | 109.434 | Initial Flow (2) |
| IS | 1/19/2011 5:32:30 PM | 3.058333 | 1054.504 | 111.039 | Initial Shut-In |
| FF1 | 1/19/2011 5:33:10 PM | 3.069444 | 135.654 | 110.956 | Final Flow (1) |
| FF2 | 1/19/2011 6:18:10 PM | 3.819444 | 112.884 | 114.997 | Final Flow (2) |
| FS | 1/19/2011 7:02:50 PM | 4.563889 | 1011.592 | 116.657 | Final Shut-In |
| FH | 1/19/2011 7:06:50 PM | 4.630556 | 2158.278 | 117.142 | Final Hydro-static |

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

RECEIVED
 MAR 31 2011
 KCC WICHITA